

Instructions

Do not include this sheet in the Annual Report you send to the Commission

General Information

The number of files that make up the annual report have been reduced from 172 files to two files. The files are called FERCFORM.XLS and PSCFORM.XLS, respectively. FERCFORM.XLS contains general corporate information, financial statements, and various electric financial and operating data. It is similar to the FERC Form 1 which electric service companies file to the FERC. PSCFORM.XLS contains PSC specific information which is not required in the FERC Form 1.

The pages in FERCFORM.XLS and PSCFORM.XLS are separated by Tabs. The names of the Tabs are arranged by page number. The Table of Contents in each file (Tab called Table) provides the Description of each Schedule and Page Number of the Schedule.

Each file includes a tab called a Data Sheet. The completion of the Data Sheet will automatically transfer your company's name and year of the report to each page of the annual report. The file has not been protected. However, we would prefer that you not insert or delete rows or columns.

We have checked the accuracy of the formulas and cell references in the file. However, all corrections may not have been made because the file is being used for the first time. If you feel that certain formulas or cell references in the file are incorrect, make the correction and describe the change made on the "Comment" sheet provided.

It is not required for you to input the data in this excel file for the following schedules: Important Changes During the Year, Notes to the Financial Statements, General Description of Construction Overhead Procedures and other general notes. However, include these completed schedules in the paper copy of the annual report.

Insert Pages

Due to a large amount of data, some companies will be required to file additional pages to complete certain schedules. If you are required to prepare insert pages, insert pages have been provided in the workspace below the applicable schedule. The totals of the insert pages should be inputted on the related schedule. The print macro will not print insert pages. As a result, you will have to print these schedules manually.

Printing Individual Schedules on the File

Individual worksheets may be printed using the Print Command under the File Menu.

Saving the File

As stated above, the name of the two files are FERCFORM.XLS and PSCFORM.XLS. It is advised that you call up the file and then immediately save it using the assigned file names as shown below.

Print the Entire Report

When you have completed the report, you may want to print out sections of the entire report. To do this, select the Print Entire Workbook option in the Print Dialogue box.

Organizing the Paper Copy of the Annual Report

The paper copy of the annual report contains several blank pages throughout the report so that schedules on two pages can be viewed at one time. This excel file does not contain those blank pages. As a result, please use the paper copy of the annual report as a guide for placing blank pages into the paper copy of the annual report.

Originals vs Resubmission

If the report pages are originals, there is no need to check original on each page. If any page of the report is a resubmission, please check the box marked resubmission on the applicable page.

<u>Company Name</u>	<u>FERCFORM.XLS File</u> <u>NAME TO SAVE</u>	<u>PSCFORM.XLS File</u> <u>NAME TO SAVE</u>
Brooklyn Union	BUG.XLS	PSCBUG.XLS
Corning Natural Gas	CORNING.XLS	PSCCORN.XLS
National Fuel Gas	NFG.XLS	PSCNFG.XLS
NM Suburban	NMSUB.XLS	PSCNMSUB.XLS
St. Lawrence	STLAW.XLS	PSCSTLAW.XLS
Central Hudson	CENHUD.XLS	PSCCH.XLS
Con Ed	CONED.XLS	PSCCONED.XLS
LILCO	LILCO.XLS	PSCLILCO.XLS
NYSEG	NYSEG.XLS	PSCNYSEG.XLS
NIMO	NIMO.XLS	PSCNIMO.XLS
Orange & Rockland	OR.XLS	PSCOR.XLS
RG&E	RGE.XLS	PSCRGE.XLS

STATE OF NEW YORK PUBLIC SERVICE COMMISSION

ANNUAL REPORT OF ELECTRIC and/or GAS CORPORATIONS Year ended 12/31/2012

Instructions for this sheet:

- 1 Fill in your name, address and appropriate dates in the designated area below so that this the file.
- 2 If the respondent's name is long, the "Year ended December 31, 19__" may over pass the print range. This can be corrected by one of two methods: selecting a smaller font size on the specific sheet, or delete some spaces on the combined string below.

Gas Only ---->

Please fill in the following:	
Respondent's exact legal name:	New York State Electric & Gas Corporation
Address line 1:	1387 Ithaca-Dryden Road
Address line 2:	Ithaca, New York 14850-8810
For the period starting:	1/1/2012
For the year ended:	12/31/2012
Date of Report:	
Year ended 12/31/2012	

Sample

1/1/1998

12/31/1998

3/15/1999

Annual Report of New York State Electric & Gas Corporation
Annual Report of New York State Electric & Gas Corporation
Annual Report of New York State Electric & Gas Corporation
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Annual Report of New York State Electric & Gas Corporation

Year ended 12/31/2012

Year ended 12/31/2012

Year ended 12/31/2012

Year ended 12/31/2012

Year ended 12/31/2012

Year ended 12/31/2012

Year ended 12/31/2012

ELECTRIC AND/OR GAS UTILITIES CLASSES A AND B ANNUAL REPORT

OF

New York State Electric & Gas Corporation

Exact legal name of reporting electric and/or gas utility

(If name was changed during year, show also the previous name and date of change)

1387 Ithaca-Dryden Road

Ithaca, New York 14850-8810

(Address of principal business office at end of year)

FOR THE

Year ended 12/31/2012

TO THE

STATE OF NEW YORK

PUBLIC SERVICE COMMISSION

Name, title, address and telephone number (including area code), of
the person to contact concerning this report:

Joseph J. Syta, Vice President, Controller & Treasurer

89 East Avenue, Rochester, NY 14649 (585)724-8003

Comment Sheet

Please use this sheet to record any changes you made to this file. If you altered this file in anyway, except by entering data, you must record those changes here. You may also use this sheet to make any comments about this file or the joint cost file.

<u>Item Number</u>	<u>Description</u>	<u>Schedule Number</u>	<u>Page Number</u>

Comments

GENERAL INSTRUCTIONS

1. The completed original of this report form, properly filled out, shall be filed with the Public Service Commission, Albany, NY, on or before the 31st of March next following the end of the year to which the report applies. At least one additional copy shall be retained in the files of the reporting utility.
2. All utility companies upon which this report form is served are required by statute to complete and to file the report. The statute further provides that when any such report is defective or believed to be erroneous, the reporting utility shall be duly notified and given a reasonable time within which to make the necessary amendments or corrections.
3. All accounting terms and phrases used in this form are to be interpreted in accordance with the Uniform Systems of Accounts prescribed by this Commission. Whenever the term respondent is used, it shall be understood to mean the reporting utility.
4. If the report is made for a period other than the calendar year, the period covered must be clearly stated on the front cover and elsewhere throughout the report where the period covered is shown. When operations cease during the year because of the disposition of property the balance sheet and supporting schedules should consist of balances and items immediately prior to transfer (for accounting purposes). If the books are not closed as of that date, the data in the report should nevertheless be complete and the amounts reported should be supported by information set forth in, or as part of the books of account.
5. Every inquiry must be definitely answered. If "none" or "not applicable" states the fact, such an answer may be used. The annual report should be complete in itself. Reference to reports of previous years or to any paper or document should not be made in lieu of required entries except as specifically outlined.
6. Upon filing, the report may, if desired, be permanently bound. If it is so bound, the requirement for page by page identification of the reporting company set forth in paragraph 9 below, may be disregarded. Extra copies of any page will be furnished upon request.
7. If the utility conducts operations both within and without the State of New York, data should be reported so that there will be shown the quantities of commodities sold within this State, and (separately by accounts) the operating revenues from sources within this State, the operating revenue deductions applicable thereto and the plant investment as of the end of the year within this State.
8. All entries shall be made in black or dark blue except those of a contrary or opposite nature, which should be made in red or enclosed in parentheses. Inserts, if any, should be appropriately identified with the schedules to which they relate.
9. Insert the initials of the reporting utility and the year which the report covers in the space provided on each page.
10. Cents are to be omitted on all schedules except where they apply to averages and figures per unit where cents are important. The amounts shown on all supporting schedules shall agree with the item in the statement they support.

Name of Respondent New York State Electric & Gas Corporation	The report is (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
LIST OF SCHEDULES			
Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".			
Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
General Corporate Information and Financial Statements			
General Information	101	12-87	NYPSC Modified
Control over Respondent	102	12-96	
Corporations Controlled by Respondent	103	12-96	
Officers and Directors	104-105	NYPSC-95	
Security Holders and Voting Powers	106-107	12-96	
Important Changes During the Year	108-109	12-96	
Comparative Balance Sheet	110-113	12-94	
Statement of Income for the Year	114-117	12-96	
Statement of Retained Earnings for the Year	118-119	12-96	
Statement of Cash Flows	120-121	12-96	
Notes to the Financial Statements	122-123	12-96	
Balance Sheet Supporting Schedules (Assets and Other Debits)			
Summary of Utility Plant and Accumulated Provision for Depreciation, Amortization, and Depletion	200-201	12-89	NYPSC Modified NYPSC Modified
Nuclear Fuel Materials	202-203	12-89	
Electric Plant in Service	204-207	12-95	
Electric Plant Leased to Others	213	12-95	
Electric Plant Held for Future Use	214	12-89	
Construction Work in Progress	216	12-87	
Construction Overheads	217	12-89	
General Description of Construction Overheads Procedures	218	12-88	
Accumulated Provision for Depreciation of Electric Plant	219	12-88	
Non-Utility Property	221	12-95	
Investment in Subsidiary Companies	224-225	12-89	
Material & Supplies	227	12-96	
Allowances	228-229	12-95	
Extraordinary Property Losses	230	12-93	
Unrecovered Plant and Regulatory Study Costs	230	12-93	
Other Regulatory Assets	232	12-95	
Miscellaneous Deferred Debits	233	12-94	
Accumulated Deferred Income Taxes (Account 190)	234	12-88	
Balance Sheet Supporting Schedules (Liabilities and Other Credits)			
Capital Stock	250-251	12-91	NYPSC Modified
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252	12-95	NYPSC Modified
Other Paid In Capital	253	12-87	NYPSC Modified
Discount on Capital Stock	254	12-87	
Capital Stock Expense	254	12-86	
Long-Term Debt	256-257	12-96	NYPSC Modified

Name of Respondent New York State Electric & Gas Corporation	The report is (1) ☐ An Original 0 (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 0	Year of Report 12/31/2012
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LIST OF SCHEDULES (Continued)

Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
Balance Sheet Supporting Schedules (Liabilities and Other Credits) (Continued)			
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261	12-96	
Taxes Accrued, Prepaid and Charged During the Year	262-263	12-96	NYPSC Modified
Accumulated Deferred Investment Tax Credits	266-267	12-89	NYPSC Modified
Other Deferred Credits	269	12-88	
Accumulated Deferred Income Taxes - Accelerated Amortization	272-273	12-96	
Accumulated Deferred Income Taxes - Other Property	274-275	12-96	
Accumulated Deferred Income Taxes - Other	276-277	12-96	
Other Regulatory Liabilities	278	12-94	
Income Account Supporting Schedules			
Electric Operating Revenues	300-301	12-96	
Sales of Electricity by Rate Schedules	304	12-95	
Sales for Resale	310-311	12-88	NYPSC Modified
Electric Operation and Maintenance Expenses	320-323	12-95	
Number of Electric Department Employees	323	12-93	
Purchased Power	326-327	12-95	NYPSC Modified
Transmission of Electricity for Others	328-330	12-90	NYPSC Modified
Transmission of Electricity by Others	332	12-90	NYPSC Modified
Miscellaneous General Expenses	335	12-94	NYPSC Modified
Depreciation and Amortization of Electric Plant	336-337	12-95	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340	12-87	NYPSC Modified
Common Section			
Regulatory Commission Expenses	350-351	12-96	NYPSC Modified
Research, Development, and Demonstration Activities	352-353	12-87	
Distribution of Salaries and Wages	354-355	12-88	
Common Utility Plant and Expenses	356	12-87	NYPSC Modified
Electric Plant Statistical Data			
Electric Energy Account	401	12-90	
Monthly Peaks and Output	401	12-90	
Steam - Electric Generating Plant Statistics (Large Plants)	402-403	12-95	
Hydroelectric Generating Plant Statistics (Large Plants)	406-407	12-89	
Pumped Storage Generating Plant Statistics (Large Plants)	408-409	12-88	
Generating Plant Statistics (Small Plants)	410-411	12-87	

Name of Respondent New York State Electric & Gas Corporation		The report is (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
LIST OF SCHEDULES (Continued)				
Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)	
Electric Plant Statistical Data (Continued)				
Transmission Line Statistics	422-423	12-87		
Transmission Lines Added During Year	424-425	12-86		
Substations	426-427	12-96		
Electric Distribution Meters and Line Transformers	429	12-88		
Environmental Protection Facilities	430	12-88		
Environmental Protection Expenses	431	12-88		
Footnote Data	450	12-87		
Stockholders' Reports Check appropriate box:				
Two copies will be submitted				
No annual report to stockholders is submitted X				
PSC Supplemental Filing				
	1-94	12-96		

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
GENERAL INFORMATION			
1. Provide the name and title of the officer having custody of the general corporate books of account and the address of the office where the general corporate books are kept, and the address of the officer where any other corporate books of account are kept, if different from that where the general corporate books are Joseph J. Syta Vice President, Controller & Treasurer 89 East Avenue Rochester, NY 14649			
2. Provide name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized. New York, October 28, 1852 General Law of 1848			
3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) the name of the receiver or trustee, (b) the date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) the date when possession by the receiver or The property of the Respondent was not held by a receiver or trustee at any time during 2012.			
4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated. The Respondent is primarily engaged in electricity transmission and distribution operations and natural gas transportation, storage and distribution operations in upstate New York.			
5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements? (1) ☐ Yes. Enter the date when such independent accountant was initially engaged: _____. (2) ☒ No.			

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
CONTROL OVER RESPONDENT			
1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at the end of the year, state the name of the controlling corporation or organization, manner in which control was held and the extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state the name of the trustee(s), name of the beneficiary or beneficiaries for whom the trust was maintained, and the purpose of the trust.			
In May 1998, the Respondent became a wholly-owned subsidiary of Energy East Corporation. Energy East Corporation held control over the Respondent through direct ownership of 100% of its common stock. On June 28, 2002, in connection with Energy East Corporation's merger with RGS Energy Group, Inc. (RGS Energy), the Respondent became a wholly-owned subsidiary of RGS Energy. Energy East Corporation holds through direct ownership, after the merger, 100% of the voting stock of RGS Energy. The merger between Energy East Corporation and Green Acquisition Capital, Inc., a wholly-owned subsidiary of Iberdrola, S.A., (Iberdrola) became effective on September 16, 2008. As a result of the merger, Iberdrola holds through direct ownership, 100% of the voting stock of RGS Energy. Iberdrola USA is a wholly-owned subsidiary of Iberdrola, S.A. (Iberdrola), a corporation organized under the laws of the Kingdom of Spain. On December 1, 2009, Iberdrola USA changed its legal and operating name to Iberdrola USA, Inc. from Energy East.			

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
CORPORATIONS CONTROLLED BY RESPONDENT				
1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by the respondent at any time during the year. If control ceased prior to the end of the year, give particulars (details) in a footnote. 2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved. 3. If control was held jointly with one or more other interests, state the facts in a footnote and name the other interests.				
DEFINITIONS				
1. See the Uniform System of Accounts for a definition of control. 2. Direct control is that which is exercised without interposition of an intermediary. 3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control. 4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.				
Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	None			
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Name of Respondent Please fill in the following:		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
CORPORATIONS CONTROLLED BY RESPONDENT				
Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
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OFFICERS AND DIRECTORS (Including Compensation)

OFFICERS AND DIRECTORS (Including Compensation - Continued)

1. Furnish the indicated data with respect to each executive officer and director, whether or not they received any compensation from the respondent.
2. Executive officers include a company's president, secretary, treasurer and vice president in charge of a principal business unit, division or function (such as sales, administration, or finance), and any other person who performs similar policy making fun
3. Indicate with an asterisk (*) in column (a) those directors who were members of the executive committee, if any, and by a double asterisk (**) the chairman, if any, of that committee, at the end of the year.

4. If any person reported in this schedule received remuneration directly or indirectly other than salary shown in column (e) list the amount in column (f) through (k) with the footnotes necessary to explain the essentials of the plan, the basis of deter

5. If any person reported hereunder received compensation from more than one affiliated company or was carried on the payroll of an affiliated company, details shall be given in a note.

Line No.	Name of Person (a)	Title and Department Over Which Jurisdiction Is Exercised (b)	Term Expired or Current Term Will Expire (c)	Salary		Foot-note Ref.	Deferred Compensation (f)	Incentive Pay Bonuses, etc (g)	Savings Plans (h)	Stock Options (i)	Life Insurance Premiums (j)	Other (Explain Below) (k)	Total (e thru k) (l)	Line No.
				Rate at Year End (d)	Paid During Year (e)									
1	Adams, Steven	IUSA VP-Regulatory Strategy		\$240,000	\$79,896		\$0	\$48,939	\$1,163	\$2,455	\$113	\$78,994	\$211,559	1
2	Alcain, Dani	IUSA VP-Finance & Control (to 4/11/12)	Director		\$34,440	(1), (2)							\$34,440	2
3	Ballard, Kenneth	IUSA VP-Ops Technology & Business Transformation		\$200,000	\$104,334		\$0	\$53,473	\$1,535	\$1,657	\$120	\$129,501	\$290,620	3
4	Bonilla, Javier	IUSA VP-Engineering & Delivery		\$92,747	\$47,281	(2)	\$0						\$47,281	4
5	Cirujano Gonzalez Jose Maria	IUSA VP-Operations	Director	\$244,150	\$110,869	(1), (2)	\$0						\$110,869	5
6	Connolly Paul	IUSA General Counsel (through 5/30/2012)			\$39,318	(3)	\$0	\$255,796	\$991	\$2,690	\$511	\$8,802	\$308,109	6
7	Dickinson, Thorn	IUSA VP-Business Development		\$200,000	\$11,761		\$0	\$4,020	\$176	\$0	\$16	\$11,710	\$27,684	7
8	Dolan, Mark	Deputy - General Counsel		\$200,000	\$141,063		\$0	\$82,136	\$2,116	\$2,283	\$292	\$177,888	\$405,778	8
9	Eastman, Michael	VP-Gas Operations		\$175,000	\$92,102		\$0	\$47,646	\$1,382	\$2,644	\$182	\$145,118	\$289,074	9
10	Gil Nieves, Rafael	Director	Director			(1)							\$0	10
11	Jensen, Gene	IUSA VP-Electric Operations		\$240,000	\$118,083		\$0	\$62,316	\$1,736	\$1,799	\$480	\$11,070	\$195,484	11
12	Kimiecik, David	VP-Energy Supply/Transmission Services		\$165,000	\$101,333		\$0	\$56,201	\$1,520	\$3,086	\$127	\$115,418	\$277,685	12
13	Kump, Robert	IUSA Chief Executive Officer	Director	\$625,000	\$66,156	(1)	\$6,761	\$49,328	\$406	\$3,097	\$168	\$25,363	\$151,278	13
14	Lahtinen, James	VP-Rates & Regulatory Economics		\$160,000	\$71,605		\$0	\$39,359	\$2,148	\$2,327	\$250	\$8,567	\$124,255	14
15	Lamoureux, Sheri	IUSA VP-Human Resources		\$206,000	\$109,319		\$10,921	\$105,782	\$1,638	\$0	\$99	\$88,350	\$316,110	15
16	Lynch, Mark	President	Director	\$325,000	\$169,825	(1)	\$16,983	\$121,757	\$3,919	\$0	\$741	\$8,162	\$321,387	16
17	Mahoney, Robert	IUSA General Counsel (As of 6/1/2012)		\$300,000	\$97,411		\$0	\$53,496	\$1,276	\$1,710	\$145	\$72,186	\$226,224	17
18	Moraleda Martinez, Amparo	Director (through 1/31/12)	Director			(1)							\$0	18
19	Reynolds, Franklyn	IUSA VP-General Services		\$175,000	\$89,583		\$0	\$42,031	\$1,344	\$1,829	\$111	\$48,079	\$182,977	19
20	Rosenbloom, Jeffrey	Managing Attorney		\$145,000	\$72,725		\$0	\$24,197	\$7,273	\$0	\$86	\$15,229	\$119,510	20
21	Smith, Mary	IUSA VP-Asset Management & Planning		\$195,000	\$99,409		\$0	\$48,643	\$1,491	\$1,822	\$204	\$119,552	\$271,121	21
22	Syta, Joseph	VP, Controller & Treasurer		\$180,000	\$85,316		\$0	\$47,515	\$2,559	\$2,381	\$318	\$37,959	\$176,048	22
23	Taylor, Carl	IUSA VP-Customer Service		\$225,000	\$102,172		\$0	\$52,536	\$1,533	\$3,647	\$143	\$65,271	\$225,302	23
24	Torres Suau, Jose Maria	IUSA VP-Finance & Control (as of 4/30/12)	Director	\$157,478	\$57,758	(1), (2)							\$57,758	24
25	Walker, Kevin	IUSA Chief Operating Officer	Director	\$370,000	\$168,017	(1)	\$16,802	\$158,098	\$1,703	\$0	\$262	\$9,915	\$354,797	25

NOTES:

(e) Salary Paid During the Year - **Amount attributable to NYSEG** of actual earnings, including holidays, vacation, sick pay, short-term disability pay, funeral leave, miscellaneous paid leave, personal days.

(f) Deferred Compensation - **Amount attributable to NYSEG** and credited to a deferred compensation plan per employment agreements

(g) Incentive Pay, Bonuses, etc. - Amount paid in 2012 for 2011 performance under the Annual Incentive Plan, plus for Lamoureux, Lynch, Kump and Walker, amounts paid per their employment agreements in lieu of participation in the Long-Term Incentive Plan

(h) Savings Plans - **Amount attributable to NYSEG** for 401(k) savings plan employer match under the broad-based plans.

(i) Stock Options - **Amount attributable to NYSEG** for dividends paid on shares credited under the company's Performance Share Plan. No new shares were granted under the plan for 2012.

(j) Life Insurance Premiums - **Amount attributable to NYSEG** for imputed income for company-provided life insurance in excess of \$50,000; the plan provides life insurance of 1 x pay for all nonunion employees of Iberdrola USA hired prior to January 1, 2011

(k) Other - **Amount attributable to NYSEG** for the change in the present value of the accumulated pension plan benefits, plus the value of imputed income for medical coverage. Pension plan values include the qualified plans and the Excess Plan for those who

Footnotes:

(1) Director; receive no compensation for such position

(2) International employee - only salary is attributable to Operating Companies. Other compensation stays at the IUSA or ISA level.

