

PSC No. 16 Gas**Rochester Gas and Electric Corporation**

Initial Effective Date: January 1, 2012

Issued in compliance with order in Case No. 09-G-0718 dated September 21, 2010

MFC
Statement No.16**MERCHANT FUNCTION CHARGE STATEMENT**Applicable to Service Classification No. 1, 6 and 8 of PSC No. 16 - Gas
(Issued under Authority of 16 NYCRR 720-6.5)

	Residential Customers \$ Per Therm	Non Residential Customers \$ Per Therm
Monthly Gas Supply Charge	\$ 0.611822	\$ 0.611822
Uncollectible Factor	1.9213%	0.5818%
Uncollectible Charge (Monthly Gas Supply 1 Charge * Uncollectible Factor)	0.011755	0.003560
2 Gas Storage Inventory Carrying Charge	0.003810	0.003810
3 Working Capital - Commodity Hedges	0.004083	0.004083
4 Credit & Collections and Call Center	0.010918	0.010918
5 Administrative Charge	0.012966	0.012966
6 Prior Period Reconciliation	(0.002729)	(0.002729)
Total MFC Rate	\$ 0.040803	\$ 0.032608

Dated: September 28, 2010

Issued By: James A. Lahtinen, Vice President-Rates & Regulatory Economics, Binghamton, New York