

GSC
Statement No. **85**
to PSC No. 16- Gas

ROCHESTER GAS AND ELECTRIC CORPORATION

Rochester, New York

GAS SUPPLY CHARGE AND MERCHANT FUNCTION CHARGE

Effective: March 1, 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 Gas

Per Therm

The average cost of gas per therm determined on **February 25**, 2010
by applying rates and charges of the Company's natural gas suppliers
in effect March **2010**, to quantities of gas supplied to the Company during
the 12 months ended January **31**, 2010 is

Weighted Average Commodity Cost	\$0.570537
Weighted Average Demand Cost	<u>\$0.119943</u>
Gross Weight average Cost of Gas	\$0.690480
Factor of Adjustment	<u>1.0136</u>
	\$0.699871

Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000042)
Annual Reconciliation of Gas Costs - January 1, 2010 to December 31, 2010	\$0.021446
Interim Gas Cost Reconciliation	\$0.000000
Pipeline Refunds	(\$0.001605)
Refund of Revenues Collected for PSC transition and Balancing Charges From SC #3, SC#5, and SC#7	(\$0.001398)
Research and Development	\$0.000630

Gas Supply Charge

For the month of March **2010**, and for each month thereafter, until changed,

\$0.718902

Merchant Function Charge

\$0.029203

Total Cost of Gas

\$0.748105