Received: 02/26/2016 Status: CANCELLED

PSC NO. 87 Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Statement Type: IGSC Date: 03/01/2016 Statement No. 103

Initial Effective Date: March 1, 2016 Issued in compliance with Order in Case No. 09-G-0716 dated September 21, 2010

New York State Electric & Gas Corporation
All Areas
Statement of Incremental Gas Supply Charge
Effective: March 1, 2016, 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 February 26, 2016, by applying rates and charges of the Company's natural gas suppliers in effect on March 1, 2016, to quantites forecasted for the 12 months ended December 31, 2016

(per Therm)

Description	SC No. 2	SC No. 9
Firm Average Demand COG	\$0.131961	\$0.131961
Load Factor Adjustment (LFA)	0.9811	0.8401
Adjusted Firm Average Demand COG	\$0.129467	\$0.110860
Firm Average Commodity COG	\$0.180977	\$0.180977
Firm Average COG w/ LFA	\$0.310444	\$0.291837
Incremental Gas Supply COG	\$0.388055	\$0.364796
Factor of Adjustment (FA)	1.00181	1.00181
Total Average Incremental COG	\$0.388757	\$0.365457
Supplier Refund Adjustment	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	\$0.00000	\$0.000000
Annual Reconciliation Adjustment	(\$0.026038)	(\$0.026038)
Other Adjustments	\$0.00000	\$0.000000
Incremental GSC without MFC, Per Therm	\$0.362719	\$0.339419
<u>Description</u>	SC No. 2	SC No. 9
Merchant Function Charge	\$0.011824	\$0.011824

Dated: February 26, 2016

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