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
SECURITY HOLDERS AND VOTING POWERS					
1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders. 2. If any security other than stock carries voting rights,			explain in a footnote the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency. 3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in determination of corporate action by any method, explain briefly in a footnote. 4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.		
1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:		2. State the total number of votes cast at the latest general meeting prior to end of year for election of directors of the respondent and number of such votes cast by proxy. Total: By proxy:		3. Give the date and place of such meeting:	
VOTING SECURITIES					
Line No.	Name (Title) and Address of Security Holder (a)	Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	64,508,477	64,508,477		
5	TOTAL number of security holders	1	1		
6	TOTAL votes of security holders listed below	64,508,477	64,508,477		
7					
8	On June 28, 2002, in connection with Energy East Corporation's merger with RGS Energy Group, Inc.				
9	(RGS Energy), NYSEG became a wholly-owned subsidiary of RGS Energy.				
10					
11					
12	RGS Energy Group, Inc.				
13	89 East Avenue				
14	Rochester, NY 14649				
15					
16					
17					
18					

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
SECURITY HOLDERS AND VOTING POWERS (Continued)					
Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
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Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
IMPORTANT CHANGES DURING THE YEAR			
Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none", "not applicable," or "NA" where applicable. If information, which answers an inquiry, is given elsewhere in the report, make a reference to the schedule in which it appears. 1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact. 2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction. and reference to Commission authorization. 3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the 4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such 5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases,		development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc. 6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee. 7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments. 8. State the estimated annual effect and nature of any important wage scale changes during the year. 9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year. 10. Describe any materially important transactions of the respondent, not disclosed elsewhere in this report, in which an officer, director, security holder reported on page 6, voting trustee, associated company or known associate of such persons was a party or in which such person had a material interest. 11. (Reserved) 12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instructions 1 to 11 above, such notes may be included on this page (Paper Copy Only).	

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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IMPORTANT CHANGES DURING THE YEAR (Continued)

Item 1-5: None

Item 6: The Respondent and the other Iberdrola USA operating utilities rely on a combination of bank provided and intercompany revolving credit facilities to fund short-term liquidity needs. In July 2011, The Respondent jointly entered into a bank provided revolving credit facility (the "Joint Facility") that allows maximum borrowings of up to \$600 million in aggregate and expires in 2016. Sublimits that total to the aggregate limit apply to each joint borrower and can be altered within the constraints imposed by maximum limits that apply to each joint borrower. The Respondent's maximum credit limit under the joint facility is \$200 million. Each borrower pays a facility fee ranging from 20 to 25 basis points annually depending on the rating of its unsecured debt.

In February 2012, the Respondent established a commercial paper program with a limit of \$200 million. The Joint Facility serves as the backstop to this program. The Respondent intends to use commercial paper as an alternative to the Joint Facility as a source of short-term credit.

In February 2012, RG&E and the Respondent executed bilateral credit facilities with each other, each bearing a limit of \$100 million and with expiration in 2018. The companies will lend to one another in the event that one company has excess cash while the other is in a net borrowing position in order to optimize cash resources between the two companies. At December 31, 2012 The Respondent had \$46 million in debt outstanding under this agreement.

The Respondent had a total of \$81 million of short-term debt outstanding at December 31, 2012 and \$10 million outstanding at December 31, 2011. The weighted-average interest rate on short-term debt was .38% at December 31, 2012 and .41% at December 31, 2011.

In the Joint Facility, the Respondent covenant not to permit, without the consent of the lender, its ratio of total indebtedness to total capitalization to exceed 0.65 to 1.00 at any time. For purposes of calculating the maximum ratio of indebtedness to total capitalization, the facility excludes from net worth the balance of Accumulated Other Comprehensive Income (loss) as it appears on the balance sheet. The facility contains various other covenants, including a restriction on the amount of secured indebtedness the Respondent may maintain. Continued unremedied failure to comply with those covenants for five business days after written notice of such failure from the lender constitutes an event of default and would result in acceleration of maturity. The Respondent's ratio of indebtedness to total capitalization pursuant to the revolving credit facility was 0.52 to 1.00 at December 31, 2012. The Respondent is not in default as of December 31, 2012.

The Respondent also has an intercompany credit facility under a demand note agreement with Iberdrola USA that provides financing of up to \$250 million. Under the terms of that agreement, which expires in 2018, the Respondent pays the same rate as under Iberdrola USA's credit facility. At December 31, 2012, the Respondent had \$13 million outstanding under this agreement.

In its revolving credit facility Iberdrola USA covenants not to permit, without the consent of the lender, its ratio of total indebtedness to total capitalization to exceed 0.65 to 1.00 at any time. For purposes of calculating the maximum ratio of consolidated indebtedness to total capitalization, the facility excludes from consolidated net worth the balance of Accumulated Other Comprehensive Income (loss) as it appears on the consolidated balance sheet. The facility contains various other covenants, including a restriction on the amount of secured indebtedness each borrower may maintain. Continued unremedied failure to comply with those covenants for 15 days after written notice of such failure from the lender constitutes an event of default and would result in acceleration of maturity for the party in default. The Iberdrola USA ratio of consolidated indebtedness to consolidated total capitalization pursuant to the revolving credit facility was 0.47 to 1.00 at December 31, 2012. Iberdrola USA was not in default as of December 31, 2012.

Name of Respondent New York State Electric & Gas Corporation	This Report is: -1 ☐ An Original -2 ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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IMPORTANT CHANGES DURING THE YEAR (Continued)

Item 7-8: None

Item 9: **Homer City:** In June 2008, the Respondent received a letter from subsidiaries of Edison Mission Energy (EME) regarding a notice of violation (NOV) from the U. S. Environmental Protection Agency (EPA) claiming that certain modifications to the Homer City Electric Generation Station (Homer City) during the time it was owned by the Respondent and Pennsylvania Electric Company (Penelec) were done in violation of EPA's new source review regulations. The Respondent and Penelec sold Homer City to EME in 1999. EME asserts that it is entitled to indemnification for certain fines, penalties and costs arising out of the violations alleged in the NOV under the terms of the Asset Purchase Agreement for Homer City. This appears to be the same claim EME made to the Respondent and Penelec in October 2000. The Respondent continues to believe that the costs sought by EME are not liabilities of the Respondent and that the Respondent did not retain liability for these material claims when the plant was sold.

In connection with this matter, in January 2011 the U. S. Justice Department filed a lawsuit on behalf of the EPA in the U.S. District Court for the Western District of Pennsylvania against current and former owners and operators of Homer City. The Respondent and Penelec are named in the suit, along with EME Homer City Generation, the current operator, and eight limited liability companies that own the plant by virtue of a sale and leaseback refinancing that occurred in 2001. The Respondent believes it has a number of sound defenses to the claims included in the lawsuit, including that the statute of limitations and equitable principles prohibit EPA from forcing The Respondent to pay for costly improvements at a plant it has not owned or operated in over 10 years. The Respondent and all other defendants filed a motion to dismiss the complaint, which was granted by the judge in October 2011. The EPA has appealed the decision. The judge's dismissal of the case bolsters their assessment that The Respondent does not face significant liability from this case. The Respondent, however, cannot predict the ultimate outcome of this matter.

Item 10 – 11: None

Item 12: The notes to the financial statements on page 123 are made a part hereof.

Item 13: None

Item 14: N/A

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beg. of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	\$4,363,683,643	\$4,531,732,604
3	Construction Work in Progress (107)	200-201	109,676,358	127,520,746
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		4,473,360,001	4,659,253,350
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108,111,115)	200-201	2,166,109,800	2,247,719,986
6	Net Utility Plant (Enter Total of line 4 less 5)	-	2,307,250,201	2,411,533,364
7	Nuclear Fuel (120.1-120.4, 120.6)	202-203		
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203		
9	Net Nuclear Fuel (Enter Total of line 7 less 8)	-	0	0
10	Net Utility Plant (Enter Total of lines 6 and 9)	-	2,307,250,201	2,411,533,364
11	Utility Plant Adjustments (116)	122		
12	Gas Stored Underground - Noncurrent (117)	-	478,333	478,333
13	OTHER PROPERTY AND INVESTMENTS			
14	Nonutility Property (121)	221	6,900,131	6,900,981
15	(Less) Accum. Prov. for Depr. and Amort. (122)	-	890,215	1,002,206
16	Investments in Associated Companies (123)	-		
17	Investment in Subsidiary Companies (123.1)	224-225		
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)	-		
19	Noncurrent Portion of Allowances	-		
20	Other Investments (124)		69,771	69,771
21	Special Funds (125-128)	-	12,320,882	12,132,935
22	TOTAL Other Property and Investments (Total of lines 14-17, 19-21)		18,400,569	18,101,481
23	CURRENT AND ACCRUED ASSETS			
24	Cash (131)	-	10,054,238	8,755,681
25	Special Deposits (132-134)	-		
26	Working Fund (135)	-	472,595	450,802
27	Temporary Cash Investments (136)	-		
28	Notes Receivable (141)			
29	Customer Accounts Receivable (142)	-	148,167,718	153,994,824
30	Other Accounts Receivable (143)	-	47,214,247	39,042,211
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	-	19,948,000	22,294,742
32	Notes Receivable from Associated Companies (145)	-		
33	Accounts Receivable from Assoc. Companies (146)	-	6,147,319	4,366,140
34	Fuel Stock (151)	227		
35	Fuel Stock Expenses Undistributed (152)	227		
36	Residuals (Elec) and Extracted Products (153)	227		
37	Plant Materials and Operating Supplies (154)	227	12,990,792	15,964,739
38	Merchandise (155)	227		
39	Other Materials and Supplies (156)	227		
40	Nuclear Materials Held for Sale (157)	202-203/227		
41	Allowances (158.1 and 158.2)	228-229		
42	(Less) Noncurrent Portion of Allowances	228-229		
43	Stores Expense Undistributed (163)	-		
44	Gas Stored Underground - Current (164.1)	-	34,312,294	21,225,487
45	Liquefied Natural Gas Stored and Held for Processing(164.2-164.3)	-		
46	Prepayments (165)	-	51,381,726	71,641,544
47	Advances for Gas (166-167)	-		
48	Interest and Dividends Receivable (171)	-		
49	Rents Receivable (172)	-		
50	Accrued Utility Revenues (173)	-	65,449,507	67,190,553
51	Miscellaneous Current and Accrued Assets (174)		22,732,324	8,959,095
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)		\$378,974,760	\$369,296,334

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beg. of Year (c)	Balance at End of Year (d)
53	DEFERRED DEBITS			
54	Unamortized Debt Expense (181)	-	\$14,179,617	\$13,344,158
55	Extraordinary Property Losses (182.1)	230		
56	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
57	Other Regulatory Assets (182.3)	232	1,141,525,188	1,189,531,852
58	Prelim. Survey and Investigation Charges (Electric) (183)	-	160,991	91,130
59	Prelim. Survey and Investigation Charges (Gas) (183.1, 183.2)	-		
60	Clearing Accounts (184)	-		
61	Temporary Facilities (185)	-		
62	Miscellaneous Deferred Debits (186)	233	7,027,191	1,674,295
63	Def. Losses from Disposition of Utility Plt. (187)	-		
64	Research, Devel. and Demonstration Expend. (188)	352-353		
65	Unamortized Loss on Reacquired Debt (189)	-	26,434,377	22,248,946
66	Accumulated Deferred Income Taxes (190)	234	267,492,916	(2,908,294)
67	Unrecovered Purchased Gas Costs (191)	-		
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		1,456,820,280	1,223,982,087
69	TOTAL Assets and Other Debits (Enter Total of lines 10, 11, 12, 22, 52, and 68)		\$4,161,924,143	\$4,023,391,599

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beg. of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	\$430,056,628	\$430,056,628
3	Preferred Stock Issued (204)	250-251	10,158,900	1
4	Capital Stock Subscribed (202, 205)	252		
5	Stock Liability for Conversion (203, 206)	252		
6	Premium on Capital Stock (207)	252	148,699,535	148,699,535
7	Other Paid-in Capital (208-211)	253	126,080,422	126,080,422
8	Installments Received on Capital Stock (212)	252		
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	254	4,439,125	4,382,335
11	Retained Earnings (215, 215.1, 216)	118-119	348,232,614	360,410,995
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119		
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)		(6,102,948)	(5,409,403)
15	TOTAL Proprietary Capital (Enter Total of lines 2 thru 13)	-	1,052,686,026	1,055,455,843
16	LONG-TERM DEBT			
17	Bonds (221)	256-257	1,015,025,000	1,065,025,000
18	(Less) Reacquired Bonds (222)	256-257		
19	Advances from Associated Companies (223)	256-257		
20	Other Long-Term Debt (224)	256-257		
21	Unamortized Premium on Long-Term Debt (225)	-		
22	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	-	2,103,366	1,795,291
23	TOTAL Long-Term Debt (Enter Total of Lines 16 thru 21)	-	1,012,921,634	1,063,229,709
24	OTHER NONCURRENT LIABILITIES			
25	Obligations Under Capital Leases - Noncurrent (227)	-	1,493,168	1,175,558
26	Accumulated Provision for Property Insurance (228.1)	-		
27	Accumulated Provision for Injuries and Damages (228.2)	-	12,700,000	13,200,000
28	Accumulated Provision for Pensions and Benefits (228.3)	-	267,099,487	277,173,909
29	Accumulated Miscellaneous Operating Provisions (228.4)	-	114,053,220	111,976,823
30	Accumulated Provision for Rate Refunds (229)	-		500,000
31	Long-term Portion of Derivative Instrument Liabilities-Hedges		7,273,376	98,572
32	Asset Retirement Obligation (230)		16,059,819	15,832,540
33	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 thru 29)		418,679,070	419,957,402
34	CURRENT AND ACCRUED LIABILITIES			
35	Notes Payable (231)	-	10,000,000	80,507,239
36	Accounts Payable (232)	-	147,127,275	156,456,306
37	Notes Payable to Associated Companies (233)	-		
38	Accounts Payable to Associated Companies (234)	-	34,482,695	24,746,822
39	Customer Deposits (235)	-	13,960,488	13,779,512
40	Taxes Accrued (236)	262-263	6,631,241	4,650,818
41	Interest Accrued (237)	-	7,949,822	12,959,956
42	Dividends Declared (238)	-		
43	Matured Long-Term Debt (239)	-		
44	Matured Interest (240)	-		
45	Tax Collections Payable (241)	-	33,070	344,503
46	Miscellaneous Current and Accrued Liabilities (242)	-	70,173,469	67,948,043
47	Obligations Under Capital Leases - Current (243)	-	302,457	317,610
48	Derivative Instrument Liabilities - Hedges (245)		20,936,438	9,131,242
49	TOTAL Current and Accrued Liabilities (Enter Total of lines 32 - 44)		\$311,596,955	\$370,842,051

Name of Respondent Please fill in the following:		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 01/00/00	Year of Report 12/31/2012
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beg. of Year (c)	Balance at End of Year (d)
46	DEFERRED CREDITS			
47	Customer Advances for Construction (252)		\$2,244,350	\$1,798,101
48	Accumulated Deferred Investment Tax Credits (255)	266-267	17,754,496	17,045,312
49	Deferred Gains from Disposition of Utility Plant (256)			
50	Other Deferred Credits (253)	269	36,457,545	33,461,135
51	Other Regulatory Liabilities (254)	278	180,875,094	149,815,315
52	Unamortized Gain on Reacquired Debt (257)	269		
53	Accumulated Deferred Income Taxes (281 - 283)	272-277	1,128,708,973	911,786,731
54	TOTAL Deferred Credits (Enter Total of lines 47 thru 53)		\$1,366,040,458	\$1,113,906,594
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65				
66				
67				
68	TOTAL Liabilities and Other Credits (Enter Total of lines 14, 22, 30, 45 and 54)		\$4,161,924,143	\$4,023,391,599

Note:
Please use the appropriate accounts under the heading "Other Noncurrent Liabilities" for accounts that the PSC classifies as "Operating Reserves".

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i, k, m, o) in a similar manner to a utility department. Spread the amount(s) over lines 02 through 24 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122-123 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amount of any refunds made or received during the year resulting

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year	Previous Year
			(c)	(d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$1,535,383,561	\$1,676,633,653
3	Operating Expenses			
4	Operation Expenses (401)	320-323	905,206,373	1,124,422,416
5	Maintenance Expenses (402)	320-323	126,092,386	145,012,709
6	Depreciation Expense (403)	336-337	106,202,733	102,474,894
7	Amort. & Depl. of Utility Plant (404-405)	336-337	11,960,063	12,043,029
8	Amort. of Utility Plant Acq. Adj. (406)	336-337	0	0
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		0	0
10	Amort. of Conversion Expenses (407)		0	0
11	Regulatory Debits (407.3)		9,654,850	9,781,777
12	(Less) Regulatory Credits (407.4)		32,134,974	52,806,527
13	Taxes Other Than Income Taxes (408.1)	262-263	130,149,514	128,945,726
14	Income Taxes -- Federal (409.1)	262-263	10,198,188	(56,996,468)
15	-- Other (409.1)	262-263	8,172,416	940,195
16	Provision for Deferred Income Taxes (410.1)	234,272-277	344,063,971	373,785,897
17	(Less) Provision for Deferred Income Taxes -Cr. (411.1)	234,272-277	268,314,089	265,865,805
18	Investment Tax Credit Adj. -- Net (411.4)	266	0	0
19	(Less) Gains from Disp. of Utility Plant (411.6)		0	0
20	Losses from Disp. of Utility Plant (411.7)		0	0
21	(Less) Gain from Disposition of Allowances (411.8)		0	0
22	Losses from Disposition of Allowances (411.9)		0	0
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		1,351,251,431	1,521,737,843
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		\$184,132,130	\$154,895,810

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
STATEMENT OF INCOME FOR THE YEAR (Continued)					
from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.				9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.	
7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on page 122-123.				10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on page 122-123 or in a footnote.	
8. Enter on page 122-123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.					
Electric Utility		Gas Utility		Other Utility	
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
(e)	(f)	(g)	(h)	(i)	(j)
\$1,200,525,865	\$1,305,783,306	\$334,857,696	\$370,850,347		
704,273,875	873,428,666	200,932,498	250,993,750		
104,925,333	118,443,994	21,167,053	26,568,715		
86,427,409	82,600,076	19,775,324	19,874,818		
9,728,558	9,805,211	2,231,505	2,237,818		
		9,654,850	9,781,777		
21,968,308	35,306,527	10,166,666	17,500,000		
104,839,358	101,950,992	25,310,156	26,994,734		
(4,543,554)	(51,396,968)	14,741,742	(5,599,500)		
5,120,309	(2,227,956)	3,052,107	3,168,151		
255,366,449	273,113,952	88,697,522	100,671,945		
187,954,398	180,397,434	80,359,691	85,468,371		
1,056,215,031	1,190,014,006	295,036,400	331,723,837	0	0
\$144,310,834	\$115,769,300	\$39,821,296	\$39,126,510	\$0	\$0

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012	
STATEMENT OF INCOME FOR THE YEAR (Continued)						
Line No.	Other Utility		Other Utility		Other Utility	
	Current Year (k)	Previous Year (l)	Current Year (m)	Previous Year (n)	Current Year (o)	Previous Year (p)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23	0	0	0	0	0	0
24	\$0	\$0	\$0	\$0	\$0	\$0

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
STATEMENT OF INCOME FOR THE YEAR (Continued)				
Line No.	Account (a)	(Ref). Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)	--	\$184,132,130	\$154,895,810
26	OTHER INCOME AND DEDUCTIONS			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)		2,181	21,639
30	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)			
31	Revenues From Nonutility Operations (417)			
32	(Less) Expenses of Nonutility Operations (417.1)			
33	Nonoperating Rental Income (418)		146,344	131,893
34	Equity in Earnings of Subsidiary Companies (418.1)	119		
35	Interest and Dividend Income (419)		238,094	402,990
36	Allowance for Other Funds Used During Construction (419.1)		4,154,215	4,732,044
37	Miscellaneous Nonoperating Income (421)		12,651,017	11,502,047
38	Gain in Disposition of Property (421.1)		23,189	12,396,561
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		17,215,040	29,187,174
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)			
42	Miscellaneous Amortization (425)	340		
43	Miscellaneous Income Deductions (426.1 - 426.5)	340	735,752	669,124
44	TOTAL Other Income Deductions (Total of lines 41 thru 43)		735,752	669,124
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263	226,215	223,976
47	Income Taxes -- Federal (409.2)	262-263	4,505,575	17,533,416
48	Income Taxes -- Other (409.2)	262-263	983,841	3,819,109
49	Provision for Deferred Inc. Taxes (410.2)	234,272-277	673,494	674,802
50	(Less) Provision for Deferred Income Taxes -- Cr. (411.2)	234,272-277	743,219	12,393,654
51	Investment Tax Credit Adj. -- Net (411.5)			
52	(Less) Investment Tax Credits (420)		709,184	705,185
53	TOTAL Taxes on Other Income and Deduct. (Total of 46 thru 52)		4,936,722	9,152,464
54	Net Other Income and Deductions (Enter Total of lines 39, 44, 53)		11,542,566	19,365,586
55	INTEREST CHARGES			
56	Interest on Long-Term Debt (427)		45,652,646	50,738,475
57	Amort. of Debt Disc. and Expense (428)		1,488,044	1,784,465
58	Amortization of Loss on Recquired Debt (428.1)		8,644,730	4,655,205
59	(Less) Amort. of Premium on Debt-Credit (429)			
60	(Less) Amortization of Gain on Recquired Debt-Credit (429.1)			
61	Interest on Debt to Assoc. Companies (430)	340		
62	Other Interest Expense (431)	340	24,494,542	19,927,693
63	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		2,352,267	2,566,976
64	Net Interest Charges (Enter Total of lines 56 thru 63)		77,927,695	74,538,862
65	Income Before Extraordinary Items (Total of lines 25, 54 and 64)		117,747,001	99,722,534
66	EXTRAORDINARY ITEMS			
67	Extraordinary Income (434)			
68	(Less) Extraordinary Deductions (435)			
69	Net Extraordinary Items (Enter Total of line 67 less line 68)		0	0
70	Income Taxes -- Federal and Other (409.3)	262-263		
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)		0	0
72	Net Income (Enter Total of lines 65 and 71)		\$117,747,001	\$99,722,534

