

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

Initial Effective Date: January 1, 2019

Issued in compliance with Order in Case No. 15-G-0284 dated June 15, 2016

Statement Type: IGSC

Statement No. 138

New York State Electric &amp; Gas Corporation

Statement of Incremental Gas Supply Charge

Effective: January 1, 2019, 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 December 28, 2018, by applying rates and charges of the Company's natural gas suppliers in effect on January 1, 2019, to quantities forecasted for the 12 months ended December 31, 2019  
(per Therm)

| <u>Description</u>                     | <u>SC No. 2</u> | <u>SC No. 9</u> |
|--|-----------------|-----------------|
| Firm Average Demand COG                | \$0.110304      | \$0.110304      |
| Load Factor Adjustment (LFA)           | 0.9861          | 0.8621          |
| Adjusted Firm Average Demand COG       | \$0.108771      | \$0.095093      |
| Firm Average Commodity COG             | \$0.320612      | \$0.320612      |
| Firm Average COG w/ LFA                | \$0.429383      | \$0.415705      |
| Incremental Gas Supply COG             | \$0.536729      | \$0.519631      |
| Factor of Adjustment (FA)              | 1.00030         | 1.00030         |
| Total Average Incremental COG          | \$0.536890      | \$0.519787      |
| Supplier Refund Adjustment             | \$0.000000      | \$0.000000      |
| Interim Reconciliation Adjustment      | \$0.000000      | \$0.000000      |
| Annual Reconciliation Adjustment       | (\$0.012497)    | (\$0.012497)    |
| System Performance Adjustment          | (\$0.000073)    | (\$0.000073)    |
| Heater Fuel Charge                     | \$0.000449      | \$0.000449      |
| Incremental GSC without MFC, Per Therm | \$0.524768      | \$0.507666      |

| <u>Description</u>       | <u>SC No. 2</u> | <u>SC No. 9</u> |
|--------------------------|-----------------|-----------------|
| Merchant Function Charge | \$0.017422      | \$0.017422      |

Dated: December 28, 2018

Issued By: Joseph J. Syta, Vice-President, Controller and Treasurer