

PSC NO. 87 Gas**NEW YORK STATE ELECTRIC & GAS CORPORATION**

Initial Effective Date: March 1, 2018

Issued in compliance with Order in Case No. 15-G-0284 dated June 15, 2016

Effective Date: 03/01/2018
Statement Type: IGSC
Statement No. 127

New York State Electric & Gas Corporation

Statement of Incremental Gas Supply Charge

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

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

The average cost of gas per therm calculated on February 26, 2018, by applying rates and charges of the Company's natural gas suppliers in effect on March 1, 2018, to quantities forecasted for the 12 months ended December 31, 2018
(per Therm)

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Firm Average Demand COG	\$0.132219	\$0.132219
Load Factor Adjustment (LFA)	0.9964	0.8093
Adjusted Firm Average Demand COG	\$0.131743	\$0.107005
Firm Average Commodity COG	\$0.254192	\$0.254192
Firm Average COG w/ LFA	\$0.385935	\$0.361197
Incremental Gas Supply COG	\$0.482419	\$0.451496
Factor of Adjustment (FA)	1.00030	1.00030
Total Average Incremental COG	\$0.482563	\$0.451632
Supplier Refund Adjustment	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	\$0.000000	\$0.000000
Annual Reconciliation Adjustment	(\$0.006301)	(\$0.006301)
System Performance Adjustment	\$0.000093	\$0.000093
Heater Fuel Charge	\$0.000328	\$0.000328
Incremental GSC without MFC, Per Therm	\$0.476683	\$0.445752

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Merchant Function Charge	\$0.016613	\$0.016613

Dated: February 26, 2018

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