

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

Initial Effective Date: June 1, 2017

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

Statement Type: IGSC

Statement No. 118

New York State Electric & Gas Corporation

Statement of Incremental Gas Supply Charge

Effective: June 1, 2017, 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 May 26, 2017, by applying rates and charges of the Company's natural gas suppliers in effect on June 1, 2017, to quantities forecasted for the 12 months ended December 31, 2017
(per Therm)

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Firm Average Demand COG	\$0.134435	\$0.134435
Load Factor Adjustment (LFA)	0.9939	0.8284
Adjusted Firm Average Demand COG	\$0.133615	\$0.111366
Firm Average Commodity COG	\$0.295361	\$0.295361
Firm Average COG w/ LFA	\$0.428976	\$0.406727
Incremental Gas Supply COG	\$0.471874	\$0.447400
Factor of Adjustment (FA)	1.00030	1.00030
Total Average Incremental COG	\$0.472015	\$0.447534
Supplier Refund Adjustment	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	(\$0.038071)	(\$0.038071)
Annual Reconciliation Adjustment	(\$0.013426)	(\$0.013426)
Heater Fuel Charge	\$0.000373	\$0.000373
Incremental GSC without MFC, Per Therm	\$0.420892	\$0.396410

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Merchant Function Charge	\$0.016347	\$0.016347

Dated: May 26, 2017

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