..DID: 2606 ..TXT: PSC NO: 87 GAS STATEMENT TYPE: RTS COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION STATEMENT NO: 3 INITIAL EFFECTIVE DATE: 04/13/98 STAMPS: Cancelled by Statement RTS Number 4 Effective 08/01/1998 RECEIVED: 03/03/98 STATUS: Cancelled EFFECTIVE: 04/13/98

The prices and charges for service under all service classifications will be increased by dividing the total of such prices and charges by a surcharge factor that reflects charges to the Company due to the four and one-quarter percent (4.25%) State Tax rate and the seven and one-half percent (7.5%) Revenue Tax and Excess Dividends Tax Surcharges, plus, where applicable, the Temporary Metropolitan Transportation Business Tax Surcharge and the one percent (1%) Municipal Tax rate, also where applicable, in accordance with Section 3 of PSC No. 87 and Section 3 of PSC No. 88. For cities, villages or other areas served, the applicable surcharge factors are as follows:

(If service is taken under PSC No. 88 Gas (Transportation) the applicable surcharge factor for the otherwise effective tariff schedule will apply.)

ORANGE COUNTY:

Cities and Villages - Surcharge Factor .935568

Includes Villages of: Walden.

All Other Areas - Surcharge Factor .945476

PUTNAM COUNTY:

All Areas - Surcharge Factor .946532

ALL OTHER COUNTIES:

Cities and Villages - Surcharge Factor .944267

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

Includes Villages of: Albion, Cayuga, Cayuga Heights, Clyde, Cobleskill, Dannemora, Dansville, DeRuyter, Dryden, Elbridge, Elmira Heights, Groton, Homer, Jordan, Lansing, Lowville, Lyndonville, Lyons, Macedon, Manchester, Marcellus, McGraw, Medina, Middleport, Moravia, Morrisville, Newark, Nunda, Owego, Palmyra, Penn Yan, Port Byron, Seneca Falls, Shortsville, Trumansburg, Union Springs, Waterloo and Weedsport.

All Other Areas: Surcharge Factor .954267

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