

PSC NO: 90 GAS
NEW YORK STATE ELECTRIC & GAS CORPORATION
INITIAL EFFECTIVE DATE: 06/01/2024

LEAF: 90.6
REVISION: 16
SUPERSEDING REVISION: 15

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 Company incorporated recommendations provided for in the NYPS&C Staff White Paper on Lost and Unaccounted for Gas issued on January 27, 2012 with the following clarifications:
 - (i) Adjustments to the fixed FOA are allowed for exogenous events. Exogenous events would include, but are not limited to, events such as flooding and significant theft of service that are outside the Company's control.
 - (ii) Adjustments to the fixed FOA are allowed for significant and unanticipated impacts due to the restructuring of the natural gas industry in New York State. Any adjustment shall apply to the calculation of the actual FOA in any given year for incentive purposes.
- (b) Effective January 1, 2024:
 - The Company shall update the 10-year average LAUF to 10 years ending August 31, 2023.
 - (i) The FOA is set at 1.00022;
 - (ii) The Lost and Unaccounted for Gas (LAUF) Target is set at 0.0216%;
 - (iii) The dead band upper limit is set at 0.2089%;
 - (iv) The dead band lower limit is set at 0.000%.