

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

Initial Effective Date: June 1, 2017

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

Statement Type: MFC

Statement No. 81

New York State Electric & Gas Corporation

Statement of Merchant Function Charge

Effective: June 1, 2017, and for each month thereafter, until changed

Applicable to Service Classifications No. 1, 2, 5, 9, 10, and 11 of PSC No. 87 Gas

NYSEG Gas Merchant Function Charge

	Residential Customer \$ Per Therm	Non Residential Customer \$ Per Therm
Monthly Gas Supply Charge	\$ 0.379070	\$ 0.377981
Uncollectible Factor	1.57340%	0.25030%
Uncollectible Charge (Monthly Gas Supply Charge 1 * Uncollectible Factor)	\$ 0.005964	\$ 0.000946
2 Gas Storage Inventory Carrying Charge	\$ 0.001270	\$ 0.001270
3 Working Capital - Commodity Hedges	\$ 0.000022	\$ 0.000022
4 Credit & Collections and Call Center	\$ 0.005320	\$ 0.005320
5 Administrative Charge	\$ 0.010386	\$ 0.010386
6 Prior Period Reconciliation	\$ (0.001597)	\$ (0.001597)
Total MFC Rate, per therm	\$ 0.021365	\$ 0.016347

Customers in Service Class No. 1 will be billed the "Residential Customer" MFC rate.

Customers in Service Class No. 2, 5, 9, 10 and 11 will be billed the "Non-Residential Customer" MFC rate.

Dated: May 26, 2017

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