

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 | \$0.059714 | \$0.087651 | \$0.090603 |
| Uncollectible Factor | <u>0.588000%</u> | <u>0.588000%</u> | <u>0.265600%</u> |
| 1 Uncollectible Charge (Monthly Electric Supply Cost * Uncollectible Factor) | \$0.000351 | \$0.000515 | \$0.000241 |
| 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) |
| Total MFC Rate per kWh | \$0.002348 | \$0.002330 | \$0.002082 |

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.