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
STATEMENT OF RETAINED EARNINGS FOR THE YEAR				
1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year. 2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b). 3. State the purpose and amount of each reservation or appropriation of retained earnings. 4. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.		5. Show dividends for each class and series of capital stock. 6. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings. 7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated. 8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.		
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
UNAPPROPRIATED RETAINED EARNINGS (Account 216)				
1	Balance -- Beginning of Year		\$347,791,559	
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
4	Credit:			
5	Credit:			
6	Credit:			
7	Credit:			
8	Credit:			
9	TOTAL Credits to Retained Earnings (Acct. 439) (Total of lines 4 thru 8)		0	
10	Debit:			
11	Debit:			
12	Debit:			
13	Debit:			
14	Debit:			
15	TOTAL Debits to Retained Earnings (Acct. 439) (Total of lines 10 thru 14)		0	
16	Balance Transferred from Income (Account 433 less Account 418.1)		117,747,001	
17	Appropriations of Retained Earnings (Account 436)			
18				
19				
20				
21				
22	TOTAL Appropriations to Retained Earnings (Acct. 436) (Total of lines 18 thru 21)		0	
23	Dividends Declared -- Preferred Stock (Account 437)			
24		238	(568,620)	
25				
26				
27				
28				
29	TOTAL Dividends Declared -- Preferred Stock (Acct. 437) (Total of lines 24 thru 28)		(568,620)	
30	Dividends Declared -- Common Stock (Account 438)			
31		238	(105,000,000)	
32				
33				
34				
35				
36	TOTAL Dividends Declared -- Common Stock (Acct. 438) (Total of lines 31 thru 35)		(105,000,000)	
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings			
38	Balance -- End of year (Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		359,969,940	

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)				
Line No.	Item (a)	Amount (b)		
	APPROPRIATED RETAINED EARNINGS (Account 215)			
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.			
39				
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)	0		
	APPROPRIATED RETAINED EARNINGS - AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.			
46	TOTAL Appropriated Retained Earnings -- Amortization Reserve, Federal(Account 215.1)	441,055		
47	TOTAL Appropriated Retained Earnings (Account 215, 215.1) (Enter Total of lines 45 and 46)	441,055		
48	TOTAL Retained Earnings (Account 215, 215.1, 216) (Enter Total of lines 38 and 47)	360,410,995		
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (ACCOUNT 216.1)			
49	Balance -- Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52	Other Changes (Explain)			
53	Balance -- End of Year (Total of Lines 49 thru 52)	0		

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012
STATEMENT OF CASH FLOWS			
1. If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet. 2. Under "Other" specify significant amounts and group others. 3. Operating Activities -- Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.			
Line No.	Description (See Instructions for Explanations of Codes) (a)	Amounts (b)	
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 72(c) on page 117)		\$117,747,001
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion		101,592,042
5	Amortization of Reulatory and Other Assets and Liabilities		(22,905,416)
6	Amortization and Depletion of Utility Plant		11,960,063
7	Amortization of Other Long and Short Term Assets and Liabilities		2,099,985
8	Deferred Income Taxes (Net)		75,680,158
9	Investment Tax Credit Adjustment (Net)		(709,184)
10	Net (Increase) Decrease in Receivables		(1,833,289)
11	Net (Increase) Decrease in Inventory		10,112,860
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses		12,605,630
14	Net (Increase) Decrease in Other Regulatory Assets		(148,928,517)
15	Net Increase (Decrease) in Other Regulatory Liabilities		13,300,577
16	(Less) Allowance for Other Funds Used During Construction		4,154,215
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other:		(5,815,015)
19	Pension Income		57,510,482
20	VEBA Withdrawal		7,800,000
21	Gain on Sale of Seneca Lake Storage Facility		
22	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 21)		226,063,162
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including Land):		
26	Gross Additions to Utility Plant (less nuclear fuel)		(232,549,937)
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction		4,154,215
31	Other:		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)		(228,395,722)
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition and Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012
STATEMENT OF CASH FLOWS (Continued)			
4. Investing Activities Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on pages 122-123. Do not include on this statement the dollar amount of leases capitalized per USOA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.		5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. 6. Enter on pages 122-123 clarifications and explanations.	
Line No.	Description (See Instruction No. 5 for Explanations of Codes) (a)	Amounts (b)	
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other: Rabbi Trust	187,948	
54	Other Investments		
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	(Total of lines 34 thru 55)	(228,207,774)	
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	150,000,000	
62	Preferred Stock		
63	Common Stock		
64	Other:		
65			
66	Net Increase in Short-Term Debt (c)	70,507,239	
67	Other:		
68			
69			
70	Cash Provided by Outside Sources (Total of lines 61 thru 69)	220,507,239	
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	(100,000,000)	
74	Preferred Stock	(10,158,900)	
75	Common Stock		
76	Other: Premium on Redemption of Unsecured Notes	(3,653,000)	
77	Other: Obligations Under Capital Leases	(302,457)	
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock	(568,620)	
81	Dividends on Common Stock	(105,000,000)	
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	824,262	
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22, 57 and 83)	(1,320,350)	
87			
88	Cash and Cash Equivalents at Beginning of Year	10,526,833	
89			
90	Cash and Cash Equivalents at End of Year	\$9,206,483	

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
NOTES TO FINANCIAL STATEMENTS			
1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement. 2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock. 3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving reference to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof. 4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts. 5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions. 6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.			

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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NOTES TO FINANCIAL STATEMENTS (Continued)

Note 1. Significant Accounting Policies

Background: The Respondent is primarily engaged in electricity transmission and distribution operations and regulated natural gas transportation, storage and distribution operations in upstate New York. The Respondent became a wholly-owned subsidiary of RGS Energy Group, Inc. (RGS Energy) as a result of a merger between Iberdrola USA, Inc. (Iberdrola USA) and RGS Energy on June 28, 2002. RGS Energy remains a wholly owned subsidiary of Iberdrola USA.

The Respondent is a subsidiary of Iberdrola USA, Inc. (Iberdrola USA), which is a wholly-owned subsidiary of Iberdrola, S.A. (Iberdrola), a corporation organized under the laws of the Kingdom of Spain.

The Respondent has evaluated events or transactions that occurred after December 31, 2012, for inclusion in these financial statements through March 25, 2013, which is the date these financial statements were available to be issued. On February 7, 2013, New York State Electric & Gas Corporation declared a \$35 million common stock dividend payable February 12, 2013, to the holder of record of all of the Corporation's common stock outstanding at the close of business February 11, 2013.

Financial statements: The accompanying financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts Receivables, which constitutes a comprehensive basis other than accounting principles generally accepted in the United State of America. This is a comprehensive basis of accounting consistent with GAAP, including, but not limited to, differences in accounting for cost of removal that does not constitute a legal obligation and the balance sheet presentation of deferred income taxes. As required by the FERC, the Respondent accounts for investments in majority-owned subsidiaries on the equity method.

Accrued utility revenues: Accrued utility revenues at December 31 include unbilled revenues of \$67 million for 2012 and \$65 million for 2011, and are shown net of the accumulated provision for uncollectible accounts at December 31 of \$22 million for 2012 and \$20 million for 2011. Accounts receivable do not bear interest, although late fees may be assessed. Uncollectible accounts expense was \$17 million in 2012 and 2011.

Accrued utility revenues represent estimates of receivables for energy provided but not yet billed. The estimates are determined based on various assumptions, such as current month energy load requirements, billing rates by customer classification and delivery loss factors. Changes in those assumptions could significantly affect the estimates of accrued utility revenues.

The provision of uncollectible accounts is the Respondent's best estimate of the amount of probable credit losses in its existing accounts receivable, determined based on experience for each service region and operating segment. Each month the Respondent reviews its provision for uncollectible accounts and past due accounts over 90 days and/or above a specified amount, and reviews all other balances on a pooled basis by age and type of receivable. When the Respondent believes that a receivable will not be recovered, it charges off the account balance against the provision. Changes in assumptions about input factors and customer receivables, which are inherently uncertain and susceptible to change from period to period, could significantly affect the provision for uncollectible accounts.

The Respondents accounts receivable include amounts due under deferred payment arrangements (DPAs). When a residential customer becomes delinquent in making payments, the NYPSC requires the Respondent to allow the customer to enter into a DPA to settle the account balance. A DPA allows the account balance to be paid in installments over an extended time by negotiating mutually acceptable payment terms. Generally, the Respondent must continue to serve a customer who cannot pay an account balance in full if the customer: pays a reasonable portion of the balance; agrees to pay the balance in installments; and agrees to pay future bills within 30 days until the DPA is paid in full. DPA receivable balances, net of the applicable reserve, at December 31 were: \$18 million for 2012 and \$22 million for 2011.

Asset retirement obligations: The Respondent records the fair value of the liability for an asset retirement obligation (ARO) and/or a conditional ARO in the period in which it is incurred and capitalizes the cost by increasing the carrying amount of the related long-lived asset. The Respondent adjusts the liability to its present value periodically over time, and depreciates the capitalized cost over the useful life of the related asset. Upon settlement, the Respondent will either settle the obligation at its recorded amount or incur a gain or a loss which is recorded against a regulatory asset or liability. The Respondent defers any timing differences between rate recovery and depreciation and accretion expense as either a regulatory asset or a regulatory liability.

The term conditional ARO refers to an entity's legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the entity. If an entity has sufficient information to reasonably estimate the fair value of the liability for a conditional ARO, it must recognize that liability at the time the liability is incurred.

The Respondent's ARO at December 31, including its conditional ARO was \$16 million for 2012 and 2011. The ARO is associated with the Respondent's long-lived assets and primarily consists of obligations related to removal or retirement of: asbestos, PCB-contaminated equipment, gas pipeline and cast iron gas mains. The long-lived assets associated with the Respondent's AROs are generation property, distribution property and other property.

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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NOTES TO FINANCIAL STATEMENTS (Continued)

The Respondent has AROs for which it has not recognized a liability because the fair value cannot be reasonably estimated due to indeterminate settlement dates, including: the removal of hydroelectric dams due to structural inadequacy or for decommissioning; the removal of property upon termination of an easement, right-of-way or franchise; and costs for abandonment of certain types of gas mains.

Accrued removal obligations: The Respondent meets the requirements concerning accounting for regulated operations, and recognizes a regulatory liability, for financial reporting purposes only, for the difference between removal costs collected in rates and actual costs incurred. The Respondent classifies those amounts as accrued removal obligations.

Broker margin accounts: The Respondent maintains accounts with clearing firms that require initial margin deposits upon the establishment of new positions, primarily related to natural gas and electricity derivatives, as well as maintenance margin deposits in the event of unfavorable movements in market valuation for those positions. The amount reflecting those activities is shown as broker margin accounts on the Respondent's balance sheets.

Statements of cash flows: The Respondent considers all highly liquid investments with a maturity date of three months or less when acquired to be cash equivalents and those investments are included in cash and cash equivalents.

Supplemental Disclosure of Cash Flows Information	2012	2011
(Thousands)		
Cash paid (received) during the year ended December 31:		
Interest, net of amounts capitalized	\$46,820	\$49,193
Income taxes, paid (received) net	\$31,308	\$(31,968)

Interest capitalized was \$2.4 million in 2012 and \$2.6 million in 2011. The Respondent has increased utility plant additions presented in the investing section of the statement of cash flows for amounts payable as of December 31, 2012 by \$12 million and decreased them by \$18 million as of December 31, 2011.

Depreciation and amortization: The Respondent determines depreciation expense using the straight-line method, based on the average service lives of groups of depreciable property, which include estimated cost of removal. The weighted-average service lives of certain classifications of property are: transmission property – 62 years, distribution property - 55 years, generation property – 59 years and other property – 40 years. The Respondent's depreciation accruals were equivalent to 2.6% of average depreciable property for 2012 and 2011.

The Respondent charges repairs and minor replacements to operating expense, and capitalize renewals and betterments, including certain indirect costs. The Respondent charges the original cost of utility plant retired or otherwise disposed of to accumulated depreciation.

Government grants: Authoritative accounting principles generally accepted in the United States of America do not address accounting for government grants. For that reason, the Respondent accounts for government grants related to depreciable assets in accordance with the prescribed FERC accounting for contributions in aid of construction, that is, the grant amount is credited to the cost of the related property, plant and equipment. In accounting for government grants related to operating and maintenance costs, the Respondent recognizes amounts receivable as compensation for expenses already incurred in profit or loss in the period in which the expenses are incurred.

New accounting standards adopted: The Respondent has adopted new accounting standards issued by the Financial Accounting Standards Board (FASB) as explained below.

Comprehensive Income: In June 2011 the FASB issued amendments to improve the presentation of comprehensive income and improve convergence of U.S. generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS). The amendments give more importance to items reported in other comprehensive income (OCI) by eliminating the option to present components of OCI as part of the statement of changes in stockholders' equity. They require all nonowner changes in stockholders' equity to be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. Both options require an entity to present each component of net income along with total net income, each component of OCI along with a total for OCI, and a total amount for comprehensive income. The amendments are to be applied retrospectively and are effective for nonpublic entities for fiscal years ending after December 15, 2012, and interim and annual periods thereafter. The Respondent presents all nonowner changes in stockholder's equity in two separate but consecutive statements and complies with the presentation requirements. The Respondent's adoption of the amendments did not affect its results of operation, financial position or cash flows.

NOTES TO FINANCIAL STATEMENTS (Continued)

In December 2011 the FASB issued an update to the above amendment, to defer the effective date for amendments to the presentation of reclassification items out of accumulated other comprehensive income (AOCI). The update addresses concerns that presentation requirements about reclassifications of items out of AOCI would be costly for preparers and may add unnecessary complexity to financial statements. The update defers the effective date only for the changes that relate to the presentation of the reclassification adjustments, and will allow the FASB time to redeliberate whether to require presentation on the face of the financial statements of the effects of reclassifications out of AOCI on the components of net income and OCI for all periods presented. See the additional information concerning this matter in the item below "New accounting standards issued but not yet adopted."

Fair Value Measurement: The FASB issued an update in May 2011 for amendments that are the result of the FASB's and the International Accounting Standards Board (IASB)'s work to ensure that fair value has the same meaning and to develop common requirements for measuring fair value and disclosing information about fair value measurements in accordance with U.S. GAAP and IFRS. The amendments explain how to measure fair value but do not require additional fair value measurements and are not intended to establish valuation standards or affect valuation practices outside of financial reporting. The primary changes relate to: highest and best use and the valuation premise, measuring portfolios of financial instruments, blockage factors and other premiums and discounts, and disclosures (with certain exceptions for disclosure requirements for nonpublic entities). Other new or clarifying guidance relates to: the principal (or most advantageous) market, application to liabilities, and instruments classified within shareholders' equity. Remaining key differences relate to: day one gains and losses, measuring the fair value of certain investments (net asset value or its equivalent) and certain quantitative sensitivity analysis disclosures. The amendments are to be applied prospectively and are effective for nonpublic entities for annual periods beginning after December 15, 2011, with early application permitted, but no earlier than interim periods beginning after December 15, 2011. The Respondent's adoption of the amendments did not affect its results of operation, financial position or cash flows.

Troubled Debt Restructurings: In April 2011 the FASB issued an update that amends its accounting standards concerning determining whether a debt restructuring is a troubled debt restructuring (TDR). A restructuring is a TDR if a creditor for economic or legal reasons related to a debtor's financial difficulties grants a concession to the debtor that the creditor would otherwise not consider. The amendments provide additional guidance to creditors for evaluating whether the creditor has granted a concession and whether the debtor is experiencing financial difficulties. The amendments apply to all creditors, both public and nonpublic, that restructure receivables that are within the scope of the accounting and reporting requirements concerning TDRs. The update also ends the deferral of additional disclosures about TDR activities that had been required by an update issued in July 2010 concerning disclosures about the credit quality of financing receivables and the allowance for credit losses. The amendments are effective for nonpublic entities for annual periods ending on or after December 15, 2012, including interim periods within those annual periods. The Respondent's adoption of the amendments did not affect its results of operation, financial position or cash flows.

New accounting standards issued but not yet adopted: New accounting standards issued by the FASB that the Respondent has not yet adopted in these financial statements are as explained below.

Disclosures about Offsetting Assets and Liabilities: In December 2011 the FASB amended the requirements concerning disclosures about offsetting assets and liabilities. The amendments do not change the FASB's current offsetting model but will require enhanced disclosures and provide for converged FASB and IASB disclosures about financial instruments and derivative instruments that are either offset on the balance sheet or subject to an enforceable master netting arrangement or similar agreement. The disclosures are meant to enable users of an entity's financial statements to understand the effect of offsetting and related arrangements on the entity's financial position. Entities are required to provide both net and gross information about assets and liabilities so as to enhance comparability between entities that prepare their financial statements either based on U.S. GAAP or based on IFRS. The amendments are effective for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. The disclosures required by the amendments are to be provided retrospectively for all comparative periods presented. The Respondent's adoption of the amendments will not affect its results of operation, financial position or cash flows.

Technical Corrections and Improvements: In October 2012 the FASB issued amendments to make certain technical corrections to a wide variety of Topics in its Accounting Standards Codification. The amendments are generally not substantive, and include amendments that identify when the use of *fair value* should be linked to the definition of fair value in Topic 820, *Fair Value Measurement*, as well as conforming amendments to reflect the measurement and disclosure requirements of Topic 820. The amendments are not expected to significantly affect current accounting practice, and are not expected to create any new differences between U.S. GAAP and IFRS. The amendments not subject to the transition guidance were effective upon issuance for both public entities and nonpublic entities. For nonpublic entities, the amendments that are subject to the transition guidance are effective for fiscal periods beginning after December 15, 2013. The Respondent's adoption of the amendments will not affect its results of operation, financial position or cash flows.

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Comprehensive Income: In February 2013 the FASB issued its final update for the amendments concerning improving the reporting of amounts reclassified out of AOCI, including information an entity is to provide and present parenthetically on the face financial statements or in a single footnote. The amendments are effective for nonpublic entities prospectively for reporting periods beginning after December 15, 2013. Our adoption of the amendment will not affect our results of operation, financial position or cash flows.

Other (Income) and Other Deductions:

Year Ended December 31,	2012	2011
(Thousands)		
Interest and dividend income	\$(238)	\$(403)
Carrying costs on regulatory assets	(12,858)	(11,411)
Allowance for funds used during construction	(4,155)	(4,732)
Miscellaneous	36	(12,641)
Total other (income)	\$(17,215)	\$(29,187)
Civic donations	\$422	\$493
Miscellaneous	314	176
Total other deductions	\$736	\$669

Regulatory assets and regulatory liabilities: The Respondent currently meets the requirements concerning accounting for regulated operations for its electric and natural gas operations in New York; however, the Respondent cannot predict what effects the competitive market or future actions of regulatory entities would have on its ability to continue to do so. If the Respondent were to no longer meet the requirements concerning accounting for regulated operations for all or a separable part of its operations, the Respondent may have to record certain regulatory assets and regulatory liabilities as an expense or as revenue, or include them in accumulated other comprehensive income.

Pursuant to the requirements concerning accounting for regulated operations the Respondent capitalizes, as regulatory assets, incurred and accrued costs that are probable of recovery in future electric and natural gas rates. Substantially all regulatory assets for which funds have been expended are either included in rate base or are accruing carrying costs. As a result of the rate plan approved in 2010 (see note 12), the majority of regulatory assets and liabilities were reflected in rates. The primary regulatory assets and liabilities that have been accrued since then and are accruing carrying costs until included in rates are the deferred storm costs discussed below, and various deferrals, both assets and liabilities, resulting from reconciliation mechanisms designed to allow recovery of actual costs. The Respondent also records, as regulatory liabilities, obligations to refund previously collected revenue or to spend revenue collected from customers on future costs.

The Respondent is allowed to defer the costs of service restoration resulting from major storms when they meet certain criteria for severity and duration. During 2012 and 2011 the Respondent experienced an unusually high level of restoration costs resulting from storms including Hurricane Sandy, Hurricane Irene, tropical storm Lee and an early winter snowstorm in late October 2011. The Respondent has incurred a total of \$98 million for 2012 and \$82 million in 2011. The recovery period of the costs will be determined in future rate cases.

Unfunded future income taxes and deferred income taxes are amortized as the related temporary differences reverse. Unamortized loss on debt reacquisitions is amortized over the lives of the related debt instruments. Gain on sale of generation assets, other regulatory assets and other regulatory liabilities are amortized over various periods in accordance with the Respondent's current rate plan. Amortization of total regulatory assets net of amortization of total regulatory liabilities was \$23 million in 2012 and \$45 million in 2011. Refer to other regulatory assets (account 182.3) and other regulatory liabilities (account 254) on pages 232 and 278, respectively, for information regarding the Respondent's regulatory assets and liabilities.

Related party transactions: Iberdrola USA Management Corporation provides administrative and management services to Iberdrola USA's operating utilities, including the Respondent's, pursuant to service agreements. The cost for those services is allocated in accordance with methodologies set forth in the service agreements. The cost allocation methodologies vary depending on the type of service provided. Management believes such allocations are reasonable. The cost for services provided to the Respondent's by Iberdrola USA and its subsidiaries were approximately \$65 million for 2012 and \$57 million for 2011 and cost for services provided by the Respondent to Iberdrola USA and its subsidiaries were approximately \$12 million for 2012 and \$10 million for 2011. All of the costs for services provided are recorded as credits to other operating expenses on the financial statements.

Revenue recognition: The Respondent recognizes revenues upon delivery of energy and energy-related products and services to its customers.

The Respondent enters into power purchase and sales transactions with the New York Independent System Operator (NYISO). When the Respondent sells electricity from owned generation to the NYISO, and subsequently repurchases electricity from the NYISO to serve its customers, the Respondent records the transactions on a net basis in its statement of income. The Respondent nets its purchases and sale transactions with the NYISO on an hourly basis.

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The Respondent's electric and natural gas rate plans each contain a revenue decoupling mechanism under which its actual energy delivery revenues are compared on a periodic basis with the authorized delivery revenues and the difference accrued, with interest, for refund to or recovery from customers, as applicable. (See Note 12.)

In addition, the Respondent accrues revenues pursuant to the various regulatory provisions to record regulatory assets for revenues that will be collected in the future.

The Respondent's electric and natural gas rate plans each contain a revenue decoupling mechanism under which its actual energy delivery revenues are compared on a periodic basis with the authorized delivery revenues and the difference accrued, with interest, for refund or recovery from customers, as applicable. (See Note 12.)

In addition, the Respondent accrues revenues pursuant to the various regulatory provisions to record regulatory assets for revenues that will be collected in the future.

Taxes: The Respondent computes its income tax provision on a benefits for loss method. The determination and allocation of the Respondent's income tax provision and its components are outlined and agreed to in its tax sharing agreements with Iberdrola USA.

Deferred income taxes are recorded for the temporary differences between the financial statement and tax bases of assets and liabilities using currently enacted tax rates. Valuation allowances are established against deferred tax assets whenever circumstances indicate that it is more likely than not that such assets will not be realized in future periods. The respondent amortizes investment tax credits over the estimated lives of the related assets.

