

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

Initial Effective Date: July 1, 2016

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

Effective Date: 07/01/2016
Statement Type: GSC
Statement No. 168

New York State Electric & Gas Corporation

Statement of Gas Supply Charge

Effective: July 1, 2016, and for each month thereafter, until changed

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

The average cost of gas per therm calculated on June 28, 2016, by applying rates and charges of the Company's natural gas suppliers in effect on July 1, 2016, to quantities forecasted for the 12 months ended December 31, 2016
(per Therm)

<u>Description</u>	<u>SC No. 1</u>	<u>SC No. 2</u>	<u>SC No. 5</u>	<u>SC No. 9</u>
Firm Average Demand COG	\$0.134429	\$0.134429	\$0.134429	\$0.134429
Load Factor Adjustment (LFA)	1.0060	0.9811	0.4856	0.8401
Adjusted Firm Average Demand COG	\$0.135236	\$0.131888	\$0.065279	\$0.112934
Firm Average Commodity COG	\$0.223210	\$0.223210	\$0.223210	\$0.223210
Firm Average COG w/ LFA	\$0.358446	\$0.355098	\$0.288489	\$0.336144
Factor of Adjustment (FA)	1.00181	1.00181	1.00181	1.00181
Total Average COG	\$0.359095	\$0.355741	\$0.289011	\$0.336752
Supplier Refund Adjustment	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Interim Reconciliation Adjustment	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Annual Reconciliation Adjustment	(\$0.026038)	(\$0.026038)	(\$0.026038)	(\$0.026038)
Heater Fuel Charge	\$0.000248	\$0.000248	\$0.000248	\$0.000248
GSC without Merchant Function Charge, per Therm	\$0.333305	\$0.329951	\$0.263221	\$0.310962

<u>Description</u>	<u>SC No. 1</u>	<u>SC No. 2</u>	<u>SC No. 5</u>	<u>SC No. 9</u>
Merchant Function Charge	\$0.026463	\$0.018087	\$0.018087	\$0.018087

Note: Weather normalization adjustment (WNA) factors are computed on an individual customer basis. WNA factors are calculated annually for customers without adequate history and are filed with the Department of Public Service.

Dated: June 28, 2016

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