

PSC NO. 87 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: January 1, 2018
 Issued in compliance with Order in Case No. 15-G-0284 dated June 15, 2016

Effective Date: 01/01/2018
 Statement Type: GSC
 Statement No. 186

New York State Electric & Gas Corporation

Statement of Gas Supply Charge

Effective: January 1, 2018, and for each month thereafter, until changed

Applicable to Service Classifications No. 1, 2, 5 and 9 of PSC No. 87 Gas

The average cost of gas per therm calculated on December 28, 2017, by applying rates and charges of the Company's natural gas suppliers in effect on January 1, 2018, to quantities forecasted for the 12 months ended December 31, 2017
 (per Therm)

<u>Description</u>	<u>SC No. 1</u>	<u>SC No. 2</u>	<u>SC No. 5</u>	<u>SC No. 9</u>
Firm Average Demand COG	\$0.134820	\$0.134820	\$0.134820	\$0.134820
Load Factor Adjustment (LFA)	1.0011	0.9964	0.4597	0.8093
Adjusted Firm Average Demand COG	\$0.134968	\$0.134335	\$0.061977	\$0.109110
Firm Average Commodity COG	\$0.266726	\$0.266726	\$0.266726	\$0.266726
Firm Average COG w/ LFA	\$0.401694	\$0.401061	\$0.328703	\$0.375836
Factor of Adjustment (FA)	1.00030	1.00030	1.00030	1.00030
Total Average COG	\$0.401815	\$0.401181	\$0.328802	\$0.375949
Supplier Refund Adjustment	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Annual Reconciliation Adjustment	(\$0.006301)	(\$0.006301)	(\$0.006301)	(\$0.006301)
System Performance Adjustment	\$0.000093	\$0.000093	\$0.000093	\$0.000093
Heater Fuel Charge	\$0.000330	\$0.000330	\$0.000330	\$0.000330
GSC without Merchant Function Charge, per Therm	\$0.395937	\$0.395303	\$0.322924	\$0.370071
<u>Description</u>	<u>SC No. 1</u>	<u>SC No. 2</u>	<u>SC No. 5</u>	<u>SC No. 9</u>
Merchant Function Charge	\$0.021891	\$0.016650	\$0.016650	\$0.016650

Note: Weather normalization adjustment (WNA) factors are computed on an individual customer basis. WNA factors are calculated annually for customers without adequate history and are filed with the Department of Public Service.

Dated: December 28, 2017

Issued By: Joseph J. Syta, Vice-President, Controller and Treasurer