The State of New York imposes on corporations a franchise tax that is computed as the higher of a tax based on income or a tax based on capital. To the extent the Company's state tax based on capital is in excess of the state tax based on income, the Company reports such excess in other taxes and taxes accrued in the accompanying consolidated financial statements.

The Respondent accounts for sales tax collected from customers and remitted to taxing authorities on a net basis.

The Respondent classifies all interest and penalties related to uncertain tax positions as interest expense. For the periods prior to 2012, The Respondent classified all interest related to uncertain tax positions as income tax expense. The gross interest accrued is \$5.1 million as of December 31, 2012 and \$1.3 million as of December 31, 2011.

Use of estimates and assumptions: The preparation of the Respondent's financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant estimates and assumptions are used for, but not limited to: (1) accumulated provision for uncollectible accounts and accrued utility revenues; (2) asset impairments; (3) depreciable lives of assets; (4) income tax valuation allowances; (5) uncertain tax positions; (6) reserves for professional, workers' compensation, and comprehensive general insurance liability risks; (7) contingency and litigation reserves; and (8) earnings sharing mechanism (ESM), nonbypassable wires charges and environmental remediation liability; and (9) Pension and OPEB. Future events and their effects cannot be predicted with certainty; accordingly, the Respondent's accounting estimates require the exercise of judgment. The accounting estimates used in the preparation of the Respondent's financial statements will change as new events occur, as more experience is acquired, as additional information is obtained, and as its operating environment changes. The Respondent evaluates and updates its assumptions and estimates on an ongoing basis and may employ outside experts to assist in its evaluations, as considered necessary. Actual results could differ from those estimates.

Note 2. Income Taxes

Year Ended December 31, (Thousands)	2012	2011
Current		
Federal	\$14,704	\$(39,463)
State	9,156	4,759
Current taxes charged to expense	23,860	(34,704)
Deferred		
Federal	63,611	93,861
State	12,069	2,340
Deferred taxes charged to expense	75,680	96,201
Investment tax credit adjustments	(709)	(705)
Total	\$98,831	\$60,792

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The significant increase in current income tax expense in 2012, and corresponding decrease in deferred income tax expense as compared to 2011, is primarily a result of the filing of a change in method of accounting related to mixed service costs recorded in 2011, tax return adjustments recorded in 2012, the reversal of net operating losses recorded in 2011, and an increase in book income in 2012. The filing of the change in method of accounting for the 2010 tax return was not anticipated at December 31, 2010, and therefore was not reflected in the 2010 income tax provision. The \$23.9 million effect on current tax expense for 2012 is primarily a result of certain adjustments recorded for the effects of the 2011 tax return, and current year tax expense, offset by the reversal of net operating losses (NOL) recorded in 2011. The \$34.7 million effect on current tax expense for 2011 is primarily a result of certain adjustments recorded for the effects of the 2010 tax return,

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The Respondent's tax expense differed from the expense at the federal statutory rate of 35% due to the following:

Year Ended December 31,	2012	2011
(Thousands)		
Tax expense at statutory rate	\$75,802	\$56,180
Depreciation and amortization not normalized	7,847	1,151
Investment tax credit amortization	(709)	(705)
Removal costs	(3,779)	(4,306)
Medicare subsidy	3,890	3,134
Tax return and audit adjustments	2,826	2,723
State taxes, net of federal benefit	13,796	4,525
Other, net	(842)	(1,910)
Total	\$98,831	\$60,792

Income taxes were \$23.0 million more in 2012 than they would have been at the federal statutory rate of 35% and \$4.6 million more in 2011. The 2012 effective tax rate was higher than the statutory rate primarily due to state taxes, depreciation and amortization not normalized, and Medicare subsidy offset by tax benefits, including removal costs. The 2011 effective tax rate was more than the statutory rate primarily due to state taxes and Medicare subsidy offset by tax benefits, including removal costs.

The Respondent's deferred tax assets and liabilities consisted of:

December 31,	2012	2011
(Thousands)		
Current Deferred Income Tax Assets	\$45,642	\$50,124
Noncurrent Deferred Income Tax Liabilities (Assets)		
Property related	\$718,938	\$683,802
Storm costs	79,012	41,582
Unfunded future income taxes	26,876	40,821
Accumulated deferred investment tax credits	17,045	17,754
Pension	171,564	202,623
Other postretirement benefits	(47,672)	(42,560)
Positive benefits adjustments merger order	(10,330)	(23,061)
Other	(1,376)	14,455
Total Noncurrent Deferred Income Tax Liabilities	954,057	935,416
Less amounts classified as regulatory liabilities		
Deferred income taxes	286,074	276,822
Noncurrent Deferred Income Tax Liabilities	\$667,983	\$658,594
Deferred tax assets	\$105,020	\$115,745
Deferred tax liabilities	1,013,435	1,001,037
Net Accumulated Deferred Income Tax Liabilities	\$908,415	\$885,292

The Respondent has no federal or state net operating loss or tax credit carryforwards.

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Reconciliation of Gross Income Tax Reserves	2012	2011
(Thousands)		
Balance as of January 1	\$9,709	\$22,809
Increases for tax positions related to prior years	15,883	366
Reduction for tax position related to settlements with taxing authorities	(2,562)	(13,466)
Balance as of December 31	\$23,030	\$9,709

The accounting guidance for uncertainty in income taxes provides that the financial effects of a tax position shall initially be recognized in the financial statements when it is more likely than not based on the technical merits that the position will be sustained upon examination,

Reconciliation of Gross Income Tax Reserves (Thousands)	2012	2011
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Increases for tax positions related to prior years	15,883	366
Reduction for tax position related to settlements with taxing authorities	(2,562)	(13,466)
Balance as of December 31	\$23,030	\$9,709

The accounting guidance for uncertainty in income taxes provides that the financial effects of a tax position shall initially be recognized in the financial statements when it is more likely than not based on the technical merits that the position will be sustained upon examination, assuming the position will be audited and the taxing authority has full knowledge of all relevant information.

Unrecognized income tax benefits represent income tax positions taken on income tax returns but not yet recognized in the consolidated financial statements. The Respondent has unrecognized income tax benefits of \$23.0 million as of December 31, 2012, and \$9.7 million as of December 31, 2011. Accruals for interest and penalties on tax reserves were \$5.1 million as of December 31, 2012 and \$1.3 million as of December 31, 2011. The 2012 amounts were recognized as interest and the 2011 amounts were recognized as income taxes. If recognized, \$0.7 million of the total gross unrecognized tax benefits would affect the effective tax rate. Gross income tax reserves increased \$13.3 million in 2012 primarily due to increases for additional positions reserved in 2012 of \$15.9 million offset by settlements with taxing authorities of \$2.6 million.

The Respondent has been audited through 2005 for federal income taxes. The statute of limitations in all state jurisdictions except New York State has expired for all years through 2008. The Respondent's federal returns for 2006 through 2009 and New York State returns for 2007 through 2009 are currently under review. The Respondent anticipates that the reviews will be completed in 2013. It is reasonably possible that other events will occur during the next 12 months that would cause the total amount of unrecognized tax benefits to increase or decrease.

Safe Harbor Method for capitalizing expenditures: In 2011 the Internal Revenue Service issued a revenue procedure to provide a safe harbor method of accounting that taxpayers may use to determine whether expenditures to maintain, replace or improve electric transmission and distribution property must be capitalized under Section 263 (a) of the Internal Revenue Code. The revenue procedure also provides procedures to obtain automatic consent to change to the safe harbor method of accounting. The Respondent used the safe harbor method in accounting for its 2011 and 2012 results.

Capitalization of tangible assets: In December 2012 the Internal Revenue Service amended the temporary capitalization of tangible assets regulations previously issued in 2011, to be applicable to tax years beginning on or after January 1, 2014, unless the taxpayer elects to apply them in tax years beginning on or after January 1, 2012. The Respondent intends to review and comply with the final regulations, however the Respondent did not elect to apply the regulations in 2012.

Bonus depreciation: As a result of the passage of The Small Business Jobs Act in September 2010 and the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 in December 2010, certain capital additions qualify for 50% bonus depreciation and 100% expensing, respectively, for tax purposes. Iberdrola USA and its affiliates have elected to apply the 50% bonus and 100% expensing to the additions it has determined qualify for accelerated tax depreciation. There is no earnings effect related to this election because the accelerated tax depreciation creates a temporary difference that requires the establishment of a deferred tax liability.

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NOTES TO FINANCIAL STATEMENTS (Continued)

Note 3. Long-term Debt

At December 31, 2012 and 2011, the Respondent's long-term debt was:

	Interest Rates	Maturity	Amount (Thousands) 2012	2011
Unsecured pollution control notes (PCN's), fixed				
2011 Series A, B & D	2.125% - 2.25%	2015	\$132,000	\$132,000
1994 Series B & C	3.00%	2013	101,000	101,000
2004 Series B	5.25%	2028	70,000	70,000

At December 31, 2012 and 2011, the Respondent's long-term debt was:

			Amount (Thousands)	
	Interest Rates	Maturity	2012	2011
Unsecured pollution control notes (PCN's), fixed				
2011 Series A, B & D	2.125% - 2.25%	2015	\$132,000	\$132,000
1994 Series B & C	3.00%	2013	101,000	101,000
2004 Series B	5.35%	2028	70,000	70,000
2006 Series A	3.00%	2013	12,000	12,000
Pollution control notes, fixed			315,000	315,000
Unsecured PCN's, variable				
2005 Series A	.13%	2026	25	25
2004 Series C	.577%	2034	100,000	100,000
Pollution control notes, variable			100,025	100,025
Various long-term debt				
Unsecured notes	3.24% to 6.15%	2016 to 2023	650,000	600,000
Obligations under capital leases			1,493	1,796
Unamortized premium on debt			(1,795)	(2,103)
Total long-term debt			1,064,723	1,014,718
Less debt due within one year			113,000	100,000
Less capital leases included in current liabilities			318	303
Total Long-term Debt			\$951,405	\$914,415

The Respondent has no secured indebtedness. None of its debt obligations are guaranteed or secured by any of its affiliates.

In January 2012 the Respondent issued a notice to call \$100 million of 5.5% unsecured notes due in November 2012 at a "make-whole" call price producing a yield of the treasury rate plus 25 basis points. The notes were redeemed in February 2012.

In September 2012 the Respondent issued \$150 million of senior unsecured notes, of which \$75 million will bear a coupon of 3.24% and will mature in September 2022 and \$75 million will bear a coupon of 4.55% and will mature in September 2042. This issuance is subject to similar debt covenant as our Joint Facility where we covenant not to permit, without the consent of the lender, our ratio of total indebtedness to total capitalization to exceed 0.65 to 1.00 at any time.

As of December 31, 2012 and December 31, 2011, the Respondent had outstanding \$415 million of tax-exempt PCNs, of which \$202 million have coupons fixed to maturity, \$113 million are notes with a mandatory redemption date in 2013 and \$100 million are 7-day auction rate notes. The \$113 million notes with mandatory redemption dates in 2013 have maturity dates in 2024 through 2029 and may be remarketed as tax-exempt bonds in a different interest rate mode after the mandatory redemptions.

At December 31, 2012, long-term debt including capital lease payments (in thousands) that will become due during the next five years is:

2013	2014	2015	2016	2017
\$113,318	\$334	\$132,350	\$100,368	\$200,124

Except for the September debt issuance mentioned above, The Respondent has no financial debt covenant requirements related to its long-term debt at December 31, 2012 and 2011.

Note 4. Bank Loans and Other Borrowings

The Respondent and the other Iberdrola USA operating utilities rely on a combination of bank provided and intercompany revolving credit facilities to fund short-term liquidity needs. In July 2011, the Respondent jointly entered into a bank provided revolving credit facility (the "Joint Facility") that allows maximum borrowings of up to \$600 million in aggregate and expires in 2016. Sublimits that total to the aggregate limit apply to each joint borrower and can be altered within the constraints imposed by maximum limits that apply to each joint borrower. The Respondent's maximum credit limit under the joint facility is \$200 million. Each borrower pays a facility fee ranging from 20 to 25 basis points annually depending on the rating of its unsecured debt.

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In February 2012 the Respondent established a commercial paper program with a limit of \$200 million. The Joint Facility serves as the backstop to this program. The Respondent intends to use commercial paper as an alternative to the Joint Facility as a source of short-term credit.

In February 2012 RG&E and the Respondent executed bilateral credit facilities with each other, each bearing a limit of \$100 million and with expiration in 2018. The companies will lend to one another in the event that one company has excess cash while the other is in a net borrowing position in order to optimize cash resources between the two companies. At December 31, 2012 the Respondent had \$46 million in debt outstanding under this agreement.

The Respondent had a total of \$81 million of short-term debt outstanding at December 31, 2012 and \$10 million outstanding at December 31, 2011. The weighted-average interest rate on short-term debt was .38% at December 31, 2012 and .41% at December 31, 2011. At March 15, 2013, we have \$75 million of short-term debt. The Respondent believes that it has sufficient liquidity available to meet our working capital and capital spending requirements. As of March 15, 2013, the Respondent had \$192 million available under the Joint Facility, \$176 million available under the intercompany facility and approximately \$6 million of cash on hand.

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The Respondent had a total of \$81 million of short-term debt outstanding at December 31, 2012 and \$10 million outstanding at December 31, 2011. The weighted-average interest rate on short-term debt was .38% at December 31, 2012 and .41% at December 31, 2011. At March 15, 2013, we has \$75 million of short-term debt. The Respondent believes that it has sufficient liquidity available to meet our working capital and capital spending requirements. As of March 15, 2013, the Respondent had \$192 million available under the Joint Facility, \$176 million available under the intercompany facility and approximately \$6 million of cash on hand.

In the Respondent's Joint Facility it covenant not to permit, without the consent of the lender, its ratio of total indebtedness to total capitalization to exceed 0.65 to 1.00 at any time. For purposes of calculating the maximum ratio of indebtedness to total capitalization, the facility excludes from net worth the balance of Accumulated other comprehensive income (loss) as it appears on the balance sheet. The facility contains various other covenants, including a restriction on the amount of secured indebtedness the Respondent may maintain. Continued unremedied failure to comply with those covenants for five business days after written notice of such failure from the lender constitutes an event of default and would result in acceleration of maturity. The Respondent's ratio of indebtedness to total capitalization pursuant to the revolving credit facility was 0.52 to 1.00 at December 31, 2012. The Respondent is not in default as of December 31, 2012.

The Respondent also have an intercompany credit facility under a demand note agreement with Iberdrola USA that provides financing of up to \$250 million. Under the terms of that agreement, which expires in 2018, The Respondent pays the same rate as under Iberdrola USA's credit facility. At December 31, 2012 The Respondent had \$13 million outstanding under this agreement.

In its revolving credit facility Iberdrola USA covenants not to permit, without the consent of the lender, its ratio of total indebtedness to total capitalization to exceed 0.65 to 1.00 at any time. For purposes of calculating the maximum ratio of consolidated indebtedness to total capitalization, the facility excludes from consolidated net worth the balance of Accumulated other comprehensive income (loss) as it appears on the consolidated balance sheet. The facility contains various other covenants, including a restriction on the amount of secured indebtedness each borrower may maintain. Continued unremedied failure to comply with those covenants for 15 days after written notice of such failure from the lender constitutes an event of default and would result in acceleration of maturity for the party in default. The Iberdrola USA ratio of consolidated indebtedness to consolidated total capitalization pursuant to the revolving credit facility was 0.47 to 1.00 at December 31, 2012. Iberdrola USA was not in default as of December 31, 2012.

Note 5. Preferred Stock Redeemable Solely at the Option of the Company

On June 22, 2012, the Respondent redeemed all of its outstanding shares of the securities listed below, except the Limited Voting Junior, at the redemption prices indicated plus accrued dividends from April 1, 2012, to the date of the redemption.

At December 31, 2012 and 2011, the Respondent's serial cumulative preferred stock was:

Series	Par Value Per Share	Redemption Price Per Share	Shares Authorized and Outstanding ⁽¹⁾	Amount (Thousands)	
				2012	2011
3.75%	\$100	\$104.00	-	-	\$7,838
4.50% (1949)	100	103.75	-	-	1,180
4.40%	100	102.00	-	-	709
4.15% (1954)	100	102.00	-	-	432
Limited Voting Junior	1	-	1	-	-
Total				-	\$10,159

⁽¹⁾ At December 31, 2012, the Respondent had 2,455,000 shares of \$100 par value preferred stock, 10,800,000 shares of \$25 par value preferred stock and 1,000,000 shares of \$100 par value preference stock authorized but unissued.

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We have a class of preferred stock having one share and a par value of \$1, which is issued and outstanding and has voting authority only with respect to whether RG&E may file a voluntary bankruptcy petition.

Note 6. Commitments and Contingencies

Capital spending: The Respondent's has commitments in connection with its capital spending program. As part of the Respondent's rate plan approved in August 2010, capital spending targets were established. The capital expenditure target is \$183 million for 2013. If at the end of the rate plan in 2013, the revenue requirement on plant has been lower than that assumed in the rate plan based on those capital expenditure levels, the Respondent will defer the revenue requirement effect for the benefit of customers.

Homer City: In June 2008 the Respondent received a letter from subsidiaries of Edison Mission Energy (EME) regarding a notice of violation (NOV) from the U. S. Environmental Protection Agency (EPA) claiming that certain modifications to the Homer City Electric Generation Station (Homer City) during the time it was owned by the Respondent and Pennsylvania Electric Company (Penelec) were done in violation of EPA's new source review regulations. The Respondent and Penelec sold Homer City to EME in 1999. EME asserts that it is entitled to indemnification for certain fines, penalties and costs arising out of the violations alleged in the NOV under the terms of the Asset Purchase Agreement for Homer City. This appears to be the same claim EME made to the Respondent and Penelec in October 2000. The Respondent continues to believe that the costs sought by EME are not liabilities of the Respondent and that the Respondent did not retain liability for those material

rate plan in 2013, the Respondent will defer the revenue requirement effect for the benefit of customers.

Homer City: In June 2008 the Respondent received a letter from subsidiaries of Edison Mission Energy (EME) regarding a notice of violation (NOV) from the U. S. Environmental Protection Agency (EPA) claiming that certain modifications to the Homer City Electric Generation Station (Homer City) during the time it was owned by the Respondent and Pennsylvania Electric Company (Penelec) were done in violation of EPA's new source review regulations. The Respondent and Penelec sold Homer City to EME in 1999. EME asserts that it is entitled to indemnification for certain fines, penalties and costs arising out of the violations alleged in the NOV under the terms of the Asset Purchase Agreement for Homer City. This appears to be the same claim EME made to the Respondent and Penelec in October 2000. The Respondent continues to believe that the costs sought by EME are not liabilities of the Respondent and that the Respondent did not retain liability for these material claims when the plant was sold.

In connection with this matter, in January 2011 the U. S. Justice Department filed a lawsuit on behalf of the EPA in the U.S. District Court for the Western District of Pennsylvania against current and former owners and operators of Homer City. The Respondent and Penelec are named in the suit, along with EME Homer City Generation, the current operator, and eight limited liability companies that own the plant by virtue of a sale and leaseback refinancing that occurred in 2001. The Respondent believes it has a number of sound defenses to the claims included in the lawsuit, including that the statute of limitations and equitable principles prohibit EPA from forcing the Respondent to pay for costly improvements at a plant it has not owned or operated in over 10 years. The Respondent and all other defendants filed a motion to dismiss the complaint, which was granted by the judge in October 2011. The EPA has appealed the decision. The judge's dismissal of the case bolsters the Respondent's assessment that it does not face significant liability from this case. The Respondent, however, cannot predict the ultimate outcome of this matter.

Merger order: The Iberdrola Merger Order contained a capital expenditure condition for the Respondent and Rochester Gas and Electric Corporation (RG&E) for an aggregate of \$540 million (the Respondent \$320 million, RG&E \$220 million) during 2009 and 2010. In September 2009 the Respondent and RG&E requested a limited waiver of the capital expenditure merger condition to allow them to spend the capital investment by 2011. The request was denied by the New York Public Service Commission (NYPSC) in its April 2010 Order. If the Respondent and RG&E were to spend less than the amount targeted in the merger order, they would be obligated to provide a calculation of the carrying charge revenue requirement effect resulting from the actual level of capital spending compared to the targeted amount, which could be returned to customers if ordered by the NYPSC.

The Respondent and RG&E made a filing in January 2011 in which they showed that capital spending during 2009 and 2010 was approximately \$359 million for the Respondent and approximately \$188 million for RG&E. As part of the same filing, they provided an assessment of other considerations, including the effects on customers associated with a lower level of capital spending during 2009, and provided reasons why the total revenue requirement effect, as calculated, should not be returned to customers.

The NYPSC issued an order in November 2011 directing each company to record a deferred credit on behalf of customers due to the timing of the 2009 and 2010 capital expenditures: \$6.8 million for the Respondent and \$10.0 million for RG&E. As required by the order, the deferred credits will not accrue any additional carrying charges prior to their ultimate disposition to ratepayers. Disposition of the credits will occur after the end of the existing rate plan (after 2013). The order also allowed the Respondent to reflect approximately \$3.5 million per year, for a three year period beginning in 2011, of shareholder deferred carrying charges on certain capital expenditures.

In December 2011 the Respondent and RG&E filed a Petition for Rehearing of the NYPSC November Order, asking the NYPSC to reconsider the imposition of the carrying charge deferred credit, since the Respondent had spent above the targeted level during the 2009 to 2010 time period and since the benefits to ratepayers of RG&E's deferred spending had not been considered in the NYPSC November 2011 Order. On May 4, 2012, the NYPSC issued an Order Denying Rehearing and Granting Clarification in Part. The NYPSC did not grant any relief on its determination of the customer credit amounts, but did clarify that 2010 incremental project costs will be recognized in meeting the annual net plant targets.

Nonutility generator power purchase contracts: The Respondent expensed approximately \$11 million for NUG power in 2012 and \$14 million in 2011. The Respondent estimates that its NUG power purchases will total \$72 million for 2013 through 2017.

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NYPSC Staff Review of Earnings Sharing Calculations and other Regulatory Deferrals: In December 2012 the NYPSC Staff informed the Respondent and RG&E that the Staff had conducted an audit of the companies' annual compliance filings (ACF) for 2009 through August 31, 2010, and the first rate year of the current rate plan (September 1, 2010 to August 31, 2011). The NYPSC Staff's preliminary findings indicate adjustments to deferred balances, primarily associated with storm costs, as well as treatment of certain incentive compensation costs for purposes of the 2011 ACF. As a result of the Staff report The Respondent recorded a \$2.4 million reserve in December 2012 in anticipation of settling the issues. The Respondent & RG&E have reviewed the Staff's adjustments and workpapers and has provided a response to the Staff in February 2013. Staff is reviewing the comments and The Respondent anticipates settlement discussions during 2013.

