

March 21, 2005

VIA ELECTRONIC FILING

Honorable Jaclyn A. Brillling, Secretary  
New York State Department of Public Service  
Three Empire State Plaza  
Albany, NY 12223-1350

RE: Tax Surcharge Factors

Dear Secretary Brillling:

The enclosed revised Statements issued by New York State Electric & Gas Corporation ("NYSEG" or the "Company"), are transmitted for filing in compliance with the requirements of the Public Service Commission ("Commission"), State of New York.

TSF Statement No. 17 to PSC No. 87 – Gas  
TSF Statement No. 17 to PSC No. 88 – Gas

Effective April 5, 2005

The above Tax Surcharge Factor ("TSF") statements are being filed pursuant to General Information Section 3 of PSC Nos. 87 and 88 entitled "Increase in Prices and Charges Applicable Where Service is Supplied" which provides for the recovery of the Temporary Metropolitan Business (MTA) Tax Surcharge.

The revised statements reflect the TSFs that will be effective from April 4, 2005 through January 2006. The revised surcharge factors related to the MTA Tax may change for February and March 2006 pursuant to the reconciliation provision contained in the pertinent tariff section.

Questions regarding this filing should be directed to Lori Cole at (607) 762-8710.

Very truly yours,

Christine M. Stratakos  
Manager – Pricing & Analysis

Enclosures