PSC NO. 87 Gas NEW YORK STATE ELECTRIC & GAS CORPORATION Initial Effective Date: October 1, 2016 Issued in compliance with Order in Case No. 15-G-0284 dated June 15, 2016 Effective Date: 10/01/2016 Statement Type: GSC Statement No. 171

New York State Electric & Gas Corporation

Statement of Gas Supply Charge

Effective: October 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 September 28, 2016, by applying rates and charges of the Company's natural gas suppliers in effect on October 1, 2016, to quantites forecasted for the 12 months ended December 31, 2016

(per Therm)

Description	<u>SC No. 1</u>	<u>SC No. 2</u>	<u>SC No. 5</u>	<u>SC No. 9</u>
Firm Average Demand COG	\$0.137496	\$0.137496	\$0.137496	\$0.137496
Load Factor Adjustment (LFA)	1.0060	0.9811	0.4856	0.8401
Adjusted Firm Average Demand COG	\$0.138321	\$0.134897	\$0.066768	\$0.115510
Firm Average Commodity COG	\$0.167651	\$0.167651	\$0.167651	\$0.167651
Firm Average COG w/ LFA	\$0.305972	\$0.302548	\$0.234419	\$0.283161
Factor of Adjustment (FA)	1.00030	1.00030	1.00030	1.00030
Total Average COG	\$0.306064	\$0.302639	\$0.234489	\$0.283246
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	\$0.000186	\$0.000186	\$0.000186	\$0.000186
GSC without Merchant Function Charge, per Therm	\$0.280212	\$0.276787	\$0.208637	\$0.257394

Description	<u>SC No. 1</u>	<u>SC No. 2</u>	<u>SC No. 5</u>	<u>SC No. 5</u>
Merchant Function Charge	\$0.024910	\$0.017865	\$0.017865	\$0.017865

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: September 28, 2016

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