

May 25, 2005

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

Dear Secretary Brilling:

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

Statement No. TSF-18 to P.S.C. 87 – Gas

Statement No. TSF-18 to P.S.C. 88 – Gas

Effective June 16, 2005.

The above Statement is being filed pursuant to General Information Section 3 of PSC 87 and PSC 88. This filing adds the Village of Richfield Springs to the list of villages shown on the Revenue Tax Surcharge Statement that impose the 1% tax on utility revenues.

Enclosed for the Commission's information is a copy of pertinent pages from the local law as filed with the Secretary of State and a copy of the notification that the local law had been received and duly filed with the State of New York, Department of State, Bureau of State Records.

If you have any questions concerning this filing, please call Susan Gallia at (607) 762-7265.

Very truly yours,

Christine M. Stratakos
Manager – Pricing & Economics



STATE OF NEW YORK
DEPARTMENT OF STATE
ALBANY, NY 12231-0001

ALEXANDER F. TREADWELL
SECRETARY OF STATE

June 10, 1997

LYNETTE M. DIBBLE
VILLAGE OF RICHFIELD SPRINGS
PO BOX 271
RICHFIELD SPRINGS NY 13439

Dear Ms. Dibble:

This will acknowledge the receipt and filing of Local Law No. 1 of 1997 for the Village of Richfield Springs, imposing a 1% gross income of corporations and persons furnishing utility services; which was received and filed in the office of the Secretary of State on June 2, 1997.

Sincerely,

A handwritten signature in cursive script, reading "Janice Durfee".

Janice G. Durfee
Principal File Clerk
Bureau of State Records

JGD:ml

(Please Use this Form for Filing your Local Law with the Secretary of State)

Text of law should be given as amended. Do not include matter being eliminated and do not use italics or underlining to indicate new matter.

~~County~~

~~City~~

~~Town~~

Village

of Richfield Springs

Local Law No. I of the year 1997

To impose a tax on the gross income or gross operating income of Corporations and Persons furnishing utility services in the Village of Richfield Springs, New York, as authorized by Section 5-530 of the Village Law of the State of New York.

A local law (Insert title)

Be it enacted by the Board of Trustees of the
(Name of Legislative Body)

~~County~~

City of Village of Richfield Springs as follows:

~~Town~~

Village

Sec. 1 Short Title - Utility Tax

Sec. 2 Imposition of Tax

Pursuant to the authority granted by Article 5, Section 5-530 of the Village Law of the State of New York, from and after July 1, 1997, there is hereby imposed:

A. A tax equal to one percentum of the gross income of every utility doing business in the Incorporated Village of Richfield Springs which is subject to the supervision of the New York State Department of Public Service and which has an annual gross income in excess of Five Hundred Dollars (\$500.00) except motor carriers or brokers subject to such supervision under Article 3-B of the Public Service Law.

B. A tax equal to one percentum of the gross operating income of every other utility doing business in the Incorporated Village of Richfield Springs which has an annual gross operating income in excess of Five Hundred Dollars (\$500.00).

Sec. 3 Definitions

As used in this Chapter:

A. The word "utility" includes:

1. Every person subject to the supervision of the State Department of Public Service, except:

(a) Persons engaged in the business of operating or leasing, sleeping and parlor railroad cars, and

(b) Persons engaged in the business of operating or leasing railroads other than street surface, rapid transit, subway and elevated railroads;

(c) Omnibus corporations subject to supervision under Article 3-A of the Public Service Law.

3. Every person who furnishes gas, electric, steam, water, refrigerator, telephone or telegraph service by means of mains, pipes or wires, regardless of whether such activities are the main business of such persons or are only incidental thereto, or of whether use is made of the public streets.

B. The word "person" means: persons, corporations, companies, associations, joint-stock associations, co-partnerships, estates, assignee, or rents, any person acting in a fiduciary capacity, or any other entity; and persons, their assignees, lessees, trustees or receivers, appointed by any Court whatsoever, or by any other means; except the state, municipality, public districts, and corporations and Associations organized and operated exclusively for religious, charitable or educational purposes, no part of the net earnings of which inures or the benefit of any private shareholder or individual.

C. The words "gross income" shall include.

1. In the case of an utility engaged in selling telephone or telephone service, only receipts from local exchange service wholly consummated within the Village.

2. In the case of a utility engaged in selling telegraphy or telegraph service, only receipts from transactions wholly consummated within the Village.

D. The word "gross income" in the case of any utility other than described in subdivision C hereof shall include:

1. Receipts received in or by reason of any sale, conditional or other wise (except sales hereinafter referred to with respect to which it is provided that profits from the sale shall be included in gross income) made or service rendered for ultimate consumption for use by the purchaser in the Village, including cash, credits and property of any kind or nature (whether or not such sale is made or such service is rendered for profit) without any deduction therefrom on account of the cost of the property sold, the cost of the material used, labor or services or other costs, interest or discount paid, or any other expense whatsoever.
2. Profits from the sale of securities.
3. Profits from the sale of real property growing out of the ownership or use of or interest in such property.
4. Profits from the sale of personal property (other than property of a kind which would properly be included in the inventory of a taxpayer if on hand at the close of a period for which a return is made).
5. Receipts from interest, dividends and royalties, derived from sources within the Village (other than such as are received from a Corporation, a majority of whose voting stock is owned by the taxpaying utilities), without any deduction therefrom from