PSC No. 18 Electricity

Rochester Gas and Electric Corporation Initial Effective Date: August 01, 2018 Issued in compliance with order in Case No. 15-E-0285 dated June 15, 2016 Statement Type: MFC Statement We DSte: 08/01/2018

Merchant Function Charge Statement

For customers taking service under the RG&E Supply Service (RSS) rate or Hourly Pricing with supply provided by RG&E, pursuant to RG&E's Supply Service Options, General Information Section 12 of Schedule PSC No. 19 - Electricity, the following Merchant Function Charge is applicable to energy supplied [all kilowatt-hours (kWhs)] under the service classifications listed below.

	Non Demand billed (Hedged)	Non Demand billed (Non-Hedged)	Demand billed
	<u>\$ per kWh</u>	<u>\$ per kWh</u>	<u>\$ per kWh</u>
Monthly Electric Supply Cost	\$0.041323	\$0.038528	\$0.039236
Uncollectible Factor	<u>2.828800</u> %	2.828800%	0.207100%
1 Uncollectible Charge (Monthly Electric Supply Cost * Uncollectible Factor)	\$0.001169	\$0.001090	\$0.000081
2 Working Capital - Purchase Power	\$0.000133	\$0.000133	\$0.000133
3 Working Capital - Commodity Hedges	\$0.000303	-	-
4 Credit & Collections and Call Center	\$0.000632	\$0.000632	\$0.000632
5 Administrative Charge	\$0.001754	\$0.001754	\$0.001754
6 Prior Period Reconciliation	(\$0.000259)	(\$0.000062)	\$0.000015
Total MFC Rate per kWh	\$0.003732	\$0.003547	\$0.002615

Service Classification Nos. 1, 2 and 6 will be billed the "Non-Demand billed (hedged)" MFC rate.

All Street Lighting Service Classifications (Nos. 1, 2, and 3) will be billed the "Non-Demand billed (hedged)" MFC rate.

Service Classification Nos. 4 will be billed the "Non-Demand billed (non-hedged)" MFC rate.

Service Classification Nos. 3, 7, 8 and 9 will be billed the "Demand billed" MFC rate.

For Service Classification Nos. 10, 11, and 14, the customer's otherwise applicable service classification will determine the applicable MFC.