

IGSC
Statement No.37
to PSC No. 16- Gas

ROCHESTER GAS AND ELECTRIC CORPORATION
Rochester, New York
INCREMENTAL GAS SUPPLY CHARGE AND MERCHANT FUNCTION CHARGE
Effective: September 26, 2010
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 GasPer Therm

The average cost of gas per therm determined on August 27, 2010
by applying rates and charges of the Company's natural gas suppliers
in effect September 2010, to quantities of gas supplied to the Company during
the 12 months ended July 31, 2010 is

Weighted Average Commodity Cost	\$0.485700
Weighted Average Demand Cost	<u>\$0.124886</u>
Gross Weight Average Cost of Gas	\$0.610586
Factor of Adjustment	<u>1.0136</u>
	\$0.618890
Incremental Gas Supply Cost	\$0.680779

Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000045)
Annual Reconciliation of Gas Costs - January 1, 2009 to December 31, 2009	\$0.021446
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	(\$0.001597)
Research and Development	\$0.000640

Incremental Gas Supply Charge

For the month of September 2010, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.701223
--	------------

Merchant Function Charge

Residential Customers	\$0.048801
Non Residential Customers	\$0.038538

Total Cost of Gas

Residential Customers	\$0.750024
-----------------------	------------