Note 7. Environmental Liability

From time to time environmental laws, regulations and compliance programs may require changes in the Respondent's operations and facilities and may increase the cost of electric and natural gas service.

The EPA and the New York State Department of Environmental Conservation (NYSDEC), as appropriate, have notified the Respondent that they are among the potentially responsible parties that may be liable for costs incurred to remediate certain hazardous substances at 11 waste sites. The 11 sites do not include sites where gas was manufactured in the past, which are discussed below. With respect to the 11 sites, nine sites are included in the New York State Registry of Inactive Hazardous Waste Disposal Sites and four sites are also included on the National Priorities list. Any liability may be joint and several for certain of those sites. The Respondent has no liability recorded as of December 31, 2012, related to the 11 sites.

NYPSC Staff Review of Earnings Sharing Calculations and other Regulatory Deferrals: In December 2012 the NYPSC Staff informed the Respondent and RG&E that the Staff had conducted an audit of the companies' annual compliance filings (ACF) for 2009 through August 31, 2010, and the first rate year of the current rate plan (September 1, 2010 to August 31, 2011). The NYPSC Staff's preliminary findings indicate adjustments to deferred balances, primarily associated with storm costs, as well as treatment of certain incentive compensation costs for purposes of the 2011 ACF. As a result of the Staff report The Respondent recorded a \$2.4 million reserve in December 2012 in anticipation of settling the issues. The Respondent & RG&E have reviewed the Staff's adjustments and workpapers and has provided a response to the Staff in February 2013. Staff is reviewing the comments and The Respondent anticipates settlement discussions during 2013.

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The Respondent has paid remediation costs related to the 11 sites, and do not expect to incur any additional liability. The ultimate cost to remediate the sites may be significantly more than the accrued amount. Factors affecting the estimated remediation amount include the remedial action plan selected, the extent of site contamination and the portion attributed to the Respondent.

The Respondent has a program to investigate and perform necessary remediation at its 39 sites where gas was manufactured in the past. In 1994 and 1996 the Respondent entered into orders on consent with the NYSDEC. Those orders require us to investigate and, where necessary, remediate 36 of the Respondent's 39 sites. Eight sites are included in the New York State Registry.

The Respondent's estimate for all costs related to investigation and remediation of the 39 sites ranges from \$114 million to \$196 million at December 31, 2012. The estimate could change materially based on facts and circumstances derived from site investigations, changes in required remedial action, changes in technology relating to remedial alternatives and changes to current laws and regulations.

The liability to investigate and perform remediation, as necessary, at the known inactive gas manufacturing sites was \$114 million at December 31, 2012, and \$120 million at December 31, 2011. The Respondent recorded a corresponding regulatory asset, net of insurance recoveries, because it expects to recover the net costs in rates.

The Respondent's environmental liability accruals have been established on an undiscounted basis. The Respondent has received insurance settlements which it accounted for as reductions to its related regulatory asset.

The Respondent sued FirstEnergy under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) to recover environmental clean-up costs at 16 former manufactured gas plants. On July 11, 2011, the United States District Court for the Northern District of New York issued a decision and order in the Respondent's favor. Based upon past and future clean-up costs at the 16 sites in dispute, FirstEnergy will be required to pay the Respondent approximately \$60 million if the decision, as written, is upheld on appeal. FirstEnergy appealed the decision to the Second Circuit Court of Appeals, a process estimated to take approximately one year to complete. On September 9, 2011, FirstEnergy paid the Respondent \$29.7 million, representing their share of past costs (\$26.5 million) and pre-judgment interest (\$3.2 million). If FirstEnergy succeeds in overturning the decision, the Respondent must return that payment. The Respondent's opinion is that it is less than probable that it will have to refund any of the \$29.7 million and the Respondent has not recorded a contingency for that amount. The payment has been recorded as a reduction in the regulatory asset for environmental remediation.

Note 8. Accounting for Derivative Instruments and Hedging Activities

The Respondent is exposed to certain risks relating to its ongoing business operations. The primary risk the Respondent manages by using derivative instruments is commodity price risk. In accordance with the accounting requirements concerning derivative instruments and hedging activities, the Respondent recognizes all derivative instruments as either assets or liabilities at fair value on its balance sheet.

The financial instruments the Respondent holds or issues are not for trading or speculative purposes.

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Commodity price risk: Commodity price risk, due to volatility experienced in the wholesale energy markets, is a significant issue for the electric and natural gas utility industries. The Respondent manages this risk through a combination of regulatory mechanisms, such as the pass-through of the market price of electricity and natural gas to customers, and through comprehensive risk management processes. Those measures mitigate the Respondent's commodity price exposure, but do not completely eliminate it. Owned electric generation and long-term supply contracts reduce the Respondent's exposure to market fluctuations.

The Respondent has electricity commodity purchases and sales contracts for both capacity and energy (physical contracts) that have been designated and qualify for the normal purchases and normal sales exception in accordance with the accounting requirements concerning derivative instruments and hedging activities.

The Respondent currently has a nonbypassable wires charge adjustment that allows the Respondent to pass through rates any changes in the market price of electricity. The Respondent uses electricity contracts, both physical and financial, to manage fluctuations in electricity commodity prices in order to provide price stability to customers. The Respondent includes the cost or benefit of those contracts in the amount expensed for electricity purchased when the related electricity is sold. The Respondent records changes in the fair value of electric hedge contracts to derivative assets and/or liabilities with an offset to regulatory assets and/or regulatory liabilities in accordance with the requirements concerning accounting for regulated operations. At December 31, 2012, the loss recognized in regulatory assets was \$8.2 million for electricity derivatives. For the year ended December 31, the amount reclassified from regulatory assets/liabilities into income, which is included in electricity purchased, was a loss of \$26.9 million for 2012 and a loss of \$3.3 million for 2011.

The Respondent had purchased a gas adjustment clause that allows them to recover through rates any changes in the market price of purchased natural gas, substantially eliminating their exposure to natural gas price risk. The Respondent use natural gas futures and forwards to manage fluctuations in natural gas commodity prices in order to provide price stability to customers. The Respondent included the cost or benefit of natural gas futures and forwards in the commodity cost that is passed onto customers when the related sales commitments are fulfilled. The Respondent records changes in the fair value of natural gas hedge contracts to derivative assets and/or liabilities with an offset to regulatory assets and/or regulatory liabilities in accordance with the requirements concerning accounting for regulated operations. At December 31, 2012, the loss recognized in regulatory assets was \$655 thousand for natural gas hedges. For the year ended December 31, the loss reclassified from regulatory assets into income, which is included in natural gas purchased, was \$5.0 million for 2012 and \$5.5 million for 2011.

The Respondent's derivative volumes by commodity type that are expected to settle each year are:

	Electricity Contracts	Natural Gas Contracts	Other Fuel Contracts
Year to settle	Financial MwHs	Financial Dths	Financial Gals
As of December 31, 2012			
2012	2,460,425	1,340,000	1,641,000
2013	955,900	300,000	-
As of December 31, 2011			
2011	3,207,800	2,710,000	908,000
2012	1,374,725	310,000	-

NOTES TO FINANCIAL STATEMENTS (Continued)

The location and amounts of derivative fair values in the balance sheet are:

As of December 31, (Thousands)	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments				
2012				
Commodity contracts:				
Electricity derivatives:				
Current	Current assets	-	Current liabilities	\$8,187
Long-term	Other assets	-	Other liabilities	42
Natural gas derivatives				
Current	Current assets	-	Current liabilities	598
Long-term	Other assets	-	Other liabilities	57
Other contracts	Current assets	-	Current liabilities	346
Total		-		\$9,230
2011				
Commodity contracts:				
Electricity derivatives:				
Current	Current assets	-	Current liabilities	\$15,728
Long-term	Other assets	-	Other liabilities	7,026
Natural gas derivatives				
Current	Current assets	-	Current liabilities	4,906
Long-term	Other assets	-	Other liabilities	247
Other contracts	Current assets	-	Current liabilities	302
Total		-		\$28,209

NOTES TO FINANCIAL STATEMENTS (Continued)

The effect of hedging instruments on other comprehensive income (OCI) and income was:

Year Ended December 31,	Gain (Loss) Recognized in OCI on Derivatives	Location of Gain (Loss) Reclassified from Accumulated OCI into Income	Gain (Loss) Reclassified from Accumulated OCI into Income	Location of Gain (Loss) Recognized in Income on Derivatives	Gain (Loss) Recognized in Income on Derivatives
Derivatives in Cash Flow Hedging Relationships (Thousands)	Effective Portion	Effective Portion		Ineffective Portion and Amount Excluded from Effectiveness Testing (2)	
2012					
Interest rate contracts	-	Interest expense	\$(1,092)	Interest expense	-
Commodity contracts:					
Electricity derivatives	-	Electricity purchased	-	Other (Income)/ Other Deductions	-
Other	\$121	Other operating expenses	(77)	-	-
Total	\$121		\$(1,169)		-
2011					
Interest rate contracts	-	Interest expense	\$(1,092)	Interest expense	-
Commodity contracts:					
Electricity derivatives	-	Electricity purchased	-	Other (Income)/ Other Deductions	-
Other	\$(41)	Other operating expenses	416	-	-
Total	\$(41)		\$(676)		-

The amounts in AOCI related to previously settled forward starting swaps, and accumulated amortization, as of December 31, 2012, is a net loss of \$5.6 million as compared to a net loss of \$6.7 million as of December 31, 2011. The Respondent will amortize approximately \$1.1 million of discontinued cash flow hedges in 2013.

As of December 31, 2012, the maximum length of time over which The Respondent will hedge their exposure to the variability in future cash flows for forecasted energy transactions is 24 months – through December 31, 2014.

The Respondent faces risks related to counterparty performance on hedging contracts due to counterparty credit default. The Respondent has developed a matrix of unsecured credit thresholds that are dependent on a counterparty's or the counterparty guarantor's applicable credit rating (normally Moody's or Standard & Poor's). When The Respondent's exposure to risk for a counterparty exceeds the unsecured credit threshold, the counterparty is required to post additional collateral or The Respondent will no longer transact with the counterparty until the exposure drops below the unsecured credit threshold.

The Respondent has various master netting arrangements in the form of multiple contracts with various single counterparties that are subject to contractual agreements that provide for the net settlement of all contracts through a single payment. Those arrangements reduce their exposure to a counterparty in the event of default on or termination of any one contract. For financial statement presentation, The Respondent does not offset fair value amounts recognized for derivative instruments and fair value amounts recognized for the right to reclaim or the obligation to return cash collateral arising from derivative instruments executed with the same counterparty under a master netting arrangement.

Certain of The Respondent's derivative instruments contain provisions that require them to maintain an investment grade credit rating on their debt from each of the major credit rating agencies. If The Respondent's debt were to fall below investment grade, it would be in violation of those provisions, and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing full overnight collateralization on derivative instruments in net liability positions. The aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a liability position on December 31, 2012, is \$9.2 million for which The Respondent has posted collateral of \$6.8 million in the normal course of business. If the credit-risk-related contingent features underlying those agreements were triggered on December 31, 2012, The Respondent would be required to increase their collateral by \$2.4 million to their counterparties.

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Note 9. Fair Value of Financial Instruments and Fair Value Measurements

The carrying amounts and estimated fair values of The Respondent's financial instruments are shown in the following table. Carrying amounts include related debt discounts.

December 31,	2012		2011	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
(Thousands)				
Pollution control notes, fixed	\$315,000	\$315,423	\$315,000	\$317,264
Pollution control notes, variable	\$100,025	\$100,025	\$100,025	\$100,025
Various long-term debt	\$648,205	\$774,578	\$597,897	\$715,825

The carrying amounts for cash and cash equivalents, accounts receivable, notes payable and interest accrued approximate their estimated fair values.

The Respondent values all fixed rate long-term debt, taxable or tax-exempt, by assigning a market-based yield for each security and then deriving the price from the yield. Market-based yields are determined by observing secondary market trading levels for debt of similar maturity, rating, tax and structural characteristics. The Respondent values all variable rate debt at par as it approximates fair value.

Assets and liabilities measured at fair value on a recurring basis

Description	Fair Value Measurements at December 31, Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(Thousands)				
2012				
Assets				
Noncurrent investments available for sale, primarily money market funds	\$11,891	\$11,891	-	-
Total	\$11,891	\$11,891	-	-
Liabilities				
Derivatives				
Commodity contracts:				
Electricity	\$8,229	\$8,229	-	-
Natural gas	655	655	-	-
Other	346	-	-	\$346
Total	\$9,230	\$8,884	-	\$346
2011				
Assets				
Noncurrent investments available for sale, primarily money market funds	\$12,093	\$12,093	-	-
Total	\$12,093	\$12,093	-	-
Liabilities				
Derivatives				
Commodity contracts:				
Electricity	\$22,754	\$22,754	-	-
Natural gas	5,153	5,153	-	-
Other	302	-	-	\$302
Total	\$28,209	\$27,907	-	\$302

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Respondent had no significant transfers to or from Level 1 and 2 during the years ended December 31, 2012 and 2011. Their policy is to recognize transfers in and out as of the actual date of the event or change in circumstances that causes a transfer, if any.

Valuation techniques: The Respondent measures the fair value of their noncurrent investments available for sale using quoted market prices in active markets for identical assets and include the measurements in Level 1. The investments primarily consist of money market funds.

The Respondent determines the fair value of their various derivative assets and liabilities utilizing market approach valuation techniques:

Respondent had no significant transfers to or from Level 1 and 2 during the years ended December 31, 2012 and 2011. Their policy is to recognize transfers in and out as of the actual date of the event or change in circumstances that causes a transfer, if any.

Valuation techniques: The Respondent measures the fair value of their noncurrent investments available for sale using quoted market prices in active markets for identical assets and include the measurements in Level 1. The investments primarily consist of money market funds.

The Respondent determines the fair value of their various derivative assets and liabilities utilizing market approach valuation techniques:

- The Respondent enters into electric energy derivative contracts to hedge the forecasted purchases required to serve their electric load obligations. The Respondent hedges their electric load obligations using derivative contracts that are settled based upon Locational Based Marginal Pricing published by the NYISO. The Respondent hedges all of their electric load obligations in a NYISO location where an active market exists. The forward market prices used to value their open electric energy derivative contracts are readily available no adjustment required and The Respondent includes the fair value in Level 1.

The Respondent enters into natural gas derivative contracts to hedge the forecasted purchases required to serve their natural gas load obligations. The forward market prices used to value their open natural gas derivative contracts are exchange-based prices for the identical derivative contracts traded actively on the New York Mercantile Exchange. Because The Respondent uses prices quoted in an active market, The Respondent includes those fair value measurements in Level 1.

Instruments measured at fair value on a recurring basis using significant unobservable inputs

Year Ended December 31, (Thousands)	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)	
	Derivatives, Net	
	2012	2011
Beginning balance	\$ (302)	\$ 73
Total gains (losses) (realized/unrealized)		
Included in earnings	77	(416)
Included in other comprehensive income	(121)	41
Ending balance	\$ (346)	\$ (302)

The gains and losses included in earnings for the periods (above), which are reported in Other operating expense are:

(Thousands)	
Total gains (losses) included in earnings for year ended	
December 31,	
2012	\$ 77
2011	\$ (416)

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Note 10. Accumulated Other Comprehensive Income (Loss)

	Balance January 1, 2011	2011 Change	Balance December 31, 2011	2012 Change	Balance December 31, 2012
(Thousands)					
Amortization of pension cost for nonqualified plans, net of income tax (expense) of \$(332) for 2011 and \$(40) for 2012	\$ (2,371)	\$ 506	\$ (1,865)	\$ 60	\$ (1,805)

Note 10. Accumulated Other Comprehensive Income (Loss)

	Balance January 1, 2011	2011 Change	Balance December 31, 2011	2012 Change	Balance December 31, 2012
(Thousands)					
Amortization of pension cost for nonqualified plans, net of income tax (expense) of \$(332) for 2011 and \$(40) for 2012	\$(2,371)	\$506	\$(1,865)	\$60	\$(1,805)
Unrealized (loss) gain on derivatives qualified as hedges:					
Unrealized (loss) during period on derivatives qualified as hedges, net of income tax benefit of \$3 for 2011 and \$213 for 2012		(5)		(325)	
Reclassification adjustment for (gain) loss included in net income, net of income tax expense (benefit) of \$146 for 2011 and \$(196) for 2012		(222)		298	
Net unrecognized gain on settled cash flow treasury hedges, net of income tax (expense) of \$(433) for 2011 and 2012		660		660	
Net unrealized (loss) gain on derivatives qualified as hedges	(4,670)	433	(4,237)	633	(3,604)
Accumulated Other Comprehensive (Loss) Income	\$(7,041)	\$939	\$(6,102)	\$693	\$(5,409)

Note 11. Retirement Benefits

The Respondent has funded noncontributory defined benefit pension plans that cover substantially all of their employees. The plans provide defined benefits based on years of service and final average salary. The Respondent also has other postretirement health care benefit plans covering substantially all of their employees. The health care plans are contributory with participants' contributions adjusted annually.

Obligations and funded status:	Pension Benefits		Postretirement Benefits	
	2012	2011	2012	2011
(Thousands)				
Change in benefit obligation				
Benefit obligation at January 1	\$1,510,850	\$1,420,570	\$262,880	\$259,684
Service cost	19,143	17,665	2,848	3,008
Interest cost	69,731	68,890	10,778	12,598
Plan participants' contributions	-	-	5,369	6,304
Plan amendments	-	-	(47,604)	(22)
Actuarial loss	138,252	88,658	18,832	7,098
Benefits paid	(78,267)	(84,933)	(27,453)	(27,905)
Federal subsidy on benefits paid	-	-	970	2,115
Benefit obligation at December 31	\$1,659,709	\$1,510,850	\$226,620	\$262,880
Change in plan assets				
Fair value of plan assets at January 1	\$1,428,654	\$1,507,906	\$77,977	\$116,196
Actual return on plan assets	180,405	5,681	8,186	(4,957)
VEBA withdrawal	-	-	(7,800)	(33,262)
Benefits paid	(78,267)	(84,933)	-	-
Fair value of plan assets at December 31	\$1,530,792	\$1,428,654	\$78,363	\$77,977
Funded status	\$(128,917)	\$(82,196)	\$(148,257)	\$(184,903)
Amounts recognized in the balance sheet				
December 31,	2012	2011	2012	2011
(Thousands)				
Noncurrent liabilities	\$(128,917)	\$(82,196)	\$(148,257)	\$(184,903)
	\$(128,917)	\$(82,196)	\$(148,257)	\$(184,903)

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Effective January 1, 2013, for current and future nonunion Medicare-eligible retirees (typically age 65 and above) and certain current union retirees and their dependents, The Respondent transitioned from company-sponsored group coverage to individual coverage available on the open market. The Respondent communicated the changes to retirees and employees in early August 2012. Due to the change, as of September 1, 2012, The Respondent remeasured both the plan assets and benefit obligations of the various affected companies' Other Postretirement Employee Benefit plans, using current values and updated assumptions. The remeasured Accumulated Pension Benefit Obligation and Net periodic benefit cost prospectively from the date of the event were based on a discount rate of 4.0%. The remeasurement reflected an updated discount rate, updated asset values and updated census information, as well as the effect of the change to the benefit plan, including a change in the participation rate.

The Respondent is allowed to defer as regulatory assets or regulatory liabilities items that would otherwise be recorded in accumulated other comprehensive income pursuant to the accounting requirements concerning defined benefit pension and other postretirement plans.

On September 1, 2012, The Respondent communicated the changes to retirees and employees in early August 2012 and to the change, on September 1, 2012, The Respondent remeasured both the plan assets and benefit obligations of the various affected companies' Other Postretirement Employee Benefit plans, using current values and updated assumptions. The remeasured Accumulated Pension Benefit Obligation and Net periodic benefit cost prospectively from the date of the event were based on a discount rate of 4.0%. The remeasurement reflected an updated discount rate, updated asset values and updated census information, as well as the effect of the change to the benefit plan, including a change in the participation rate.

The Respondent is allowed to defer as regulatory assets or regulatory liabilities items that would otherwise be recorded in accumulated other comprehensive income pursuant to the accounting requirements concerning defined benefit pension and other postretirement plans. Amounts recognized as regulatory assets or regulatory liabilities consist of:

December 31, (Thousands)	Pension Benefits		Postretirement Benefits	
	2012	2011	2012	2011
Net loss	\$672,740	\$679,609	\$30,342	\$20,203
Prior service cost (credit)	\$17,671	\$21,592	\$(45,827)	\$(24)
Transition obligation	-	-	-	\$6,800

The Respondent's accumulated benefit obligation for all defined benefit pension plans at December 31 was \$1.6 billion for 2012 and \$1.4 billion for 2011.

The projected benefit obligation exceeded the fair value of pension plan assets for The Respondent's plans as of December 31, 2012. The following table shows the aggregate projected and accumulated benefit obligations and the fair value of plan assets as of that date.

December 31, (Thousands)	2012
Projected benefit obligation	\$1,659,709
Accumulated benefit obligation	\$1,564,940
Fair value of plan assets	\$1,530,792

Components of net periodic benefit cost and other amounts recognized in regulatory assets and regulatory liabilities:

Year Ended December 31, (Thousands)	Pension Benefits		Postretirement Benefits	
	2012	2011	2012	2011
Net periodic benefit cost				
Service cost	\$19,143	\$17,665	\$2,848	\$3,008
Interest cost	69,731	68,890	10,778	12,598
Expected return on plan assets	(118,798)	(136,083)	(3,586)	(4,959)
Amortization of prior service cost (benefit)	3,921	4,144	(1,802)	(2)
Amortization of net loss	83,513	70,375	4,093	6,101
Amortization of transition obligation	-	-	6,800	6,800
Net periodic benefit cost	\$57,510	\$24,991	\$19,131	\$23,546
Other changes in plan assets and benefit obligations recognized in regulatory assets and regulatory liabilities				
Net loss (gain)	\$76,645	\$219,061	\$14,232	\$17,014
Amortization of net (loss)	(83,513)	(70,375)	(4,093)	(6,101)
Current year prior service cost	-	-	(47,605)	(22)
Amortization of prior service (cost) credit	(3,921)	(4,144)	1,802	2
Amortization of transition obligation	-	-	(6,800)	(6,800)
Total recognized in regulatory assets and regulatory liabilities	\$(10,789)	\$144,542	\$(42,464)	\$4,093
Total recognized in net periodic benefit cost and regulatory assets and regulatory liabilities	\$46,721	\$169,533	\$(23,333)	\$27,639

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The Respondent includes the net periodic benefit cost in other operating expenses. The net periodic benefit cost for postretirement benefits represents the amount expensed for providing health care benefits to retirees and their eligible dependents. The Respondent has amortized over 20 years the transition obligation for postretirement benefits that resulted from The Respondent's adoption in 1992 of the accounting requirements concerning employers' accounting for postretirement benefits other than pensions.

