

Effective Date: 07/21/2016

PSC NO. 90 Gas
NEW YORK STATE ELECTRIC & GAS CORPORATION
 Initial Effective Date: 06/19/15

Leaf No: 90.6
 Revision: 10
 Superseding Revision: 9

GENERAL INFORMATION

14. GAS SUPPLY CHARGE (GSC): (CONT'D)

C. The Total Average Cost of Gas is: (Cont'd)

(4) Load Factor Adjustment (LFA):

- (a) A LFA shall be applicable to each service classification of each GSA.
- (b) At a minimum, the LFAs shall be updated by the Company annually such that the weighted average LFA for each GSA shall total one. The weighted average LFA is calculated by multiplying the LFA of each service classification by the ratio of sales for each service classification to total sales.

(5) Factor of Adjustment (FOA):

- (a) The FOA reflects lost and unaccounted for quantities and company use. The FOA is 1.00181 for all RAs. The provision is effective through August 31, 2016.
- (b) The FOA shall be reset on January 1 based on an average of the actual lost and unaccounted volumes for the immediately preceding three 12-month periods ending August 31, except that any negative losses should be replaced with a zero when calculating the average. This provision is effective through August 31, 2016.
- (c) The FOA shall not be reset if the average result from those periods is within plus or minus five percent of the FOA then in effect. This provision is effective through August 31, 2016.
- (d) Effective September 1, 2016:
 - (i) The FOA is set at 1.00028;
 - (ii) The Lost and Unaccounted for Gas (LAUF) Target is set at 0.028%;
 - (iii) The dead band upper limit is set at 0.282%;
 - (iv) The dead band lower limit is set at 0.000%.
- (e) System Performance Adjustment (SPA):
 - (i) The SPA adjustment mechanism shall recover or refund gas costs for actual LAUF greater or lesser than the Target LAUF within the dead band as defined in Rule 14.C.(5)(d) above for all firm sales and transportation customers;
 - (ii) Effective January 1, 2018 and each subsequent 12-month period starting January 1st and thereafter, a SPA per therm rate shall be applicable to Service Classification Nos. 1, 2, 5, 9, 10 and 11 sales customers and Service Classification Nos. 1T, 5T, 13T, 14T, 16T and 19T transportation customers. The SPA per therm rate shall be a credit if the actual system LAUF percentage is less than the LAUF Target or surcharge if the actual system LAUF percentage exceeds the LAUF Target during the 12-month period ending the previous August.
 - (ii) The SPA per therm rate is set forth on the Gas Supply Charge Statement and the Statement of Transition Surcharge in P.S.C. 88 – Gas.

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