

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) <u>\$ per kWh</u>	Non Demand billed (Non-Hedged) <u>\$ per kWh</u>	Demand billed <u>\$ per kWh</u>
Monthly Electric Supply Cost	\$0.078566	\$0.080423	\$0.081689
Uncollectible Factor	<u>3.503400%</u>	<u>3.503400%</u>	<u>0.636600%</u>
1 Uncollectible Charge (Monthly Electric Supply Cost * Uncollectible Factor)	\$0.002752	\$0.002818	\$0.000520
2 Working Capital - Purchase Power	\$0.000205	\$0.000205	\$0.000205
3 Working Capital - Commodity Hedges	\$0.000203	-	-
4 Credit & Collections and Call Center	\$0.000369	\$0.000369	\$0.000369
5 Administrative Charge	\$0.000622	\$0.000622	\$0.000622
6 Prior Period Reconciliation	<u>(\$0.000243)</u>	<u>(\$0.000039)</u>	<u>(\$0.000045)</u>
Total MFC Rate per kWh	\$0.003908	\$0.003975	\$0.001671

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.