Amounts expected to be amortized from regulatory assets or regulatory liabilities into net periodic benefit cost for the fiscal year ended December 31, 2013

(Thousands)	Pension Benefits	Postretirement Benefits
Estimated net loss	\$83,665	\$1,116
Estimated prior service cost (benefit)	\$3,690	\$(5,394)

The Respondent expects that no pension benefit or postretirement benefit plan assets will be returned to them during the fiscal year ended December 31, 2013.

Amounts expected to be amortized from regulatory assets or regulatory liabilities into net periodic benefit cost for the fiscal year ended December 31, 2013

	Pension Benefits	Postretirement Benefits
(Thousands)		
Estimated net loss	\$83,665	\$1,116
Estimated prior service cost (benefit)	\$3,690	\$(5,394)

The Respondent expects that no pension benefit or postretirement benefit plan assets will be returned to them during the fiscal year ended December 31, 2013.

Weighted-average assumptions used to determine benefit obligations at December 31,

	Pension Benefits		Postretirement Benefits	
	2012	2011	2012	2011
Discount rate	4.10%	4.75%	4.10%	4.75%
Rate of compensation increase	4.00%	4.00%	N/A	N/A

As of December 31, 2012, The Respondent reduced their discount rate from 4.75% to 4.10%. The discount rate is the rate at which the benefit obligations could presently be effectively settled. The Respondent determined the discount rate developing a yield curve derived from a portfolio of high grade noncallable bonds with above median yields that closely matches the duration of the expected cash flows of their benefit obligations.

Weighted-average assumptions used to determine net periodic benefit cost for the year ended December 31,

	Pension Benefits		Postretirement Benefits	
	2012	2011	2012	2011
Discount rate	4.75%	5.00%	4.75%	5.00%
Expected long-term return on plan assets	7.75%	8.75%	-	-
Expected long-term return on plan assets - nontaxable trust	-	-	7.75%	8.00%
Expected long-term return on plan assets - taxable trust	-	-	5.00%	4.80%
Rate of compensation increase	4.00%	4.00%	N/A	N/A

The Respondent developed their expected long-term rate of return on plan assets assumption based on a review of long-term historical returns for the major asset classes, the target asset allocations and the effect of rebalancing of plan assets discussed below. That analysis considered current capital market conditions and projected conditions. The Respondent amortizes unrecognized actuarial gains and losses over 10 years from the time they are incurred.

Assumed health care cost trend rates to determine benefit obligations at December 31,

	2012	2011
Health care cost trend rate (pre 65/post 65)	8.0%/7.5%	7.6/7.5%
Rate to which cost trend rate is assumed to decline (the ultimate trend rate)	4.5%	4.5%
Year that the rate reaches the ultimate trend rate	2027	2028

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1% Increase	1% Decrease
(Thousands)		
Effect on total of service and interest cost	\$15.0	\$(9.0)
Effect on postretirement benefit obligation	\$(78.3)	\$70.2

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Cash Flows

Contributions: In accordance with The Respondent's funding policy they make annual contributions of not less than the minimum required by applicable regulations. The Respondent does not expect to contribute to their pension benefit plans and their other postretirement benefit plans in 2013.

Estimated future benefit payments: The Respondent's expected benefit payments and expected Medicare Prescription Drug, Improvement and Modernization Act of 2003 (Medicare Act) subsidy receipts, which reflect expected future service, as appropriate, are:

	Pension Benefits	Postretirement Benefits	Medicare Act Subsidy Receipts
(Thousands)			
2013	\$87,838	\$20,564	\$1,501
2014	\$91,884	\$18,070	\$33
2015	\$95,192	\$18,084	\$47
2016	\$98,106	\$18,101	\$64
2017	\$100,777	\$18,134	\$97

and Modernization Act of 2003 (Medicare Act) subsidy receipts, which reflect expected future service, as appropriate, are:

	Pension Benefits	Postretirement Benefits	Medicare Act Subsidy Receipts
(Thousands)			
2013	\$87,838	\$20,564	\$1,501
2014	\$91,884	\$18,070	\$33
2015	\$95,192	\$18,084	\$47
2016	\$98,106	\$18,101	\$64
2017	\$100,777	\$18,134	\$97
2018- 2022	\$529,007	\$79,360	\$1,226

Plan Assets

Iberdrola USA's pension benefits plan assets are held in a master trust providing for a single trustee/custodian, a uniform investment manager lineup, and an efficient, cost-effective means of allocating expenses and investment performance to each plan under the master trust. Iberdrola USA's primary investment objective is to ensure that current and future benefit obligations are adequately funded and with volatility commensurate with its tolerance for risk. Preservation of capital and achievement of sufficient total return to fund accrued and future benefits obligations are of highest concern. Iberdrola USA's primary means for achieving capital preservation is through diversification of the trust's investments while avoiding significant concentrations of risk in any one area of the securities markets. Within each asset group, further diversification is achieved through utilizing multiple asset managers and systematic allocation to various asset classes; providing broad exposure to different segments of the equity, fixed-income and alternative investment markets.

Iberdrola USA's asset allocation policy is the most important consideration in achieving its objective of superior investment returns while minimizing risk. Iberdrola USA has established a target asset allocation policy within allowable ranges for its pension benefits plan assets of 45% equity securities, 35% fixed income and 20% for all other types of investments. The target allocations within allowable ranges are further diversified into 20% large cap domestic equities, 5% medium and small cap domestic equities, 5% emerging markets, and 15% international equity securities. Fixed income investment targets and ranges are segregated into long dated corporate securities 10%, annuity contracts 8%, long-term treasury strips 5%, treasury inflation protection securities 5% and opportunistic fixed income 7%. All fixed income investments are in domestic securities. Other, alternative investment targets are 5% for real estate, and 15% for absolute return and strategic markets. Systematic rebalancing within the target ranges, should any asset categories drift outside their specified ranges, increases the probability that the annualized return on the investments will be enhanced, while realizing lower overall risk.

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The fair values of Iberdrola USA's consolidated pension benefits plan assets at December 31, 2012 and 2011, by asset category are shown in the following table. The Respondent's share of the total consolidated assets is approximately 70% for 2012 and 2011:

Asset Category (Thousands)	Total	Fair Value Measurements at December 31, Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2012				
Cash and cash equivalents	\$78,161	\$460	\$77,701	-
U.S. government securities	224,377	224,377	-	-
Common stocks	690,621	523,352	167,269	-
Registered investment companies	180,961	180,961	-	-
Corporate bonds	258,170	-	258,170	-
Preferred stocks	3,702	3,702	-	0
Common/collective trusts	306,704	-	57,154	\$249,550
Partnership/joint venture interests	50,040	-	-	50,040
Real estate investments	59,119	-	-	59,119

2012				
Cash and cash equivalents	\$78,161	\$460	\$77,701	-
U.S. government securities	224,377	224,377	-	-
Common stocks	690,621	523,352	167,269	-
Registered investment companies	180,961	180,961	-	-
Corporate bonds	258,170	-	258,170	-
Preferred stocks	3,702	3,702	-	0
Common/collective trusts	306,704	-	57,154	\$249,550
Partnership/joint venture interests	50,040	-	-	50,040
Real estate investments	59,119	-	-	59,119
Other investments, principally annuity and fixed income	344,718	22,739	2,942	319,037
Total	\$2,196,573	\$955,591	\$563,236	\$677,746

2011				
Cash and cash equivalents	\$59,220	-	\$59,220	-
U.S. government securities	110,250	\$110,250	-	-
Common stocks	864,801	614,330	250,471	-
Registered investment companies	108,340	108,340	-	-
Corporate bonds	277,432	137	277,295	-
Preferred stocks	2,945	2,945	-	-
Common/collective trusts	320,898	-	56,885	\$264,013
Partnership/joint venture interests	50,928	-	-	50,928
Real estate investments	52,298	-	-	52,298
Other investments, principally annuity and fixed income	199,681	22,421	1,743	175,517
Total	\$2,046,793	\$858,423	\$645,614	\$542,756

Valuation techniques: Iberdrola USA values the pension benefits plan assets as follows:

- Cash and cash equivalents – Level 1: at cost, plus accrued interest, which approximates fair value. Level 2: proprietary cash associated with other investments, based on yields currently available on comparable securities of issuers with similar credit ratings.
- U.S. government securities, Common stocks and Registered investment companies - at the closing price reported in the active market in which the security is traded.
- Corporate bonds – based on yields currently available on comparable securities of issuers with similar credit ratings.
- Preferred stocks – at the closing price reported in the active market in which the individual investment is traded.
- Common/collective trusts and Partnership/joint ventures – using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is classified as Level 2 if the plan has the ability to redeem the investment with the investee at NAV per share at the measurement date. Redemption restrictions or adjustments to NAV based on unobservable inputs result in the fair value measurement being classified as Level 3 if those inputs are significant to the overall fair value measurement.
- Real estate investments – based on a discounted cash flow approach that includes the projected future rental receipts, expenses and residual values because the highest and best use of the real estate from a market participant view is as rental property.
- Other investments, principally annuity and fixed income - Level 1: at the closing price reported in the active market in which the individual investment is traded. Level 2: based on yields currently available on comparable securities of issuers with similar credit ratings. Level 3: when quoted prices are not available for identical or similar instruments, under a discounted cash flows approach that maximizes observable inputs such as current yields of similar instruments but includes adjustments for certain risks that may not be observable such as credit and liquidity risks.

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Fair Value Measurements Using Significant Unobservable Inputs (Level 3)					
(Thousands)	Common/ Collective Trusts	Partner- ship/ Joint Venture Interests	Real Estate Invest- ments	Other Invest- ments	Total
Balance, December 31, 2010	\$274,932	\$96,624	\$45,374	\$190,312	\$607,242
Actual return on plan assets:					
Relating to assets still held at the reporting date	(12,053)	(10,335)	3,832	(908)	(19,464)
Relating to assets sold during the year	2,377	8,052	-	2	10,431
Purchases, sales and settlements	(1,243)	-	3,092	(13,889)	(12,040)
Transfers into and/or out of Level 3	-	(43,413)	-	-	(43,413)
Balance, December 31, 2011	264,013	50,928	52,298	175,517	542,756
Actual return on plan assets:					
Relating to assets still held at the reporting date	35,499	(1,830)	-	17	33,686
Relating to assets sold during the year	5,833	4,347	1,876	4,363	16,419
Purchases, sales and settlements	(55,795)	(3,405)	4,945	139,140	84,885
Transfers into and/or out					

Transfers into and/or out of Level 3	-	(43,413)	-	-	(43,413)
Balance, December 31, 2011	264,013	50,928	52,298	175,517	542,756
Actual return on plan assets:					
Relating to assets still held at the reporting date	35,499	(1,830)	-	17	33,686
Relating to assets sold during the year	5,833	4,347	1,876	4,363	16,419
Purchases, sales and settlements	(55,795)	(3,405)	4,945	139,140	84,885
Transfers into and/or out of Level 3	-	-	-	-	-
Balance, December 31, 2012	\$249,550	\$50,040	\$59,119	\$319,037	\$677,746

Iberdrola USA's postretirement benefits plan assets are held with a trustee in multiple voluntary employees' beneficiary association (VEBA) and 401(h) arrangements and are invested among and within various asset classes in order to achieve sufficient diversification in accordance with its risk tolerance. This is achieved for the postretirement benefits plan assets through the utilization of multiple institutional mutual and money market funds, providing exposure to different segments of the fixed income, equity and short-term cash markets. Approximately 26% of the postretirement benefits plan assets are invested in VEBA and 401(h) arrangements that are not subject to income taxes. The remainder is invested in arrangements subject to income taxes.

Iberdrola USA has established a target asset allocation policy within allowable ranges for its postretirement benefits plan assets of 52% equity securities, 38% fixed income and 10% for all other types of investments. The target allocations within allowable ranges are further diversified into 20% large cap domestic equities, 14% medium and small cap domestic equities, 11% international developed market and 7% emerging market equity securities. Fixed income investment targets and ranges are segregated into core fixed income at 31%, global high yield fixed income 4% and international developed market debt 3%. Other, alternative investment targets are 5% for real estate and 5% absolute return. Systematic rebalancing within target ranges, should any asset categories drift outside their specified ranges, increases the probability that the annualized return on the investments will be enhanced, while realizing lower overall risk.

The fair values of Iberdrola USA's other postretirement benefits plan assets at December 31, 2012 and 2011, by asset category are shown in the following table. The Respondent's share of the total consolidated assets is approximately 66% for 2012 and 72% for 2011.

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Fair Value Measurements at December 31, Using				
Asset Category (Thousands)	Total	Quoted Prices		
		in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2012				
Money market funds	\$4,586	\$4,586	-	-
Mutual funds, fixed	46,443	46,443	-	-
Mutual funds, equity	61,617	61,617	-	-
Mutual funds, other	5,803	5,803	-	-
Total assets measured at fair value	\$118,449	\$118,449	-	-
2011				
Money market funds	\$2,858	\$2,858	-	-
Mutual funds, fixed	43,614	43,614	-	-
Mutual funds, equity	57,895	57,895	-	-
Mutual funds, other	4,207	4,207	-	-
Total assets measured at fair value	\$108,574	\$108,574	-	-

Valuation techniques: Iberdrola USA values its postretirement benefits plan assets as follows:

- Money market funds and Mutual funds, fixed and equity – based upon quoted market prices in active markets, which represent the NAV of the shares held

Asset Category (Thousands)	Fair Value Measurements at December 31, Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2012				
Money market funds	\$4,586	\$4,586	-	-
Mutual funds, fixed	46,443	46,443	-	-
Mutual funds, equity	61,617	61,617	-	-
Mutual funds, other	5,803	5,803	-	-
Total assets measured at fair value	\$118,449	\$118,449	-	-
2011				
Money market funds	\$2,858	\$2,858	-	-
Mutual funds, fixed	43,614	43,614	-	-
Mutual funds, equity	57,895	57,895	-	-
Mutual funds, other	4,207	4,207	-	-
Total assets measured at fair value	\$108,574	\$108,574	-	-

Valuation techniques: Iberdrola USA values its postretirement benefits plan assets as follows:

- Money market funds and Mutual funds, fixed and equity – based upon quoted market prices in active markets, which represent the NAV of the shares held.

Other investments – these are primarily 401(h) investments that are an allocation of pension Master Trust investments.

Diversified equity securities did not include any Iberdrola common stock at December 31, 2012.

Note 12. Regulatory Proceedings

On September 16, 2010, the NYPSC approved a new rate plan for The Respondent's electric and natural gas service effective August 26, 2010, through December 31, 2013. Major provisions of the plan include:

- Approximate delivery rate increases as follows (in millions of dollars):

Rate year ending August 31,	Electric	Natural Gas
2011	\$16.4 (2.5%)	\$9.9 (6.0%)
2012	\$27.8 (4.2%)	\$10.3 (5.8%)
2013	\$29.3 (4.3%)	\$10.5 (5.6%)

- The delivery rate increases were moderated and levelized through the use of \$185 million in positive benefits adjustments (PBAs), including \$20 million of carrying costs, that were required and set aside for the benefit of ratepayers when Iberdrola, S.A. acquired The Respondent in 2008. The PBAs will be utilized as follows: in September 2010 a one-time write-off of \$57.4 million, which is offset by an equal write-off of deferred storm costs and amortizations during the rate years ended August 31 of: \$59.3 million in 2011, \$39.0 million in 2012, \$13.1 million in 2013; and \$3.9 million in the four months ended December 31, 2013. The balance of \$12.3 million will be amortized at a later time.

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- Rates were set to allow for the recovery, over the 40 months of the rate plan, of regulatory assets of \$23.4 million net of regulatory liabilities.
- The recovery includes \$25.6 million for the cost to achieve efficiency initiatives through workforce reductions. The rate increases were moderated with \$16.8 million in annual net savings from workforce reduction and related labor cost-cutting initiatives, as well as a one percent annual productivity adjustment.
- The revenue requirements are based on a 10% allowed ROE applied to an equity ratio of 48 percent. Beginning in 2011, if earnings exceed the allowed return, a tiered ESM will capture a portion of the excess for the benefit of ratepayers. The ESM is subject to specified downward adjustments if The Respondent fails to meet certain reliability and customer service measures.
- Key components of the rate plan include electric reliability performance mechanisms, natural gas safety performance measures, customer service quality metrics and targets, and electric distribution vegetation management programs that establish threshold performance targets. There will be downward revenue adjustments if The Respondent fails to meet the targets.
- Low-income program budgets have been increased to approximately \$12.3 million. All home energy assistance program recipients will be eligible for the program.
- New revenue decoupling mechanisms (RDMs), intended to remove company disincentives to promote increased energy efficiency were established. Under the RDMs, electric revenues are based on revenue per customer class rather than billed revenue, while natural gas revenues are based on revenue per customer. Any shortfalls (excesses) between billed revenues and allowed revenues will be accrued for future recovery (refund).

In August 2010, The Respondent began amortizing \$15.2 million per year of a theoretical excess depreciation reserve of \$303.9 million. The amortization amount reflects a 20-year amortization period. Theoretical excess depreciation is the difference between actual accumulated depreciation taken to date and a theoretical reserve. The actual accumulated depreciation is the result of depreciation rates allowed in prior rate orders based on estimates of useful lives and net salvage values as determined in those cases. The theoretical reserve is the amount that would have accumulated if the depreciation rates in the new rate plan had been in place for the entire useful lives of the affected assets. Differences between the actual reserve and the theoretical reserve are normal aspects of utility ratemaking. The usual treatment is to flow any excess or deficiency back as an adjustment to depreciation expense over the remaining life of the property. However, in accordance with the rate plan, The Respondent will moderate electric rates by recording the theoretical reserve amortization as a debit to accumulated depreciation and a credit to other revenues, and normalize the amortization from a tax perspective.

Note 13. Sale of Seneca Lake Storage Facility

In January 2010 The Respondent entered into an agreement to sell their Seneca Lake Storage facility and related assets for \$65 million. The FERC issued an order in August 2010 authorizing the parties to proceed with the transaction, subject to compliance requirements that the buyer was required to attend to but that would not delay the closing. The NYPSC issued an order in March 2011 approving the transaction, but included several conditions in the order which The Respondent met. The sale was completed in July 2011. In the third quarter of 2011 The Respondent recognized a gain of \$32 million on the sale of which \$20 million was recorded as a regulatory liability in compliance with the NYPSC order to return part of the gain to ratepayers and \$12 million was recorded to other income. The regulatory liability is being amortized over a 40-month period through December 2014.

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	\$4,119,471,875	\$3,123,093,716	
4	Property Under Capital Leases	1,493,167		
5	Plant Purchased or Sold	0		
6	Completed Construction not Classified	409,439,934	284,169,459	
7	Experimental Plant Unclassified	0		
8	TOTAL (Enter Total of lines 3 thru 7)	4,530,404,976	3,407,263,175	
9	Leased to Others	0		
10	Held for Future Use	1,327,628	1,327,628	
11	Construction Work in Progress	127,520,746	109,286,890	
12	Acquisition Adjustments	0		
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	4,659,253,350	3,517,877,693	
14	Accum. Prov. for Depr., Amort., & Depl.	2,247,719,986	1,801,093,289	
15	Net Utility Plant (Enter Total of line 13 less 14)	\$2,411,533,364	\$1,716,784,404	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service			
18	Depreciation	\$2,097,751,194	\$1,732,962,109	
19	Amort. and Dep. of Producing Natural Gas Land and Land Rights	0		
20	Amort. of Underground Storage Land and Land Rights	0		
21	Amort. of Other Utility Plant	149,957,727	68,120,115	
22	TOTAL In Service (Enter Total of lines 18 thru 21)	2,247,708,921	1,801,082,224	
23	Leased to Others			
24	Depreciation	0		
25	Amortization and Depletion	0		
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	0	0	
27	Held for Future Use			
28	Depreciation	11,065	11,065	
29	Amortization	0		
30	TOTAL Held for Future Use (Enter Total of lines 28 and 29)	11,065	11,065	
31	Abandonment of Leases (Natural Gas)	0		
32	Amort. of Plant Acquisition Adj.	0		
33	TOTAL Accumulated Provisions (Should agree with line 14 above (Enter Total of lines 22, 26, 30, 31 and 32)	\$2,247,719,986	\$1,801,093,289	

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SUMMARY OF UTILITY PLANT ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
\$772,842,979				\$223,535,180	3
1,493,167					4
					5
36,567,580				88,702,895	6
					7
810,903,726	0	0	0	312,238,075	8
					9
					10
6,390,506				11,843,350	11
					12
817,294,232	0	0	0	324,081,425	13
308,119,590	0	0	0	138,507,107	14
\$509,174,642	\$0	\$0	\$0	\$185,574,318	15
					16
					17
\$295,452,430				\$69,336,655	18
					19
					20
12,667,160				69,170,452	21
308,119,590	0	0	0	138,507,107	22
					23
					24
					25
0	0	0	0	0	26
					27
					28
					29
0	0	0	0	0	30
					31
					32
\$308,119,590	\$0	\$0	\$0	\$138,507,107	33

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo., Day, Yr.) 12/31/2012	Year of Report 12/31/2012
NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 and 157)				
1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.		2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.		
Line No.	Description of Item (a)	Balance Beginning of Year (b)	Changes During Year Additions (c)	
1	Nuclear Fuel in process of Refinement, Conversion, Enrichment, & Fabrication (120.1)			
2	Fabrication			
3	Nuclear Materials			
4	Allowance for Funds Used during Construction			
5	(Other Overhead Construction Costs)			
6	SUBTOTAL (Enter Total of lines 2 thru 5)	0		
7	Nuclear Fuel Materials and Assemblies			
8	In Stock (120.2)			
9	In Reactor (120.3)			
10	SUBTOTAL (Enter Total of lines 8 thru 9)	0		
11	Spent Nuclear Fuel (120.4)			
12	Nuclear Fuel Under Capital Leases (120.6)			
13	(Less) Accum. Prov. for Amortization of Nuclear Fuel Assemblies (120.5)			
14	TOTAL Nuclear Fuel Stock (Enter Total of lines 6, 10, 11, and 12 less line 13)	\$0		
15	Estimated net Salvage Value of Nuclear Materials in line 9			
16	Estimated net Salvage Value of Nuclear Materials on line 11			
17	Estimated net Salvage Value of Nuclear Materials Chemical Processing			
18	Nuclear Materials held for Sale (157)			
19	Uranium			
20	Plutonium			
21	Other			
22	TOTAL Nuclear Materials held for Sale (Enter Total of lines 19, 20, and 21)	\$0		

