

January 19, 2005

VIA ELECTRONIC FILING

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

Re: Collection of the Temporary Metropolitan Business Tax Surcharge

Dear Secretary Brillling:

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

Statement No. TSF-16 to P.S.C. 87 – Gas  
and  
Statement No. TSF-16 to P.S.C. 88 – Gas

Effective February 3, 2005.

The above Tax Surcharge Factor ("TSF") Statements are being filed pursuant to General Information Section 3 of P.S.C. Nos. 87 and 88 entitled, "Increase in Prices and Charges Applicable Where Service is Supplied" which provides for the reconciliation of actual tax surcharge expense as compared to the 10 month collection of the Temporary Metropolitan Business Tax Surcharge.

The revised Statements reflect the TSF's that resulted from the reconciliation process, which will be effective for February and March of 2005.

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

Very truly yours,

Christine M. Stratakos  
Manager – Pricing & Analysis

Enclosures