

PSC No. 16 Gas
Rochester Gas and Electric Corporation
Initial Effective Date: September 1, 2011

IGSC
Statement No.49

INCREMENTAL GAS SUPPLY CHARGE AND MERCHANT FUNCTION CHARGE

Applicable to Service Classification No. 1 and 8 of PSC No. 16 - Gas
(Issued under Authority of 16 NYCRR 720-6.5)

Weighted Average Cost of Gas

Per Therm

The average cost of gas per therm determined on August 29, 2011
by applying rates and charges of the Company's natural gas suppliers
in effect September 2011, to quantities of gas supplied to the Company during
the 12 months ended July 31, 2011 is

Weighted Average Commodity Cost	\$0.442500
Weighted Average Demand Cost	<u>\$0.151533</u>
Gross Weight Average Cost of Gas	\$0.594033
Factor of Adjustment	<u>1.0100</u>
	\$0.599973
Incremental Gas Supply Cost	\$0.659970

Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000045)
Annual Reconciliation of Gas Costs - January 1, 2011 to December 31, 2011	\$0.003010
Interim Gas Cost Reconciliation	\$0.000000
Pipeline Refunds	\$0.000000
Refund of Revenues Collected for PSC transition and Balancing Charges From SC #3, SC#5, and SC#7	(\$0.001660)
Research and Development	\$0.000630
Mendon Gate Station Heater Fuel Costs	\$0.000247

Incremental Gas Supply Charge

For the month of September 2011, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.662152
--	------------

Merchant Function Charge

Residential Customers	\$0.043209
Non Residential Customers	\$0.035239

Total Cost of Gas

Residential Customers	\$0.705361
Non Residential Customers	\$0.697391