

PSC No. 16 Gas  
Rochester Gas and Electric Corporation  
Initial Effective Date: August 1, 2017

IGSC  
Statement No.120

## 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 July 27, 2017  
by applying rates and charges of the Company's natural gas suppliers  
in effect August 2017, to quantities of gas supplied to the Company during  
the 12 months ended December 31, 2017 is

Weighted Average Commodity Cost	\$0.181245
Weighted Average Demand Cost	\$0.098369
Gross Weight Average Cost of Gas	\$0.279614
Factor of Adjustment	<u>1.0044</u>
	\$0.280844
Incremental Gas Supply Cost	\$0.308928

### Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000008)
Annual Reconciliation of Gas Costs - January 1, 2014 to December 31, 2014	(\$0.005579)
Interim Gas Cost Reconciliation	\$0.026985
Pipeline Refunds	\$0.000000
Refund of Revenues Collected for PSC transition and Balancing Charges From SC #3, SC#5, and SC#7	(\$0.007373)
Research and Development	\$0.000610
Mendon Gate Station Heater Fuel Costs	\$0.000054

### Incremental Gas Supply Charge

For the month of August 2017, and for each month thereafter, until changed,  
the Gas Supply Charge per therm, under Service Classification No. 1 is

\$0.323617

### Merchant Function Charge

Residential Customers	\$0.021462
Non Residential Customers	\$0.018405

### Total Cost of Gas

Residential Customers	\$0.345079
Non Residential Customers	\$0.342022