

STATEMENT OF EFFECTIVE TAX SURCHARGE FACTORS

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 which collects 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. The "CIS" Tax Surcharge Factor is applicable to customers billed within NYSEG's Customer Information System ("CIS"). All other customers who are billed outside of CIS, will receive the "non-CIS" Tax Surcharge Factors. For cities, villages or other areas served, the applicable surcharge factors are as follows:

ORANGE COUNTY:

Cities or Villages: Surcharge Factor: Transportation (CIS): .978991 Transportation (Non-CIS): .982151

Includes Villages of: Goshen and Walden.

All Other Areas: Surcharge Factor: Transportation (CIS): .978991 Transportation (Non-CIS): 982151

PUTNAM COUNTY:

All Areas: Surcharge Factor: Transportation (CIS): .979044 Transportation (Non-CIS): .982204

ALL OTHER COUNTIES:

Cities or Villages: Surcharge Factor: Transportation (CIS): .980900 Transportation (Non-CIS): .984066

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: Transportation (CIS): .980900 Transportation (Non-CIS): .984066