Received: 07/27/2018 Status: CANCELLED

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

Initial Effective Date: August 1, 2018 Issued in compliance with Order in Case No. 15-G-0284 dated June 15, 2016 Effective Date: 08/01/2018 Statement Type: GSC Statement No. 193

New York State Electric & Gas Corporation

Statement of Gas Supply Charge Effective: August 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 July 27, 2018, by applying rates and charges of the Company's natural gas suppliers in effect on August 1, 2018, to quantities forecasted for the 12 months ended December 31, 2018

(per Therm)

<u>Description</u>	SC No. 1	SC No. 2	SC No. 5	SC No. 9
Firm Average Demand COG	\$0.129719	\$0.129719	\$0.129719	\$0.129719
Load Factor Adjustment (LFA)	1.0011	0.9964	0.4597	0.8093
Adjusted Firm Average Demand COG	\$0.129862	\$0.129252	\$0.059632	\$0.104982
Firm Average Commodity COG	\$0.259740	\$0.259740	\$0.259740	\$0.259740
Firm Average COG w/ LFA	\$0.389602	\$0.388992	\$0.319372	\$0.364722
Factor of Adjustment (FA)	1.00030	1.00030	1.00030	1.00030
Total Average COG	\$0.389719	\$0.389109	\$0.319468	\$0.364831
Supplier Refund Adjustment	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	(\$0.047610)	(\$0.047610)	(\$0.047610)	(\$0.047610)
Annual Reconciliation Adjustment	(\$0.006301)	(\$0.006301)	(\$0.006301)	(\$0.006301)
System Performance Adjustment	\$0.000093	\$0.00093	\$0.000093	\$0.000093
Heater Fuel Charge	\$0.000366	\$0.000366	\$0.000366	\$0.000366
GSC without Merchant Function Charge, per Therm	\$0.336267	\$0.335657	\$0.266016	\$0.311379
Description	SC No. 1	SC No. 2	SC No. 5	SC No. 9
Merchant Function Charge	\$0.021464	\$0.017232	\$0.017232	\$0.017232

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: July 27, 2018

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