

**PSC NO. 87 Gas**  
**NEW YORK STATE ELECTRIC & GAS CORPORATION**  
 Initial Effective Date: October 1, 2008

Statement Type: IGSC  
 Statement No. 12  
 page 1 of 7

New York State Electric & Gas Corporation  
 Gas Supply Area 1  
 Combined Rate Area  
 Statement of Incremental Gas Supply Charge  
 Effective: October 1, 2008

Applicable to Service Classification No. 2 of PSC No. 87 Gas

Calculated on September 26, 2008, using supplier rates forecasted to be in effect on October 1, 2008  
 (per Therm)

<u>Description</u>	<u>SC No. 2</u>
Firm Average Demand COG	\$0.1203
Load Factor Adjustment (LFA)	0.9898
Adjusted Firm Average Demand COG	\$0.1190
Firm Average Commodity COG	\$0.7679
Firm Average COG w/ LFA	\$0.8869
Incremental Gas Supply COG	\$0.9756
Factor of Adjustment (FA)	1.00259
	<hr/>
Total Average Incremental COG	\$0.9781
Supplier Refund Adjustment	\$0.0000
Interim Reconciliation Adjustment	\$0.0000
Annual Reconciliation Adjustment	\$0.0000
Other Adjustments	\$0.0000
	<hr/>
Incremental GSC without MFC	<u>\$0.9781</u>

<u>Description</u>	<u>SC No. 2</u>
Merchant Function Charge	\$0.0458

Dated: September 26, 2008

Issued By: James A. Lahtinen, Vice President-Rates & Regulatory Economics, Binghamton, New York

Statement Type: IGSC  
Statement No. 12  
page 2 of 7New York State Electric & Gas Corporation  
Gas Supply Area 1  
Elmira Rate Area  
Statement of Incremental Gas Supply Charge  
Effective: October 1, 2008

Applicable to Service Classification No. 2 of PSC No. 87 Gas

Calculated on September 26, 2008, using supplier rates forecasted to be in effect on October 1, 2008  
(per Therm)

<u>Description</u>	<u>SC No. 2</u>
Firm Average Demand COG	\$0.1203
Load Factor Adjustment (LFA)	0.9898
Adjusted Firm Average Demand COG	0.1190
Firm Average Commodity COG	0.7679
Firm Average COG w/ LFA	0.8869
Incremental Gas Supply COG	\$0.9756
Factor of Adjustment (FA)	1.00259
	<hr/>
Total Average Incremental COG	\$0.9781
Supplier Refund Adjustment	\$0.0000
Interim Reconciliation Adjustment	\$0.0000
Annual Reconciliation Adjustment	\$0.0000
Other Adjustments	\$0.0000
	<hr/>
Incremental GSC without MFC	<u>\$0.9781</u>

<u>Description</u>	<u>SC No. 2</u>
Merchant Function Charge	\$0.0458

Dated: September 26, 2008

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Statement Type: IGSC  
Statement No. 12  
page 3 of 7New York State Electric & Gas Corporation  
Gas Supply Area 1  
Goshen Rate Area  
Statement of Incremental Gas Supply Charge  
Effective: October 1, 2008

Applicable to Service Classification No. 2 of PSC No. 87 Gas

Calculated on September 26, 2008, using supplier rates forecasted to be in effect on October 1, 2008  
(per Therm)

<u>Description</u>	<u>SC No. 2</u>
Firm Average Demand COG	\$0.1203
Load Factor Adjustment (LFA)	0.9898
Adjusted Firm Average Demand COG	\$0.1190
Firm Average Commodity COG	\$0.7679
Firm Average COG w/ LFA	\$0.8869
Incremental Gas Supply COG	\$0.9756
Factor of Adjustment (FA)	1.00259
	<hr/>
Total Average Incremental COG	\$0.9781
Supplier Refund Adjustment	\$0.0000
Interim Reconciliation Adjustment	\$0.0000
Annual Reconciliation Adjustment	\$0.0000
Other Adjustments	\$0.0000
	<hr/>
Incremental GSC without MFC	<u><u>\$0.9781</u></u>

<u>Description</u>	<u>SC No. 2</u>
Merchant Function Charge	\$0.0458

Dated: September 26, 2008

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Statement Type: IGSC  
Statement No. 12  
page 4 of 7New York State Electric & Gas Corporation  
Gas Supply Area 1  
Champlain Rate Area  
Statement of Incremental Gas Supply Charge  
Effective: October 1, 2008

Applicable to Service Classification No. 2 of PSC No. 87 Gas

Calculated on September 26, 2008, using supplier rates in effect on October 1, 2008  
(per Therm)

