

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

Initial Effective Date: January 1, 2016
 Issued in compliance with Order in Case No. 09-G-0716 dated September 21, 2010

Effective Date: 01/01/2016
 Statement Type: GSC
 Statement No. 162

New York State Electric & Gas Corporation
 All Areas
 Statement of Gas Supply Charge
 Effective: January 1, 2016, 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 29, 2015, by applying rates and charges of the Company's natural gas suppliers in effect on January 1, 2016, to quantities forecasted for the 12 months ended December 31, 2016
 (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	\$0.130226	\$0.130226	\$0.130226	\$0.130226
Load Factor Adjustment (LFA)	1.0060	0.9811	0.4856	0.8401
Adjusted Firm Average Demand COG	\$0.131007	\$0.127765	\$0.063238	\$0.109403
Firm Average Commodity COG	\$0.209218	\$0.209218	\$0.209218	\$0.209218
Firm Average COG w/ LFA	\$0.340225	\$0.336983	\$0.272456	\$0.318621
Factor of Adjustment (FA)	1.00181	1.00181	1.00181	1.00181
Total Average COG	\$0.340841	\$0.337593	\$0.272949	\$0.319198
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	(\$0.026038)	(\$0.026038)	(\$0.026038)	(\$0.026038)
Other Adjustments	\$0.000000	\$0.000000	\$0.000000	\$0.000000
GSC without Merchant Function Charge, per Therm	\$0.314803	\$0.311555	\$0.246911	\$0.293160

<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	\$0.017989	\$0.011898	\$0.011898	\$0.011898

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 29, 2015

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