Received: 03/26/2004 Status: CANCELLED Effective Date: 03/31/2004

P.S.C. No. 16 - Gas

Company: Rochester Gas and Electric Corporation

Statement Type: STSR

Statement No. 3

Small Transportation Service Rate Adjustment Statement Effective March 31, 2004

Applicable to Service Classification No. 5 (Issued under Authority of 16 NYCRR 270.55 and 270.57) (PER THERM UNLESS OTHERWISE NOTED)

	SC#5 customers
<u>Charge for City Gate Balancing Service (incl. losses)</u> (\$/therm at Customer Meter)	\$0.001020
Other Costs: A) Adjustment for Inter-Departmental Sales	(\$0.000049)
B) Research and Development Surcharge	\$0.000480
C) PSC Transition Costs	\$0.023708
D) FERC Order 636 Transition Cost Surcharge	\$0.001650
E) Revenue Requirement SurchargeF) Low Income ProgramTotal Other Costs	\$0.000000 \$0.000377 \$0.026166
Weighted Average Stored Gas (\$/dt at storage)	\$5.203669
Weighted Average Cost of Storage 1 (\$/month per DT/day of assigned Maximum Daily Quantity)	\$4.86680
Weighted Average Cost of Storage 2 (\$/month per DT/day of assigned Maximum Daily Quantity)	\$6.00770
Weighted Average Cost of Storage 3 (\$/month per DT/day of assigned Maximum Daily Quantity)	\$3.38950
Weighted Average Cost of Storage 4 (\$/month per DT/day of assigned Maximum Daily Quantity)	\$1.47730
The following \$/therm charge at customer's meter applies upon termination of service on this Service Classification:	
Commodity Cost of Gas	\$0.565420
Weighted Average Cost of Gas	\$0.729251

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