

**PSC No. 18 Electricity**  
**Rochester Gas and Electric Corporation**

Initial Effective Date: July 01, 2016

Issued in compliance with order in Case No. 15-E-0285 dated June 15, 2016

Statement Type: MFC

Statement Date: 07/01/2016

### 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) \$ per kWh	Non Demand billed (Non-Hedged) \$ per kWh	Demand billed \$ per kWh
Monthly Electric Supply Cost	\$0.034536	\$0.034536	\$0.022793
Uncollectible Factor	<u>3.393500%</u>	<u>3.393500%</u>	<u>0.242000%</u>
1 Uncollectible Charge ( Monthly Electric Supply Cost * Uncollectible Factor)	\$0.001172	\$0.001172	\$0.000055
2 Working Capital - Purchase Power	\$0.000136	\$0.000136	\$0.000136
3 Working Capital - Commodity Hedges	\$0.000820	-	-
4 Credit & Collections and Call Center	\$0.000639	\$0.000639	\$0.000639
5 Administrative Charge	\$0.001773	\$0.001773	\$0.001773
6 Prior Period Reconciliation	\$0.000573	\$0.000573	\$0.000206
<b>Total MFC Rate per kWh</b>	<b>\$0.005113</b>	<b>\$0.004293</b>	<b>\$0.002809</b>

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.