

PSC NO. 87 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: March 1, 2015
 Issued in compliance with Order in Case No. 09-G-0716 dated September 21, 2010

Statement Type: IGSC
 Statement No. 91

New York State Electric & Gas Corporation
 All Areas
 Statement of Incremental Gas Supply Charge
 Effective: March 1, 2015, 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, 2015, by applying rates and charges of the Company's natural gas suppliers in effect on March 1, 2015, to quantities forecasted for the 12 months ended December 31, 2015
 (per Therm)

| <u>Description</u> | <u>SC No. 2</u> | <u>SC No. 9</u> |
|--|-----------------|-----------------|
| Firm Average Demand COG | \$0.125348 | \$0.125348 |
| Load Factor Adjustment (LFA) | 0.9752 | 0.8531 |
| Adjusted Firm Average Demand COG | \$0.122239 | \$0.106934 |
| Firm Average Commodity COG | \$0.332984 | \$0.332984 |
| Firm Average COG w/ LFA | \$0.455223 | \$0.439918 |
| Incremental Gas Supply COG | \$0.569029 | \$0.549898 |
| Factor of Adjustment (FA) | 1.00181 | 1.00181 |
| Total Average Incremental COG | \$0.570059 | \$0.550893 |
| Supplier Refund Adjustment | (\$0.000855) | (\$0.000855) |
| Interim Reconciliation Adjustment | \$0.000000 | \$0.000000 |
| Annual Reconciliation Adjustment | \$0.000862 | \$0.000862 |
| Other Adjustments | \$0.000000 | \$0.000000 |
| Incremental GSC without MFC, Per Therm | \$0.570065 | \$0.550899 |
| <u>Description</u> | <u>SC No. 2</u> | <u>SC No. 9</u> |
| Merchant Function Charge | \$0.009730 | \$0.009730 |

Dated: February 26, 2015

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