

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

Statement Type: GSC
Statement No. 15

GAS SUPPLY CHARGE and MERCHANT FUNCTION CHARGE

Effective June 29, 2004

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.2) determined on June 24, 2004, by applying rates and charges of the Company's natural gas suppliers in effect June 15, 2004, to quantities of gas supplied to the company during the 12 months ended May 31, 2004 is

\$0.802226

Factor of Adjustment

Total Cost of Gas 1.0135

0.802226 X 1.0135 factor of adjustment

\$0.813056

Inter-Departmental Sales Credit

The inter-departmental sales credit per therm is

-\$0.000048

Gas Cost Reconciliation

Pursuant to Rule 4.H.5 of PSC No. 16 – Gas, the surcharge 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.6 of PSC No. 16 – Gas, the credit per therm applicable during the period ending August 31, 2004 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

\$0.004775

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

The refund per therm applicable during the period is

-\$0.007786

Research and Development Surcharge

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

\$0.000470

Gas Supply Charge (Net Cost of Gas)

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

\$0.802423

Merchant Function Charge

\$0.042474

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