

### 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	\$0.047757	\$0.071333	\$0.068364
Uncollectible Factor	0.588000%	0.588000%	0.265600%
1 Uncollectible Charge ( Monthly Electric Supply Cost * Uncollectible Factor)	\$0.000281	\$0.000419	\$0.000182
2 Working Capital - Purchase Power	\$0.000105	\$0.000105	\$0.000105
3 Working Capital - Commodity Hedges	\$0.000253	-	-
4 Credit & Collections and Call Center	\$0.000572	\$0.000572	\$0.000572
5 Administrative Charge	\$0.001199	\$0.001199	\$0.001199
6 Prior Period Reconciliation	(\$0.000132)	(\$0.000061)	(\$0.000035)
<b>Total MFC Rate per kWh</b>	<b>\$0.002278</b>	<b>\$0.002234</b>	<b>\$0.002023</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.