

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

Initial Effective Date: January 1, 2017

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

Statement Type: MFC

Statement No. 76

New York State Electric &amp; Gas Corporation

Statement of Merchant Function Charge

Effective: January 1, 2017, and for each month thereafter, until changed

Applicable to Service Classifications No. 1, 2, 5, 9, 10, and 11 of PSC No. 87 Gas

**NYSEG Gas Merchant Function Charge**

	<b>Residential Customer \$ Per Therm</b>	<b>Non Residential Customer \$ Per Therm</b>
Monthly Gas Supply Charge	\$ 0.385920	\$ 0.384846
Uncollectible Factor	2.92520%	0.41630%
Uncollectible Charge ( Monthly Gas Supply Charge 1 * Uncollectible Factor)	\$ 0.011289	\$ 0.001602
2 Gas Storage Inventory Carrying Charge	\$ 0.002092	\$ 0.002092
3 Working Capital - Commodity Hedges	\$ 0.000424	\$ 0.000424
4 Credit & Collections and Call Center	\$ 0.005350	\$ 0.005350
5 Administrative Charge	\$ 0.010444	\$ 0.010444
6 Prior Period Reconciliation	\$ (0.001597)	\$ (0.001597)
<b>Total MFC Rate, per therm</b>	<b>\$ 0.028002</b>	<b>\$ 0.018315</b>

Customers in Service Class No. 1 will be billed the "Residential Customer" MFC rate.

Customers in Service Class No. 2, 5, 9, 10 and 11 will be billed the "Non-Residential Customer" MFC rate.

Dated: December 29, 2016

**Issued By: James A. Lahtinen, Vice President-Rates & Regulatory Economics, Binghamton, New York**