

PSC No: 120 - Electricity
New York State Electric & Gas Corporation
Initial Effective Date: January 1, 2006

Leaf No. 20
Revision: 1
Superseding Revision: 0

GENERAL INFORMATION

6. Increase in Rates and Charges Applicable Where Service is Supplied: (Cont'd.)

The effective aggregate percentage tax rates will be computed as follows:

Areas not subject to MTA Tax:

- a) Within cities or villages subject to 1% Municipal Tax:

$$[[1/(1 - (\text{GIT} + \text{Muni Tax}))] - 1] * 100$$

- b) Outside of cities or villages subject to 1% Municipal Tax:

$$[(1/(1 - \text{GIT})) - 1] * 100$$

Areas subject to MTA Tax:

- a) Within cities or villages subject to 1% Municipal Tax:

$$[[1/[1/(1 + \text{MTA Tax}) / (1 - \text{GIT and Muni Tax})]] - 1] * 100$$

- b) Outside of cities or villages subject to 1% Municipal Tax:

$$[[1/[1/[(1 + \text{MTA Tax}) / (1 - \text{GIT})]]] - 1] * 100$$

The applicable tax surcharge percentages will be set forth on a statement (Tax Surcharge Percentage Statement or "TSP 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.

Every such statement will be filed not less than fifteen (15) business days before the date on which the statement is proposed to be effective, and no sooner than the date when the tax enactment to which the statement responds; will become effective no sooner than the date when the tax enactment is filed with the Secretary of State; will be applicable to bills subject to the tax enactments that are rendered on or after the effective date of the statement; and will be canceled not more than five (5) business days after the tax enactment either ceases to be effective or is modified so as to reduce the tax rate.

Such statement will be duly filed with the Public Service Commission, apart from this rate schedule, and will be available to the public at the Company offices at which application for service may be made.

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