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PSC NO: 120 ELECTRICITY
NEW YORK STATE ELECTRIC & GAS CORPORATION

Initial Effective Date: 04/05/04

STATEMENT OF EFFECTIVE TAX SURCHARGE FACTORS

The rates and charges for service under all Service Classifications will be increased by dividing the total of such rates and charges by a surcharge factor which collects Gross Income Tax in accordance with Section 6 (a) of PSC No. 120 and Section 3 (a) of PSC No. 121; plus, where applicable, the 1% municipal tax rate, the Temporary Metropolitan Transportation Business Tax Surcharge, in accordance with Sections 6 (b) and (c) of PSC No. 120 and Sections 3 (b) and (c) of PSC No. 121. For cities, villages or other areas served, the applicable surcharge factors are as follows:

*** COUNTIES OF WESTCHESTER, PUTNAM, DUTCHESS AND ORANGE ***

<u>Cities or Villages: Surcharge Factor; Bundled: .977304</u> <u>Delivery Only: .983588</u> Village of Walden

All Other Areas: Surcharge Factor; Bundled: .987278 Delivery Only: .983588

*** ALI	LOTHER COUNTIES	***
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Cities: Surcharge Factor;	Bundled: .979890	Delivery Only: .986191	
Auburn	Elmira	Ithaca	Norwich
Binghamton	Geneva	Lockport	Oneonta
Corning	Hornell	Mechanicville	

Villages: Surcharge Factor; Bundled: .979890 Delivery Only: .986191						
Addison	Deposit	Liberty	Port Byron			
Alden	Dryden	Lyons	Port Dickinson			
Alfred	Dundee	Macedon	Riverside			
Almond	East Aurora	Marcellus	Round Lake			
Arkport	Elbridge	Monticello	Seneca Falls			
Aurora	Elmira Heights	Montour Falls	Sidney			
Blasdell	Forestville	Moravia	Silver Creek			
Burdett	Franklin	Morrisville	Sloan			
Canaseraga	Gowanda	Newark	South Dayton			
Canisteo	Hamburg	Newark Valley	Stamford			
Cayuga	Hammondsport	North Hornell	Trumansburg			
Cayuga Heights	Hobart	Orchard Park	Unadilla			
Cherry Creek	Interlaken	Owego	Union Springs			
Cooperstown	Johnson City	Painted Post	Van Etten			
Clyde	Jordan	Palmyra	Walton			
Dannemora	Keeseville	Penn Yan	Warsaw			
Dansville	Lancaster	Perry	Waterloo			
Delhi	Lansing	Philmont	Weedsport			
Depew	Leicester		Woodridge			

All Other Areas: Surcharge Factor; Bundled: .989890 Delivery Only: .986191

Issued by: James A. Lahtinen, Vice President - Rates & Regulatory Economics, Binghamton, NY