Received: 12/29/2011 Status: CANCELLED Effective Date: 01/01/2012

PSC NO: 87 GASSTATEMENT TYPE: R&DNEW YORK STATE ELECTRIC & GAS CORPORATIONSTATEMENT NO: 3

EFFECTIVE DATE: 01/01/2012

STATEMENT OF RESEARCH AND DEVELOPMENT ADJUSTMENT (per Therm)

January 01, 2012

Rate Area	Adjustment Applicable to SC 1, 2, 5, 9, 10 and 11
Owego	\$0.001460
Goshen	\$0.001460
Lockport	\$0.001460
Elmira	\$0.001460
Combined	\$0.001460
Binghamton	\$0.001460
Champlain	\$0.001460

Issued By: James A. Lahtinen, Vice President-Rates & Regulatory Economics, Binghamton, New Yor (Name of Officer, Title, Address)