

..DID:

..TXT:

PSC NO: 88 GAS

STATEMENT TYPE: TSF

COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION

STATEMENT NO: 1

INITIAL EFFECTIVE DATE: 01/01/01

STAMPS: Issued in compliance with Commission Order in Case 00-M-1556 dated 12/21/00.

RECEIVED:

STATUS:

EFFECTIVE: 01/01/01

The prices and charges for service under all service classifications will be increased by dividing the total of such prices and charges by a Tax Surcharge Factor that reflects a rate of 3.25% which collects State Income Tax and Gross Income Tax in accordance with Section 3.A. of PSC No. 87 and PSC No. 88; plus, where applicable, the 1% municipal tax rate in accordance with Section 3.B. of PSC No. 87 and PSC No. 88, and where applicable, the Temporary Metropolitan Transportation Business Tax Surcharge, in accordance with Section 3.C. of PSC No. 87 and PSC No. 88. For cities, villages or other areas served, the applicable surcharge factors are as follows:

ORANGE COUNTY:

Cities and Villages - Surcharge Factor .949565

Includes Villages of: Goshen and Walden.

All Other Areas - Surcharge Factor .959482

PUTNAM COUNTY:

All Areas - Surcharge Factor .957917

ALL OTHER COUNTIES:

Cities and Villages - Surcharge Factor .957500

Includes Cities of: Auburn, Binghamton, Canandaigua, Cortland, Elmira, Geneva, Ithaca, Lockport, Mechanicville, Norwich, Olean, Oneonta and Plattsburgh.

Includes Villages of: Albion, Allegany, Cayuga, Cayuga Heights, Clyde, Cobleskill, Dannemora, Dansville, Deposit, DeRuyter, Dryden, Dundee, Elbridge, Elmira Heights, Groton, Homer, Johnson City, Jordan, Lansing, Lowville, Lyndonville, Lyons, Macedon, Manchester, Marcellus, McGraw, Medina, Middleport, Montour Falls - T. of Dix, Montour Falls - T. of Montour, Moravia, Morrisville, Newark, Nunda, Owego, Palmyra, Penn Yan, Port Byron, Port Dickinson, Seneca Falls, Shortsville, Trumansburg, Union Springs, Walton, Waterloo, Watkins Glen - T. of Dix, Watkins Glen - T. of Reading and Weedsport.

All Other Areas: Surcharge Factor .967500

Issued By: Jeffrey K. Smith, Senior Vice President, Binghamton, NY

(Name of Officer, Title, Address)