

PSC No. 16 Gas  
Rochester Gas and Electric Corporation  
Initial Effective Date: December 1, 2014

IGSC  
Statement No.88

## 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 November 25, 2014  
by applying rates and charges of the Company's natural gas suppliers  
in effect December 2014, to quantities of gas supplied to the Company during  
the 12 months ended October 31, 2014 is

Weighted Average Commodity Cost	\$0.345684
Weighted Average Demand Cost	<u>\$0.093619</u>
Gross Weight Average Cost of Gas	\$0.439303
Factor of Adjustment	<u>1.0100</u>
	\$0.443696
Incremental Gas Supply Cost	\$0.554620

### Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000024)
Annual Reconciliation of Gas Costs - January 1, 2014 to December 31, 2014	<b>(\$0.002285)</b>
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	(\$0.011309)
Research and Development	\$0.000600
Mendon Gate Station Heater Fuel Costs	\$0.000169

### Incremental Gas Supply Charge

For the month of December 2014, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.541771
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### Merchant Function Charge

Residential Customers	\$0.030711
Non Residential Customers	\$0.024050

### Total Cost of Gas

Residential Customers	\$0.572482
Non Residential Customers	\$0.565821