

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

Initial Effective Date: September 1, 2016

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

Effective Date: 09/01/2016
Statement Type: IGSC
Statement No. 109

New York State Electric & Gas Corporation

Statement of Incremental Gas Supply Charge

Effective: September 1, 2016, 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 August 29, 2016, by applying rates and charges of the Company's natural gas suppliers in effect on September 1, 2016, to quantities forecasted for the 12 months ended December 31, 2016
(per Therm)

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Firm Average Demand COG	\$0.132408	\$0.132408
Load Factor Adjustment (LFA)	0.9811	0.8401
Adjusted Firm Average Demand COG	\$0.129905	\$0.111236
Firm Average Commodity COG	\$0.190278	\$0.190278
Firm Average COG w/ LFA	\$0.320183	\$0.301514
Incremental Gas Supply COG	\$0.352201	\$0.331665
Factor of Adjustment (FA)	1.00030	1.00030
Total Average Incremental COG	\$0.352307	\$0.331765
Supplier Refund Adjustment	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	\$0.000000	\$0.000000
Annual Reconciliation Adjustment	(\$0.026038)	(\$0.026038)
Heater Fuel Charge	\$0.000211	\$0.000211
Incremental GSC without MFC, Per Therm	\$0.326480	\$0.305938

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Merchant Function Charge	\$0.017939	\$0.017939

Dated: August 29, 2016

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