Name of Respondent New York State Electric & Gas Co.	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Year of Report Mo., Day, Yr.) 12/31/2012	Date of Report 12/31/2012
NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 and 157) (Continued)			
Changes During Year		Balance End of Year	Line No.
Amortization (d)	Other Reductions (Explain in a footnote) (e)		
		\$0	1
		0	2
		0	3
		0	4
		0	5
		0	6
			7
		0	8
		0	9
		0	10
		0	11
		0	12
		0	13
		0	14
			15
			16
			17
		0	18
		0	19
		0	20
		0	21
		\$0	22

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106)				
1. Report below the original cost of electric plant in service according to the prescribed accounts. 2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric. 3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year. 4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts. 5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Show in a footnote the account distributions of these tentative classifications in columns (c) and (d), including the				
Line No.	Account (a)	Balance at Beginning of Year (b)	Addition (c)	
1	1. INTANGIBLE PLANT			
2	(301) Organization			
3	(302) Franchises and Consents	\$1,976,843	1,589	
4	(303) Miscellaneous Intangible Plant	19,420,981	(1,589)	
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	21,397,824	0	
6	2. PRODUCTION PLANT			
7	A. Steam Production Plant			
8	(310) Land and Land Rights			
9	(311) Structures and Improvements	527,097		
10	(312) Boiler Plant Equipment			
11	(313) Engines and Engine-Driven Generators			
12	(314) Turbogenerator Units			
13	(315) Accessory Electric Equipment			
14	(316) Misc. Power Plant Equipment			
15	TOTAL Steam Production Plant (Enter Total of lines 8 thru 14)	527,097	0	
16	B. Nuclear Production Plant			
17	(320) Land and Land Rights			
18	(321) Structures and Improvements			
19	(322) Reactor Plant Equipment			
20	(323) Turbo generator Units			
21	(324) Accessory Electric Equipment			
22	(325) Misc. Power Plant Equipment			
23	TOTAL Nuclear Production Plant (Enter Total of lines 17 thru 22)	0	0	
24	C. Hydraulic Production Plant			
25	(330) Land and Land Rights	4,553,865		
26	(331) Structures and Improvements	14,802,128	405,190	
27	(332) Reservoirs, Dams, and Waterways	51,217,196	387,678	
28	(333) Water Wheels, Turbines, and Generators	45,797,519	4,478,918	
29	(334) Accessory Electric Equipment	7,094,100	58,581	
30	(335) Misc. Power Plant Equipment	1,451,890	198,109	
31	(336) Roads, Railroads, and Bridges	26,035		
32	TOTAL Hydraulic Production Plant (Enter Total of lines 25 thru 31)	124,942,733	5,528,476	
33	D. Other Production Plant			
34	(340) Land and Land Rights	21,829		
35	(341) Structures and Improvements	38,232		
36	(342) Fuel Holders, Products, and Accessories	17,955		
37	(343) Prime Movers	146,865	(975)	
38	(344) Generators	51,516		
39	(345) Accessory Electric Equipment	117,751		

Name of Respondent New York State Electric & Gas	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year. 6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications. 7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages. 8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			\$0	(301)	1
			1,978,432	(302)	2
			19,419,392	(303)	3
0	0	0	21,397,824		4
					5
					6
					7
			0	(310)	8
			527,097	(311)	9
			0	(312)	10
			0	(313)	11
			0	(314)	12
			0	(315)	13
			0	(316)	14
0	0	0	527,097		15
					16
			0	(320)	17
			0	(321)	18
			0	(322)	19
			0	(323)	20
			0	(324)	21
			0	(325)	22
0	0	0	0		23
					24
			4,553,865	(330)	25
2,368			15,204,950	(331)	26
			51,604,874	(332)	27
			50,276,437	(333)	28
			7,152,681	(334)	29
			1,649,999	(335)	30
			26,035	(336)	31
2,368	0	0	130,468,841		32
					33
			21,829	(340)	34
			38,232	(341)	35
			17,955	(342)	36
			145,890	(343)	37
			51,516	(344)	38
			117,751	(345)	39

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
40	(346) Misc. Power Plant Equipment			
41	TOTAL Other Production Plant (Enter Total of lines 34 thru 40)	394,148	(975)	
42	TOTAL Production Plant (Enter Total of lines 15, 23, 32, and 41)	125,863,978	5,527,501	
43	3. TRANSMISSION PLANT			
44	(350) Land and Land Rights	45,430,533	1,066,269	
45	(352) Structures and Improvements	35,599,810	1,044,241	
46	(353) Station Equipment	344,464,125	14,321,688	
47	(354) Towers and Fixtures	21,084,680	237,736	
48	(355) Poles and Fixtures	184,271,249	(5,512,821)	
49	(356) Overhead Conductors and Devices	199,814,141	14,397,997	
50	(357) Underground Conduit	2,209,021		
51	(358) Underground Conductors and Devices	8,484,155	(20)	
52	(359.1) Asset Retirement Costs for Transmission Plant	864,907		
53	(359) Roads and Trails			
54	TOTAL Transmission Plant (Enter Total of lines 44 thru 52)	842,222,621	25,555,090	
55	4. DISTRIBUTION PLANT			
56	(360) Land and Land Rights	52,081,218	1,808,167	
57	(361) Structures and Improvements	5,907,514	884,278	
58	(362) Station Equipment	201,209,028	11,765,142	
59	(363) Storage Battery Equipment			
60	(364) Poles, Towers, and Fixtures	457,638,601	26,682,880	
61	(365) Overhead Conductors and Devices	456,447,179	28,846,912	
62	(366) Underground Conduit	24,596,934	1,172,807	
63	(367) Underground Conductors and Devices	131,473,912	2,587,259	
64	(368) Line Transformers	434,301,781	18,645,894	
65	(369) Services	155,914,154	3,093,335	
66	(370) Meters	103,498,408	2,082,664	
67	(371) Installations on Customer Premises			
68	(372) Leased Property on Customer Premises			
69	(373) Street Lighting and Signal Systems	45,002,784	2,527,048	
70	(374) Asset Retirement Costs for Distribution Plant			
71	TOTAL Distribution Plant (Enter Total of lines 55 thru 68)	2,068,071,513	100,096,386	
72	5. GENERAL PLANT			
73	(389) Land and Land Rights	9,416,037	8,624	
74	(390) Structures and Improvements	100,627,379	4,110,701	
75	(391) Office Furniture and Equipment	11,281,610	4,401	
76	(392) Transportation Equipment	62,515,934	3,767,708	
77	(393) Stores Equipment	699,968		
78	(394) Tools, Shop and Garage Equipment	9,239,745	783,508	
79	(395) Laboratory Equipment	7,502,450	434,741	
80	(396) Power Operated Equipment	4,301,383		
81	(397) Communication Equipment	13,379,345	(47,070)	
82	(398) Miscellaneous Equipment	2,833,826	13,886	
83	SUBTOTAL (Enter Total of lines 71 thru 80)	221,797,677	9,076,499	
84	(399) Other Tangible Property			
85	(399.1) Asset Retirement Costs for General Plant	861,265		
85	TOTAL General Plant (Enter Total of lines 81 and 82)	222,658,942	9,076,499	
86	TOTAL (Accounts 101 and 106) (lines 5,15,23,32,41,53,69,83)	3,280,214,878	140,255,476	
87	(102) Electric Plant Purchased (See Instr. 8)			
88	(Less) (102) Electric Plant Sold (See Instr. 8)			
89	(103) Experimental Plant Unclassified			
90	TOTAL Electric Plant in Service (Enter Total of lines 84 thru 87)	\$3,280,214,878	\$140,255,476	

Name of Respondent New York State Electric & Gas	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			\$0	(346)	40
0	0	0	393,173		41
2,368	0	0	131,389,111		42
					43
			46,496,802	(350)	44
			36,644,051	(352)	45
3,233,344			355,552,469	(353)	46
			21,322,416	(354)	47
136,856			178,621,572	(355)	48
100,923		(46)	214,111,169	(356)	49
			2,209,021	(357)	50
			8,484,135	(358)	51
			864,907		
			0	(359)	52
3,471,123	0	(46)	864,306,542		53
					54
	(954)		53,888,431	(360)	55
			6,791,792	(361)	56
42,089			212,932,081	(362)	57
			0	(363)	58
2,550,221			481,771,260	(364)	59
1,337,179			483,956,912	(365)	60
60,061			25,709,680	(366)	61
135,239			133,925,932	(367)	62
1,952,578			450,995,097	(368)	63
793,050			158,214,439	(369)	64
2,110,350			103,470,722	(370)	65
			0	(371)	66
			0	(372)	67
365,862		46	47,164,016	(373)	68
			0		
9,346,629	(954)	46	2,158,820,362		69
					70
			9,424,661	(389)	71
3,645			104,734,435	(390)	72
	332,341		11,618,352	(391)	73
	1,505,875		67,789,517	(392)	74
1,841			698,127	(393)	75
			10,023,253	(394)	76
243,167			7,694,024	(395)	77
			4,301,383	(396)	78
1,975,668			11,356,607	(397)	79
			2,847,712	(398)	80
2,224,321	1,838,216	0	230,488,071		81
				(399)	82
			861,265		
2,224,321	1,838,216	0	231,349,336		83
15,044,441	1,837,262	0	3,407,263,175		84
				(102)	85
					86
			0	(103)	87
\$15,044,441	\$1,837,262	\$0	\$3,407,263,175		88

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Day, Yr) 12/31/2012	Year of Report 12/31/2012
ELECTRIC PLANT LEASED TO OTHERS (Account 104)					
1. Report below the information called for concerning electric plant leased to others.					
2. In column (c) give the date of Commission authorization of the lease of electric plant to others.					
Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year
1	None				
2					
3					
4					
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46					
47	TOTAL				\$0

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2012	Year of Report 12/31/2012
ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)				
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use. 2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.				
Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	Transmission Line Right of Way, Dysinger			
4	Somerset - Stolle Road - City and Town of Lockport,			
5	Town of Royalton	1975	2018	257,938
6				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22				
23				
24				
25				
26				
27				
28				
29				
30	Minor Items:			1,069,690
31				
32				
33				
34				
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46				
47	TOTAL			\$1,327,628

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
CONSTRUCTION WORK IN PROGRESS-ELECTRIC AND GAS (Account 107)				
1. Report below descriptions and balances at end of the year for each projects in process, of construction (107). for Electric, Gas and Common, respectively. 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts). 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.				
Line No.	Description of Each Project for Electric, Gas and Common, respectively (a)	Construction Work in Progress-Electric/Gas (Account 107) (b)		
1	<u>Electric</u>			
2	Transmission			
3	Transmission Line 807 - Upgrade from 46kV to 115kV	3,798,031		
4	Construct New 115kV Transmission Line	1,412,404		
5	Richfield Springs Substation - Replace Transformer	2,016,068		
6	Flat Street Substation - Install 115kV Transformer	2,720,329		
7	Coddington Road Substation - Install 115kV Transformer	2,436,829		
8	Watercure Road Substation - Install 400MVA Transformer	3,900,198		
9	Meyer Substation - Install 115kV Capacitor Bank	1,203,374		
10	Eelpot Road Substation - Install 115kV Transformer	2,645,768		
11	Meyer Substation - Install 115kV Transformer	1,055,592		
12	South Perry Substation - Install 115kV Transformer	1,382,554		
13	South Perry Substation - Install 230kV Transformer	2,293,493		
14	Goudey Substation - Install 115kV Transformer Bank	1,622,261		
15	Rebuild Walden 69kV Transmission Line	4,802,707		
16	Various Substations - Install Capacitor Banks (Smart Grid)	2,881,241		
17	Various Substations - Replace Disturbance Monitoring Equipment	1,173,553		
18	North American Reliability Corporation Alert Program - Identify and Correct Clearance Violations	5,714,688		
19	Transmission infrastructure Reliability Program - Replace Substation Breakers 115kV and Above	2,439,936		
20	Purchase Spare Bulk Power Transformer	1,465,881		
21	Distribution			
22	Brewster Division - Install Substation Remote Terminal Units	6,679,942		
23	Stephentown Substation - Install new 115kV Transformer	1,591,150		
24	South Park Substation - Replace Bank with a 3 Phase Transformer	2,940,017		
25	Willet Substation - Install 115kV Transformer	1,548,221		
26	Distribution infrastructure Reliability Program	2,579,281		
27	Various Substations - Install Capacitor Banks (Smart Grid)	1,279,891		
28	Replace Plant - Storm Damage	3,756,125		
29	General			
30	Replace Mobile Radio System with a 150 MHz system	1,620,474		
31	Develop and Install Integrated Energy, Distribution and Outage Management System	7,462,630		
32				
33	Minor Electric Projects under \$1,000,000			
34	Production - Hydro	1,465,771		
35	Production - Internal Combustion	46,542		
36	Transmission	13,384,102		
37	Distribution	17,928,152		
38	General	2,039,685		
39	Subtotal Electric	\$109,286,890		
40				
41				
42				
43				

Line No.	CONSTRUCTION WORK IN PROGRESS-ELECTRIC AND GAS (Account 107)	
44	<u>Gas</u>	
45	Transmission	
46	Seneca West Pipeline Interconnect - Extend Gas Mains and Build New Station	2,403,537
47	Minor Gas Projects under \$1,000,000	
48	Transmission	425,538
49	Distribution	3,549,519
50	General	11,912
51	Subtotal Gas	\$6,390,506
52	<u>Common</u>	
53	General	
54	Various Locations - General Property Projects	3,344,180
55	Replace Mobile Radio System with a 150 MHz system	2,438,965
56	Intangible	
57	Develop and Install New Integrated Energy, Distribution and Outage Management System	1,428,532
58	Upgrade of Televent Gas SCADA System	1,689,760
59	Minor Common Projects under \$1,000,000	
60	Distribution	10,523
61	General	1,990,340
62	Intangible	941,050
63	Subtotal Common	\$11,843,350
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	Total	\$127,520,746

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2012
CONSTRUCTION OVERHEADS ELECTRIC, GAS AND COMMON			
1. List in column (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items. 2. On page 218 furnish information concerning construction overheads, for electric, gas and common operations respectively. 3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather should explain on page 218, the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction, for electric, gas and common operations respectively. 4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs for electric, gas and common operations respectively.			
Line No.	Description of Overhead (a)	Total Amount Charged for the Year (b)	
1	<u>Electric</u>		
2			
3	Allowance For Funds Used During Construction	5,972,409	
4	General Construction	15,833,528	
5	Preliminary Engineering	10,651,648	
6			
7			
8			
9			
10			
11	Subtotal Electric	\$32,457,585	
12			
13			
14			
15			
16			
17			
18			
19			
20	<u>Gas</u>		
21			
22	Allowance For Funds Used During Construction	534,073	
23	General Construction	3,564,948	
24	Preliminary Engineering	5,937,962	
25			
26			
27			
28			
29			
30			
31			
32	Subtotal Gas	\$10,036,983	
33			
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45			
46	TOTAL	\$42,494,568	

Name of Respondent New York State Electric & Gas Corporation	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE			
1. For each construction overhead explain: (a) the nature and extent of work, etc. the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned (Paper Copy Only).		2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Electric Plant Instructions 3(17) of the U. S. of A., if applicable. 3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.	
Description of Each Construction Overhead for Electric, Gas and Common, respectively			
Construction Overheads The General Construction Overhead Costs (labor, materials etc.) are accumulated in the following Internal Orders: 25A00120 - Capital Clearing - General Construction Distribution - Electric 25A00121 - Capital Clearing - General Construction Other - Electric 25A00130 - Capital Clearing - General Construction Distribution - Gas 25A00131 - Capital Clearing - General Construction Other - Gas Monthly the cost collected in these Internal Orders are allocated to electric & gas related capital work orders based upon total costs charged to the applicable work orders. Preliminary Engineering Overhead The Preliminary Engineering labor costs are accumulated in the following Internal orders: 25A00110 - Preliminary Engineering - Electric Distribution 25A00111 - Preliminary Engineering - Gas Distribution 25A00115 - Preliminary Engineering - Electric Transmission 25A00116 - Preliminary Engineering - Electric Substation Monthly costs collected in these Internal orders are allocated to electric & gas related capital work orders based upon total labor charged to the applicable orders.			
COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES			
For line 1(5), column (d) below, enter the rate granted in the last rate proceeding. If such is not available, use the average rate earned during the preceding three years.			
1. Components of Formula (Derived from actual book balances and actual cost rates):			
Line No.	Title	Amount	Capitalization Ratio (Percent) Percentage
	(a)	(b)	(c) (d)
1	Average Short-Term Debt	\$103,870	
2	Short-Term Interest		0.48%
3	Long-Term Debt	1,188,000	52.88%
4	Preferred Stock	10,159	0.45%
5	Common Equity	1,048,630	46.67%
6	Total Capitalization	2,246,789	100.00%
7	Average Construction Work in Progress Balance	\$102,036	
2. Gross Rate for Borrowed Funds			
		=>	2.41%
3. Rate for Other Funds			
			4.47%
4. Weighted Average Rate Actually Used for the Year:			
a. Rate for Borrowed Funds -		=>	2.51
b. Rate for Other Funds -		=>	4.46

FERC FORM NO.1 (ED.12-88)

NYSPSC Modified

GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012	
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for electric plant in service, pages 204-207, column (d), excluding retirements of non-depreciable property. 3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	\$1,673,816,736	\$1,673,805,671	\$11,065	
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	82,034,912	82,034,912		
4	(413) Exp. of Elec. Plt. Leas. to Othe	0			
5	Transportation Expenses-Clearing	7,185,288	7,185,288		
6	Other Clearing Accounts	0			
7	Other Accounts (Specify):	0			
8		0			
9	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	89,220,200	89,220,200	0	0
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired	15,044,440	15,044,440		
12	Cost of Removal	7,873,454	7,873,454		
13	Salvage (Credit)	(8,007,389)	(8,007,389)		
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	14,910,505	14,910,505	0	0
15	Other Dr. or Cr. Items (Describe):	(15,153,257)	(15,153,257)		
16		0			
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	\$1,732,973,174	\$1,732,962,109	\$11,065	\$0
Section B. Balances at End of Year According to Functional Classifications					
18	Steam Production	\$518,010	\$518,010		
19	Nuclear Production	0			
20	Hydraulic Production - Conventional	55,674,871	55,674,871		
21	Hydraulic Production - Pumped Storage	0			
22	Other Production	324,124	324,124		
23	Transmission	410,447,284	410,436,219	11,065	
24	Distribution	1,171,823,693	1,171,823,693		
25	General	94,185,192	94,185,192		
26	TOTAL (Enter Total of lines 18 thru 25)	\$1,732,973,174	\$1,732,962,109	\$11,065	\$0

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2012	Year of Report 12/31/2012
NONUTILITY PROPERTY (Account 121)				
1. Give a brief description and state the location of nonutility property included in Account 121. 2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company. 3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year. 4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property. 5. Minor items (5% of the Balance at the End of the Year for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service (line 44), or (2) other nonutility property (line 45).				
Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	Brewster Service Center Site - Brewster (A)	\$500,276		\$500,276
2				
3	Morrison Site - Lockport (A)	688,589		688,589
4				
5	Bell Station Site - Ithaca (A)	827,790		827,790
6				
7	Mechanicville Industrial Park Site - Yard Improvements - 1/1989 (B)	396,921		396,921
8				
9	Terravest 1 Site (B)	582,067		582,067
10				
11	Terravest Building - 5/1998 (B)	1,242,933		1,242,933
12				
13	Dansville Service Center Warehouse (B) 6/2010	1,248,458		1,248,458
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27	(A) Never devoted to Public Service			
28				
29	(B) Previously devoted to Public Service with transfer			
30	date to Account 121			
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41	Minor Items Previously Devoted to Public Service	680,433		680,434
42	Minor Items-Other Nonutility Property	732,663	850	733,513
43	TOTAL	\$6,900,130	\$850	\$6,900,981

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Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)					
1. Report below investments in Account 123.1, Investment in Subsidiary Companies. 2. Provide a subheading for each company and list thereunder the information called for below. Subtotal by company and give a total in columns (e), (f), (g) and (h). (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate. (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal. 3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column(e) should equal the amount entered for Account 418.1.					
Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	
1	None				
2					
3					
4					
5					
6					
7					
8					
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41					
42	TOTAL Cost of Account 123.1: \$			TOTAL \$0	

Name of Respondent New York State Electric & Gas Corp	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012	
INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)				
4. For any securities, notes, or accounts that were pledged, designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge. 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number. 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities 7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f). 8. Report on Line 42, column (a) the total cost of Account 123.1.				
Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
				3
				4
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				41
\$0	\$0	\$0	\$0	42

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
MATERIALS AND SUPPLIES					
1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material. 2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected - debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)		Department or Departments Which Use Material (d)
1	Fuel Stock (Account 151)				
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	7,814,314		3,800,417	Electric, Gas
6	Assigned to - Operations and Maintenance	5,176,478		12,164,322	Electric, Gas
7	Production Plant (Estimated)				
8	Transmission Plant (Estimated)				
9	Distribution Plant (Estimated)				
10	Assigned to - Other				
11	TOTAL Account 154 (Total of lines 5 thru 10)	\$12,990,792		\$15,964,739	
12	Merchandise (Account 155)				
13	Other Material and Supplies (Account 156)				
14	Nuclear Materials Held for Sale (Account 157) (Not applicable to Gas Utilities)				
15	Stores Expense Undistributed (Account 163)				
16					
17					
18					
19					
20	TOTAL Materials and Supplies (per Balance Sheet)	\$12,990,792		\$15,964,739	

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
Allowances (Accounts 158.1 and 158.2)					
1. Report below the particulars (details) called for concerning allowances.			are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).		
2. Report all acquisitions of allowances at cost.					
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.			5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions on lines 36-40.		
4. Report the allowances transactions by the period they					
Line No.	Allowances Inventory (Account 158.1) (a)	Current Year		19	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
01	Balance- Beginning of Year				
02					
03	Acquired During Year:				
04	Issued (Less Withheld Allow.)				
05	Returned by EPA				
06					
07	Purchases/Transfers:				
08					
09					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds (Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Account 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent New York State Electric & Gas	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012					
Allowances (Accounts 158.1 and 158.2)								
6. Report on lines 5 allowances returned by the EPA. Report on line 39 the EPA's sales of the withheld allowances. Report on lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of withheld allowances. 7. Report on lines 8-14 the names of vendors/transfers of allowances acquired and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts). 8. Report on lines 22-27 the name of purchasers/transferees of allowances disposed of and identify associated companies. 9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers. 10. Report on lines 32-35 & 43-46 the net sales proceeds and gains or losses from allowance sales.								
19		19		Future Years		Totals		Line
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	No.
								01
								02
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								04
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Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report
						12/31/2012
EXTRAORDINARY PROPERTY LOSSES (Account 182.1)						
Line No.	Description of Extraordinary Loss [Include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING THE YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	None					
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL	\$0	\$0		\$0	\$0
UNRECOVERED PLANT AND REGULATORY STUDY COSTS (Account 182.2)						
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING THE YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21	None					
22						
23						
24						
25						
26						
27						
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29						
30						
31						
32						
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45						
46						
47						
48						
49	TOTAL	\$0	\$0		\$0	\$0

