

PSC No: 120 - Electricity  
New York State Electric and Gas Corporation  
Initial Effective Date: December 1, 2003

Leaf No. 19  
Revision: 0  
Superseding Revision:

#### GENERAL INFORMATION

6. Increase in Rates and Charges Applicable Where Service is Supplied:

The rates and charges for service under all Service Classifications, including minimum charges, will be increased to reflect the following taxes:

a) Section 186-a and Article 9-a of the Tax Law.

Aggregate percentage tax rates will be separately calculated for rates and charges for:

- 1) Bundled Service
- 2) Delivery only (Customer Advantage Program)

b) Chapter 60, Article 9 and, where applicable, Section 20-b of the General City Law and Section 5-530 of the Village Law. The rates and charges for service under the Customer Advantage Program - General Retail Access are not subject to the 1% municipal tax imposed on the Company.

c) Section 186-c under Article 9 and Section 209-b under Article 9-a of the Tax Law -- Metropolitan Business Tax Surcharge.

For the counties of Westchester, Putnam, Dutchess and Orange, these surcharge factors will be adjusted to reflect the Temporary Metropolitan Business Tax Surcharge (MTA Tax) as charged to the Corporation under Section 186-c under Article 9 and Section 209-b under Article 9-a of the Tax Law. A revised surcharge factor will be filed for each year the MTA Tax surcharge is applicable. The actual tax surcharge expense will be reconciled with the amount collected during each 12-month period and a reconciling adjustment will be made, if necessary, for the last two months of each 12-month period.

The total of all rates and charges will be divided by a factor determined as the quantity one minus the quantity of the applicable aggregate tax rate percentage divided by 100.

The applicable tax surcharge factors will be set forth on a statement (Tax Surcharge Factor Statement or "TSF Statement") filed with the Public Service Commission. Whenever the legislature, city or village levies a new tax on the Company, repeals such tax, or changes the rate of such tax, the Company will file a new statement.

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