..DID: 10930 ..TXT:

December 3, 1999

Debra A. Renner Acting Secretary Public Service Commission 3 Empire State Plaza Albany, New York 12223

Re: Case No. 98-M-0489

Dear Acting Secretary Renner:

The enclosed Revenue Tax Surcharge Statements reflecting new revenue tax surcharges, issued by New York State Electric & Gas Corporation ("NYSEG"), are transmitted for filing in compliance with the requirements of the Public Service Commission of the State of New York.

Statement No. 8 to PSC No. 87 Gas Statement No. 8 to PSC No. 88 Gas

Effective January 1, 2000.

The above statements are being filed pursuant to General Information Section No. 3 of PSC Nos. 87 and 88 Gas.

This filing is in compliance with the Commission's November 18, 1999 Order in Case No. 98-M-0489. The proposed surcharge factors reflect the revisions to the New York State Tax Law that reduced utility Gross Income Tax.

Newspaper publication has been waived pursuant to Clause No. 2 of the November 18, 1999 Order.

A workpaper supporting the revised Revenue Tax Surcharge factors is being forwarded to Alan Mostek. Questions regarding these revisions should be directed to me at (607) 762-4296.

Very Truly Yours,

/dls Encls. Cy.:Alan F. Mostek, PSC DANIEL L. VERDUN Manager - State & Federal Gas Regulatory Matters