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 percent (4%) State Tax rate, plus, where applicable, the Temporary Metropolitan Transportation Business Tax Surcharge and the one percent (1%) Municipal Tax rate, in accordance with Section 3 of PSC No. 87, Section 3 of PSC No. 88, and Rule No. 37 of PSC No. 89. 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:

Received: 09/11/1998

Cities and Villages - Surcharge Factor .943609

Includes Villages of: Goshen and Walden.

All Other Areas - Surcharge Factor .953542

PUTNAM COUNTY:

All Areas - Surcharge Factor .951629

ALL OTHER COUNTIES:

Cities and Villages - Surcharge Factor .950000

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

Includes Villages of: Albion, Allegany, Cayuga, Cayuga Heights, Clyde, Cobleskill, Dannemora, Dansville, Deposit, DeRuyter, Dryden, Dundee, Elbridge, Elmira Heights, Groton, Homer, Johnson City, Jordan, Lansing, Lowville, Lyndonville, Lyons, Macedon, Manchester, Marcellus, McGraw, Medina, Middleport, Montour Falls - T. of Dix, Montour Falls - T. of Montour, Moravia, Morrisville, Newark, Nunda, Owego, Palmyra, Penn Yan, Port Byron, Port Dickinson, Seneca Falls, Shortsville, Trumansburg, Union Springs, Walton, Waterloo, Watkins Glen - T. of Dix, Watkins Glen - T. of Reading and Weedsport.

All Other Areas: Surcharge Factor .960000

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