Received: 11/25/2014

Status: CANCELLED Effective Date: 12/01/2014

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

Initial Effective Date: December 1, 2014

Issued in compliance with Order in Case No. 09-G-0716 dated September 21, 2010

Statement Type: MFC Statement No. 51 page 1 of 2

New York State Electric & Gas Corporation
Gas Supply Areas 1 & 3
Combined, Elmira, Goshen, Champlain & Lockport Rate Areas
Statement of Merchant Function Charge
Effective: December 1, 2014, and for each month thereafter, until changed

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

NYSEG Gas Merchant Function Charge

GSA1- 3	Residential Customer \$ Per Therm		Non Residential Customer \$ Per Therm	
Monthly Gas Supply Charge	\$	0.490940	\$	0.487994
Uncollectible Factor		1.69720%		0.18650%
Uncollectible Charge (Monthly Gas 1 Supply Charge * Uncollectible Factor)	\$	0.008332	\$	0.000910
2 Gas Storage Inventory Carrying Charge	\$	0.003240	\$	0.003240
3 Working Capital - Commodity Hedges	\$	0.000153	\$	0.000153
4 Credit & Collections and Call Center	\$	0.004426	\$	0.004426
5 Administrative Charge	\$	0.001948	\$	0.001948
6 Prior Period Reconciliation	\$	(0.000888)	\$	(0.000888)
Total MFC Rate per therm	\$	0.017211	\$	0.009789

Customers in Service Class No. 1 will be billed the "Residential Customer" MFC rate. Customers in Service Class No. 2 and 5 will be billed the "Non-Residential Customer" MFC rate.

Dated: November 25, 2014

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

Received: 11/25/2014

Status: CANCELLED Effective Date: 12/01/2014

Statement Type: MFC Statement No. 51 page 2 of 2

New York State Electric & Gas Corporation
Gas Supply Area 2
Binghamton & Owego Rate Areas
Statement of Merchant Function Charge
Effective: December 1, 2014, and for each month thereafter, until changed

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

NYSEG Gas Merchant Function Charge

GSA2	Residential \$ Per Therm		Non Residential \$ Per Therm	
Monthly Gas Supply Charge	\$	0.505011	\$	0.502065
Uncollectible Factor		1.69720%		0.18650%
Uncollectible Charge (Monthly Gas 1 Supply Charge * Uncollectible Factor)	\$	0.008571	\$	0.000936
2 Gas Storage Inventory Carrying Charge	\$	0.003240	\$	0.003240
3 Working Capital - Commodity Hedges	\$	0.000153	\$	0.000153
4 Credit & Collections and Call Center	\$	0.004426	\$	0.004426
5 Administrative Charge	\$	0.001948	\$	0.001948
6 Prior Period Reconciliation	\$	(0.000888)	\$	(0.000888)
Total MFC Rate	\$	0.017450	\$	0.009815

Customers in Service Class No. 1 will be billed the "Residential Customer" MFC rate. Customers in Service Class No. 2, 5 and 9 will be billed the "Non-Residential Customer" MFC rate.

Dated: November 25, 2014

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