<u>Description</u>	<u>SC No. 2</u>
Firm Average Demand COG	\$0.1203
Load Factor Adjustment (LFA)	0.9898
Adjusted Firm Average Demand COG	\$0.1190
Firm Average Commodity COG	\$0.7679
Firm Average COG w/ LFA	\$0.8869
Incremental Gas Supply COG	\$0.9756
Factor of Adjustment (FA)	1.00259
	<hr/>
Total Average Incremental COG	\$0.9781
Supplier Refund Adjustment	\$0.0000
Interim Reconciliation Adjustment	\$0.0000
Annual Reconciliation Adjustment	\$0.0000
Other Adjustments	\$0.0000
	<hr/>
Incremental GSC without MFC	<u><u>\$0.9781</u></u>

<u>Description</u>	<u>SC No. 2</u>
Merchant Function Charge	\$0.0458

Dated: September 26, 2008

Issued By: James A. Lahtinen, Vice President-Rates &amp; Regulatory Economics, Binghamton, New York

Statement Type: IGSC  
Statement No. 12  
page 5 of 7New York State Electric & Gas Corporation  
Gas Supply Area 2  
Binghamton Rate Area  
Statement of Incremental Gas Supply Charge  
Effective: October 1, 2008

Applicable to Service Classifications No. 2, 9 of PSC No. 87 Gas

Calculated on September 26, 2008, using supplier rates forecasted to be in effect on October 1, 2008  
(per Therm)

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Firm Average Demand COG	\$0.0724	\$0.0724
Load Factor Adjustment (LFA)	0.9925	0.8623
Adjusted Firm Average Demand COG	\$0.0718	\$0.0624
Firm Average Commodity COG	\$0.7900	\$0.7900
Firm Average COG w/ LFA	\$0.8618	\$0.8524
Incremental Gas Supply COG	\$0.9480	\$0.9376
Factor of Adjustment (FA)	1.00259	1.00259
	<hr/>	<hr/>
Total Average Incremental COG	\$0.9504	\$0.8546
Supplier Refund Adjustment	\$0.0000	\$0.0000
Interim Reconciliation Adjustment	\$0.0000	\$0.0000
Annual Reconciliation Adjustment	\$0.0000	\$0.0000
Other Adjustments	\$0.0000	\$0.0000
	<hr/>	<hr/>
Incremental GSC without MFC	<u>\$0.9504</u>	<u>\$0.8546</u>
	<hr/>	<hr/>
<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Merchant Function Charge	\$0.0458	\$0.0458

Dated: September 26, 2008

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Statement Type: IGSC  
Statement No. 12  
page 6 of 7New York State Electric & Gas Corporation  
Gas Supply Area 2  
Owego Rate Area  
Statement of Incremental Gas Supply Charge  
Effective: October 1, 2008

Applicable to Service Classification No. 2 of PSC No. 87 Gas

Calculated on September 26, 2008, using supplier rates forecasted to be in effect on October 1, 2008  
(per Therm)

<u>Description</u>	<u>SC No. 2</u>
Firm Average Demand COG	\$0.0724
Load Factor Adjustment (LFA)	0.9925
Adjusted Firm Average Demand COG	\$0.0718
Firm Average Commodity COG	\$0.7900
Firm Average COG w/ LFA	\$0.8618
Incremental Gas Supply COG	\$0.9480
Factor of Adjustment (FA)	1.00259
	<hr/>
Total Average Incremental COG	\$0.9504
Supplier Refund Adjustment	\$0.0000
Interim Reconciliation Adjustment	\$0.0000
Annual Reconciliation Adjustment	\$0.0000
Other Adjustments	\$0.0000
	<hr/>
Incremental GSC without MFC	<u><u>\$0.9504</u></u>

<u>Description</u>	<u>SC No. 2</u>
Merchant Function Charge	\$0.0458

Dated: September 26, 2008

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Statement Type: IGSC  
Statement No. 12  
page 7 of 7New York State Electric & Gas Corporation  
Gas Supply Area 3  
Lockport Rate Area  
Statement of Incremental Gas Supply Charge  
Effective: October 1, 2008

Applicable to Service Classification No. 2 of PSC No. 87 Gas

Calculated on September 26, 2008, using supplier rates forecasted to be in effect on October 1, 2008  
(per Therm)

<u>Description</u>	<u>SC No. 2</u>
Firm Average Demand COG	\$0.1550
Load Factor Adjustment (LFA)	0.9880
Adjusted Firm Average Demand COG	\$0.1531
Firm Average Commodity COG	\$0.7893
Firm Average COG w/ LFA	\$0.9424
Incremental Gas Supply COG	\$1.0366
Factor of Adjustment (FA)	1.00259
	<hr/>
Total Average Incremental COG	\$1.0393
Supplier Refund Adjustment	\$0.0000
Interim Reconciliation Adjustment	\$0.0000
Annual Reconciliation Adjustment	\$0.0000
Other Adjustments	\$0.0000
	<hr/>
Incremental GSC without MFC	<u>\$1.0393</u>

<u>Description</u>	<u>SC No. 2</u>
Merchant Function Charge	\$0.0458

Dated: September 26, 2008

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