Received: 09/11/1998 Status: CANCELLED

Effective Date: 10/01/1998

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..TXT: PSC NO: 89 GAS STATEMENT TYPE: RTS

COMPANY: NEW YORK STATE ELECTRIC & GAS CORPORATION STATEMENT NO: 3

INITIAL EFFECTIVE DATE: 10/01/98

STAMPS:

CANCELLED by Supplement 1 effective 01/01/00

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 No. 37 of PSC No. 89 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.)

Cities and Villages - Surcharge Factor .950000

Includes Cities of: Binghamton and Olean.

Includes Villages of: Allegany, Deposit, Dundee, Johnson City, Montour Falls (Town of Dix), Montour Falls (Town of Montour), Owego, Port Dickinson, Walton, Watkins Glen (Town of Dix), and Watkins Glen (Town of Reading).

All Other Areas: Surcharge Factor .960000

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