

P.S.C. No. 16 - Gas
Company: Rochester Gas and Electric Corporation

Statement Type: GCA
Statement No. 9

GAS COST CALCULATION
Effective **December 30, 2003**
Applicable to Service Classification No. 1 of
PSC No. 16 – Gas
(Issued under Authority of 16 NYCRR 270.55 and 270.57)

Average Cost of Gas

The average cost of gas per therm (as defined in Rule 4.H.3) determined on **December 23, 2003**, by applying rates and charges of the Company's natural gas suppliers in effect **December 15, 2003**, to quantities of gas supplied to the company during the 12 months ended **November 30, 2003** is

\$0.771704

Factor of Adjustment

Total Cost of Gas **1.0128**
0.771704 X 1.0128 factor of adjustment

\$0.781582

Inter-Departmental Sales Credit

The inter-departmental sales credit per therm is

-\$0.000048

Gas Cost Reconciliation

Pursuant to Rule 4.H.7 of PSC No. 16 – Gas, the credit per therm applicable during the period January 1, 2004 thru December 31, 2004 is

-\$0.008044

Gas Cost Reconciliation- Interim

Pursuant to Rule 4.H.7 of PSC No. 16 – Gas, the credit per therm applicable during the period April 1, 2003 thru August 31, 2003 is

\$0.000000

Revenue Requirement Surcharge

The surcharge per therm applicable during this period is

\$0.000000

Gas Cost Refund

By reason of gas pipeline refund of overcharges, the Gas Cost Refund per therm is

\$0.000000

Capacity Cost Incentive

Pursuant to the Commission Order issued February 28, 2001 in case 98-G-1589

\$0.004736

Refund of Revenues Collected for PSC Transition Costs from SC#3 and SC #5

The refund per therm applicable during the period is

-\$0.008255

Research and Development Surcharge

Pursuant to the Commission Order issued April 21, 2000 in Case 99-G-1369

\$0.000480

Back out Credit Surcharge

Pursuant to Rule 4.H.10 of PSC No. 16 - Gas, the surcharge per therm is

\$0.003814

Net Cost of Gas

For the billing month of **January 2004**, and for each billing month thereafter, until changed, the Net Cost of Gas per therm, under Service Classification No. 1 is

\$0.774265

ISSUED BY: James A. Lahtinen, Vice President Rates and Regulatory Economics, Rochester, New York