

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

Initial Effective Date: September 1, 2017

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

Effective Date: 09/01/2017
Statement Type: IGSC
Statement No. 121

New York State Electric & Gas Corporation

Statement of Incremental Gas Supply Charge

Effective: September 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 August 29, 2017, by applying rates and charges of the Company's natural gas suppliers in effect on September 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	\$0.139547	\$0.139547
Load Factor Adjustment (LFA)	0.9939	0.8284
Adjusted Firm Average Demand COG	\$0.138696	\$0.115601
Firm Average Commodity COG	\$0.213324	\$0.213324
Firm Average COG w/ LFA	\$0.352020	\$0.328925
Incremental Gas Supply COG	\$0.387222	\$0.361818
Factor of Adjustment (FA)	1.00030	1.00030
Total Average Incremental COG	\$0.387338	\$0.361926
Supplier Refund Adjustment	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	\$0.000000	\$0.000000
Annual Reconciliation Adjustment	(\$0.013426)	(\$0.013426)
Heater Fuel Charge	\$0.000266	\$0.000266
Incremental GSC without MFC, Per Therm	\$0.374178	\$0.348766

<u>Description</u>	<u>SC No. 2</u>	<u>SC No. 9</u>
Merchant Function Charge	\$0.016509	\$0.016509

Dated: August 29, 2017

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