

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

IGSC
Statement No.81

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 April 28, 2014
by applying rates and charges of the Company's natural gas suppliers
in effect May 2014, to quantities of gas supplied to the Company during
the 12 months ended March 31, 2014 is

Weighted Average Commodity Cost	\$0.416475
Weighted Average Demand Cost	<u>\$0.105477</u>
Gross Weight Average Cost of Gas	\$0.521952
Factor of Adjustment	<u>1.0100</u>
	\$0.527172
Incremental Gas Supply Cost	\$0.579889

Adjustments to Weighted average cost of gas

Interdepartmental Sales Credit	(\$0.000024)
Annual Reconciliation of Gas Costs - January 1, 2014 to December 31, 2014	(\$0.002285)
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	(\$0.011855)
Research and Development	\$0.000600
Mendon Gate Station Heater Fuel Costs	\$0.000226

Incremental Gas Supply Charge

For the month of May 2014, and for each month thereafter, until changed, the Gas Supply Charge per therm, under Service Classification No. 1 is	\$0.566551
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Merchant Function Charge

Residential Customers	\$0.035119
Non Residential Customers	\$0.026796

Total Cost of Gas

Residential Customers	\$0.601670
Non Residential Customers	\$0.593347