New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
OTHER REGULATORY ASSETS (Account 182.3)					
1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts). 2. For regulatory assets being amortized, show period of amortization in column (a). 3. Minor items (5% of the Balance at End of Year for account 182.3 or amounts less than \$50,000, whichever is less) may be grouped by classes.					
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	Credits		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	Site Investigation - Remediation Costs - Case Nos. 01-E-0359,	(\$5,495,250)			\$114,385,000
2	01-M-0404, 01-G-1668, 09-E-0715 & 09-G-0716				
3					
4	MTA Tax Surcharge - Case Nos. 91-E-0863, 91-E-0864 & 91-G-0865	169,198			578,692
5					
6	SFAS No. 109 - Accounting for Income Taxes		282, 283	39,304,233	60,220,740
7					
8	ISO Related Costs - Case Nos. 01-E-0359, 01-M-0404 & 09-E-0715		557	116,700	143,561
9	(amortization period ending December 2013)				
10					
11	Gas Supply Costs - Case Nos. 01-G-1668, 01-G-1683 &	252,951	805.1	957,909	227,472
12	09-G-0716 (amortization period ending December 2013)				
13					
14	Gas Environmental Remediation Costs - Case Nos. 01-G-1668,	(1,174,013)	930.2	5,554,992	(3,394,488)
15	01-G-1683 & 09-G-0716 (amortization period ending December 2013)				
16					
17	Electric Environmental Remediation Costs - Case Nos. 05-E-1222	(5,094,015)	930.2	5,858,100	(32,005,523)
18	& 09-E-0715 (amortization period ending December 2013)				
19					
20	Sarbanes Oxley 404 Expenses - Case Nos. 01-G-1668, 01-G-1683 &	(3,779)	930.2	287,100	469,473
21	09-G-0716 (amortization period ending December 2013)				
22					
23	Revenue Loss/Program Costs from Phase 2 - Case Nos. 01-G-1668				52,600
24	& 01-G-1683				
25					
26	Property Taxes - Case Nos. 03-M-0084 & 09-G-0716	6,146,539	408.1	181,500	13,380,201
27					
28					
29	Gas Pension Income Shortfall and Interest - Case Nos. 01-G-1668	7,856,959	407.3	9,654,850	41,660,533
30	& 01-G-1683				
31					
32	Low Income Program - Case Nos. 09-E-0715 & 09-G-0716	2,376,158			1,659,999
33					
34	SFAS No. 143 - Asset Retirement Obligation	3,147,567			17,193,681
35					
36	Losses on Gas Hedges - Case No. 97-G-0600	(4,498,390)			655,150
37					
38	Merchant Function Charge - Case Nos. 03-M-0084, 09-G-0716 &	1,699,904	495, 456	712,595	2,901,974
39	09-E-0715				
40					
41					
42	From Insert Page A	171,923,964		99,753,882	938,165,476
43	From Insert Page B	33,080,732		0	33,237,311
44	TOTAL	\$210,388,525		\$162,381,861	#####

OTHER REGULATORY ASSETS (Account 182.3)					
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	Credits		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	June 2006 Flood - Case Nos. 01-G-1668 & 01-G-1683	\$69,069	894	\$617,771	\$854,234
2					
3					
4	SFAS No. 158 - Postretirement Benefits Other Than Pensions -	(17,886,749)	184	9,091,796	
5	Case Nos. 09-E-0715 & 09-G-0716				
6					
7	SFAS No. 158 - Pension Benefits	76,644,795	184	87,434,541	690,411,281
8					
9	Storm Costs - Case Nos. 05-E-1222 & 09-E-0715	94,483,712			199,448,916
10					
11	Outreach & Education Costs - Gas - Case Nos. 01-G-1668 &	15,018			248,763
12	01-G-1683				
13					
14	Gas Main Integrity Costs - Case Nos. 01-G-1668, 01-G-1683 &	42,116	856	30,842	198,104
15	09-G-0716				
16					
17	Unfunded Future Income Tax Credit (ITC) - Liability - Case No.	243,527			1,217,359
18	92-M-1005				
19					
20	Default Service Option Hedges - Case No. 05-E-1222	(14,526,011)			8,227,994
21					
22	Electric Supply Reconciliation - Case No. 09-E-0228	1,369,975			(2,101,627)
23					
24	Non By-Passable Charge (NBC) Case Nos. 05-E-1222 & 06-M-1017	(1,088,466)			3,629,893
25					
26	NYS Temporary Supplemental Assessment (18a) - Case No.	404,875			(4,437,741)
27	09-M-0311				
28					
29	Economic Development - Case Nos. 09-E-0715 & 09-G-0716	(166,666)			
30					
31	Cost to Achieve Efficiency Initiatives - Case Nos. 09-E-0715 &		926,930	7,681,927	8,246,420
32	09-G-0716 (amortization period ending December 2013)				
33					
34	Revenue Decoupling Mechanism - Case Nos. 09-E-0715 &	5,353,229	456,495	(5,102,995)	(858,270)
35	09-G-0716				
36					
37	Excess Capital Expenditures Carrying Costs - Case No. 07-M-0906	3,512,000			7,046,000
38					
39	Electric Pension Costs - Case No. 09-E-0716	23,454,048			25,960,061
40					
41	CAIDI/SAFI Expenditure - Case Nos. 09-E-0716 & 09-G-0716	(508)			74,089
42					
43					
44	TOTAL	\$171,923,964		\$99,753,882	\$938,165,476

OTHER REGULATORY ASSETS (Account 182.3)					
Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	Credits		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	Unit of Property Capitalization - CTA and Interest - Case Nos.	\$1,301,056			\$1,375,788
2	09-E-0715 & 09-G-0716				
3					
4	Residual Deferred Income Tax	14,660,218			14,660,218
5					
6	Funded Deferred Income Tax	16,685,972			16,685,972
7					
8	Economic Development - Case Nos. 01-G-0668, 01-G-1683,	442,113			442,113
9	02-E-0576, 09-E-0715 & 09-G-0716				
10					
11	Miscellaneous	(8,627)			73,220
12					
13					
14					
15					
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43					
44	TOTAL	\$33,080,732		\$0	\$33,237,311

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012	
MISCELLANEOUS DEFERRED DEBITS (Account 186)						
1. Report below the particulars (details) called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a). 3. Minor items (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.						
Line No.	Description of Miscellaneous Deferred Debits (a)	Bal. Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Retiree Health Benefit Accrual	\$392,592	\$6,975,657	234	\$6,608,899	\$759,350
2						0
3	Unamortized Property Taxes Payable	2,416,362	10,118,188	408.1	12,503,958	30,592
4						0
5	Undistributed Adjustments	3,690,064		Various	3,690,064	0
6						0
7	Tennessee Gas Pipeline	(8,253)	8,253			0
8						0
9	Revolving Credit Facility Expenses	529,807		431	115,594	414,213
10	(5 year amortization period ending 2016)					0
11						0
12	Miscellaneous	10,565	1,422,543	Various	971,544	461,564
13						0
14						0
15						0
16						0
17						0
18						0
19						0
20						0
21						0
22						0
23						0
24						0
25						0
26						0
27						0
28						0
29						0
30						0
31						0
32						0
33						0
34						0
35						0
36						0
37						0
38						0
39						0
40						0
41						0
42						0
43						0
44						0
45						0
46	From Insert Page A Below	0	0		0	0
47	Misc. Work in Progress	(3,946)				8,576
48	DEFERRED REGULATORY COMM. EXPENSES (See pages 350-351)					0
49	TOTAL	\$7,027,191	\$0		\$0	\$1,674,295

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
ACCUMULATED DEFERRED INCOME TAXES (Account 190)				
1. Report the information called for below, concerning the respondent's accounting for deferred income taxes.				
2. At Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Balance End of Year (c)	
1	Electric			
2	SFAS No. 106 - Post Retirement Benefits	\$41,437,431	\$29,979,476	
3	Positive Benefit Adjustment (PBA)	17,106,892	8,404,146	
4	Unfunded Future FIT - ITC	6,352,819	6,109,291	
5	Contributions in Aid	22,285,125		
6	Environmental Other Liability	48,123,982	48,123,982	
7	Other	70,814,123	(92,455,696)	
8	TOTAL Electric (Enter Total of lines 2 thru 7)	\$206,120,372	\$161,199	
9	Gas			
10	SFAS No. 106 - Post Retirement Benefits	\$8,315,532	\$5,339,587	
11	Loss on Reacquired Debt	6,038,187	6,354,074	
12	PBA Merger Order	5,953,677	1,926,152	
13	Energy Tax Reform - Deferred Revenue	1,934,450		
14				
15	Other	39,130,698	(16,689,306)	
16	TOTAL Gas (Enter Total of lines 10 thru 15)	\$61,372,544	(\$3,069,493)	
17	Other (Specify)			
18	TOTAL (Acct 190)(Total of lines 8,16 and 17)	\$267,492,916	(\$2,908,294)	
NOTES				

ACCUMULATED DEFERRED INCOME TAXES (Account 190)			
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Balance End of Year (c)
	A & S Chip Reserves	1,082,632	1,082,632
	ARO Other Liab	2,553,855	2,594,096
	Capitalized Interest	5,426,717	0
	Capitalized OPEB	2,410,332	2,603,636
	Casualty Loss	3,909,726	0
	Deferred Revenue Marcy So.	4,798,207	4,661,582
	Deferred Tax Asset - NOL	14,575,366	3,063,842
	GIT Reserve	834,752	0
	Historical Book Rate Change Deferral	4,204,856	3,077,967
	Loss on Reacquired Debt	6,439,833	7,387,494
	Lost Revenue Reserve Deferral	897,038	884,576
	MGP Environmental Remediation	6,530,127	6,530,127
	NM2 Additions Expensed	2,700,930	2,700,930
	Other Comprehensive Income	3,203,024	2,839,029
	Pension - Regulatory Asset FAS 158	0	(199,895,093)
	Pension Funding vs. Expense	0	67,631,955
	Power Partner Low Income Prog Funding	891,472	963,898
	Provision for Uncollectible Accounts	5,384,359	5,785,128
	PSC Fee Assessment	2,989,649	1,925,041
	R&D Expenses	1,755,896	0
	Ratemaking Deferral	3,261,360	0
	SFAS No. 112 Post Employment Benefits	772,294	716,488
	Superfund Environmental Remediation	1,494,118	1,494,118
	Transformer Meter-Ends Amort	289,981	144,988
	Unfunded Future Tax Liability	(17,054,671)	(21,155,782)
	Vacation Pay Accrued	1,689,002	1,719,545
	Workers Comp Reserve	1,914,029	1,912,287
	Other	7,859,239	8,875,820
	Total Other - Electric	70,814,123	(92,455,696)
	1987 Excess Rev for Refund	2,593,867	2,593,867
	ARO - Reg Liab	1,230,081	1,230,081
	ARO Other Liab	3,808,243	3,668,893
	Contributions in Aid	4,581,839	0
	Deferred Gas Costs Diff GSC vs. Actual	3,933,992	2,865,732
	Environmental - Oth Liab	7,970,705	7,970,705
	MGP Environmental Remediation	767,475	767,475
	NOL Deferred Tax Asset - Deferred	518,193	518,193
	Other Comprehensive Income	800,756	709,757
	Pension - Regulatory Asset FAS 158	0	(57,606,810)
	Pension Funding vs. Expense	0	27,597,613
	Provision for Uncollectible Accounts	1,041,213	1,599,793
	PSC Fee Assessment Deferral	49,696	(208,270)
	Tennessee Gas Pipeline Refund	307,470	(72,493)
	Other	11,527,168	(8,323,842)
	Total Other - Gas	39,130,698	(16,689,306)

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2012	Year of Report 12/31/2012
CAPITAL STOCK (Accounts 201 and 204)				
1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible. 2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year. 3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.				
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	<u>Common - Account 201</u>			
2				
3	Common Stock	90,000,000	6.67	
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Total	90,000,000		
21				
22	<u>Preferred - Account 204</u>			
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41	Total	0		
42				

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Day, Yr)		Year of Report 12/31/2012	
CAPITAL STOCK (Accounts 201 and 204) (Continued)							
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative. 5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.							
OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent.)		HELD BY RESPONDENT					
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS			
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.	
65,508,477	430,056,628					1	
						2	
						3	
						4	
						5	
						6	
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						8	
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						10	
						11	
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						13	
						14	
						15	
						16	
						17	
						18	
						65,508,477	\$430,056,628
						20	
						21	
						22	
						23	
						24	
						25	
						26	
						27	
						28	
						29	
						30	
						31	
						32	
						33	
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						37	
						38	
						39	
0	\$0	0	\$0	0	\$0	40	
						41	
						42	

New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK, AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 and 205, 203 and 206, 207, 212)				
1. Show for each of the above accounts the amounts applying to each class and series of capital stock.		Common Stock Liability for Conversion, or		
2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.		Account 206, Preferred Stock Liability for Conversion, at the end of the year.		
3. Describe in a footnote the agreement and transactions		4. For Premium on Account 207, Capital Stock, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.		
Line No.	Name of Account and Description of Item (a)	Number of Shares (b)	Amount (c)	
1	<u>Common Stock Subscribed (Account 202)</u>			
2				
3				
4				
5				
6	Subtotal	0	\$0	
7				
8	<u>Preferred Stock Subscribed (Account 205)</u>			
9				
10				
11				
12				
13	Subtotal	0	\$0	
14				
15	<u>Common Stock Liability for Conversion (Account 203)</u>			
16				
17				
18				
19				
20	Subtotal	0	\$0	
21				
22	<u>Preferred Stock Liability for Conversion (Account 206)</u>			
23				
24				
25				
26				
27	Subtotal	0	\$0	
28				
29	<u>Premium on Capital Stock (Account 207)</u>			
30	3.75% - \$100 Par Value	78,379	\$10,895	
31	4 1/2% - \$100 Par Value	11,800	10,608	
32	Common - \$6.66 2/3 Par Value	64,508,477	148,678,031	
33				
34				
35				
36	Subtotal	64,598,656	\$148,699,534	
37				
38	<u>Installments Received on Capital Stock (Account 212)</u>			
39				
40				
41				
42				
43				
44				
45	Subtotal	0	\$0	
46	TOTAL	64,598,656	\$148,699,534	

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)				
Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change. (a) Donations Received from Stockholders (Account 208) - State amount and give brief explanation of the origin and purpose of each donation. (b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related. (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related. (d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.				
Line No.	Item (a)	Amount (b)		
1	<u>Donations Received from Stockholders (Account 208)</u>			
2	None			
3				
4				
5				
6				
7				
8	Subtotal	\$0		
9				
10	<u>Reduction in Par or Stated Value of Common Stock (Account 209)</u>			
11	Balance at Beginning of Year	\$26,574,942		
12				
13				
14				
15				
16				
17	Subtotal	\$26,574,942		
18				
19	<u>Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210)</u>			
20	Balance at Beginning of Year	\$1,976,176		
21				
22				
23				
24				
25				
26	Subtotal	\$1,976,176		
27				
28	<u>Miscellaneous Paid-In Capital (Account 211)</u>			
29	Balance at Beginning of Year	\$97,529,304		
30				
31				
32				
33				
34				
35	Subtotal	\$97,529,304		
36	Note: The balance at end of year consisted of an equity infusion of			
37	\$100,000,000; merger related costs of \$6,462,000; transfer of			
38	acquisition adjustments to RGS Group, Inc. of (\$11,198,844) and			
39	other compensation expense of \$2,266,148.			
40	TOTAL	\$126,080,422		

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012
DISCOUNT ON CAPITAL STOCK (Account 213)				
1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock. 2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.				
Line No.	Class and Series of Stock (a)			Balance at End of Year (b)
1	Common Stock			\$4,382,335
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	TOTAL			\$4,382,335
CAPITAL STOCK EXPENSE (Account 214)				
1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. 2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving particulars of the change. State the reason for any charge-off of capital stock expense and specify the account charged.				
Line No.	Class and Series of Stock (a)			Balance at End of Year (b)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22	TOTAL			\$0

If applicable, see insert page below:

New York State Electric & Gas Corporation

12/31/2012

DISCOUNT ON CAPITAL STOCK (Account 213) (Continued)		
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21	TOTAL	\$0
CAPITAL STOCK EXPENSE (Account 214) (Continued)		
Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22	TOTAL	\$0

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Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2012	Year of Report 12/31/2012
LONG-TERM DEBT (Accounts 221, 222, 223, and 224)				
1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt. 2. In column (a), for new issues, give Commission authorization numbers and dates. 3. For bonds assumed by the respondent, include in column(a) the name of the issuing company as well as a description of the bonds. 4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column(a) names of associated companies from which advances were received. 5. For receivers' certificates, show in column(a) the name of the court and date of court order under which such certificates were issued. 6. In column(b) show the principal amount of bonds or other long-term debt originally issued. 7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued. 8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted. 9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.				
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give Commission Authorization numbers and dates)	Principal Amount of Debt Issued	Total Expense, Premium or Discount	
	(a)	(b)	(c)	
1	<u>Bonds (Account 221)</u>			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Subtotal	\$0	\$0	
21				
22	<u>Reacquired Bonds (Account 222)</u>			
23				
24				
25				
26				
27				
28	Subtotal	\$0	\$0	
29				
30	<u>From Insert Page</u>			
31	Advances from Associated Companies (Account 223)	0	0	
32	Other Long Term Debt (Account 224)	1,338,000,000	27,775,505	
33	TOTAL	\$1,338,000,000	\$27,775,505	

Name of Respondent New York State Electric & Gas Corporat	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2012	Year of Report 12/31/2012			
LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)						
10. Identify separate indisposed amounts applicable to issues which were redeemed in prior years. 11. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt - Credit. 12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net charges during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates. 13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge. 14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote. 15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies. 16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued						
Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
				\$0	\$0	20
						21
						22
						23
						24
						25
						26
						27
				\$0	\$0	28
						29
				0	0	30
				1,065,025,000	45,652,646	32
				\$1,065,025,000	\$45,652,646	33

LONG-TERM DEBT (Accounts 221, 222, 223, and 224)			
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give Commission Authorization numbers and dates)	Principal Amount of Debt Issued	Total Expense, Premium or Discount
	(a)	(b)	(c)
1	<u>Advances from Associated Companies (Account 223)</u>		
2			
3			
4			
5			
6			
7			
8	Subtotal	\$0	\$0
9			
10	<u>Other Long Term Debt (Account 224)</u>		
11	Pollution Control Notes		
12	2004 Series B - 2028 5.35%	70,000,000	4,456,840
13	2006 Series A - 2024 3.0% (Case 93-M-0744)	12,000,000	282,399
14	1994 Series B - 2029 - 3.0%	37,500,000	635,303
15	1994 Series C - 2029 - 3.0%	63,500,000	781,071
16	2011 Series A - 2015 2.125%	60,000,000	1,343,946
17	2011 Series B - 2015 2.25%	30,000,000	742,191
18	2011 Series C - 2015 2.25%	42,000,000	951,656
19	1994 Series D - 2029 Variable Rate at 12/31/2012 - 1.75% and 0.95%	74,000,000	937,400
20	2004 Series A - 2027 Variable Rate at 12/31/2012 - 0.27%	34,000,000	2,140,726
21	2005 Series A - 2026 .13%	65,000,000	2,767,919
22	2004 Series C - 2034 .577%	100,000,000	6,718,575
23			
24			
25			
26	Unsecured Notes:		
27	Due 2016 5.65% (Case 93-M-0744)	100,000,000	732,515
28			
29			
30	Due 2012 5.5%	100,000,000	2,681,547
31	Due 2023 5.75%	200,000,000	211,441
32	Due 2017 6.15%	200,000,000	1,346,000
33	Due 2022 3.24%	75,000,000	522,988
34	Due 2042 4.55%	75,000,000	522,988
35			
36	Less: Variable Interest Rate Debt Expense Deferral		
37			
38			
39			
40			
41			
42			
43			
44	Subtotal	\$1,338,000,000	\$27,775,505
45			
46			
47			
48			

LONG-TERM DEBT (Accounts 221, 222, 223, and 224) (Continued)						
Nominal Date of Issue	Date of Maturity	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From	Date To			
(d)	(e)	(f)	(g)	(h)	(i)	
						1
						2
						3
						4
						5
						6
						7
				\$0	\$0	8
						9
						10
						11
8/26/2004	12/1/2028	9/1/2004	12/1/2028	70,000,000	3,823,288	12
4/11/2006	4/11/2024	4/1/2006	4/1/2024	12,000,000	360,000	13
2/1/1994	2/1/2029	2/1/1994	2/1/2029	37,500,000	1,125,000	14
6/1/1994	6/1/2029	6/1/1994	6/1/2029	63,500,000	1,905,000	15
9/27/2011	3/15/2015	9/27/2011	3/15/2015	60,000,000	1,599,946	16
9/27/2011	10/15/2015	9/27/2011	10/15/2015	30,000,000	882,191	17
9/27/2011	12/1/2015	9/27/2011	12/1/2015	42,000,000	1,241,343	18
10/1/1994	10/1/2029	10/1/1994	10/1/2029			19
8/26/2004	12/1/2027	9/1/2004	12/1/2027		36,324	20
5/27/2005	7/1/2026	6/1/2005	7/1/2026	25,000	188,328	21
8/26/2004	4/1/1934	9/1/2004	4/1/1934	100,000,000	670,470	22
						23
						24
						25
						26
12/15/2006	12/15/2016	12/15/2006	12/15/2016	100,000,000	5,650,000	27
						28
						29
11/15/2002	11/15/2012	11/15/2002	11/15/2012		855,556	30
5/1/2003	5/1/2023	5/1/2003	5/1/2023	200,000,000	11,604,737	31
12/4/2007	12/15/2017	12/15/2007	12/15/2017	200,000,000	12,300,000	32
9/13/2012	9/13/2012	9/13/2012	9/13/2022	75,000,000	729,000	33
9/15/2012	9/15/2042	9/15/2012	9/15/2042	75,000,000	1,023,750	34
						35
					1,657,713	36
						37
						38
						39
						40
						41
						42
						43
						44
				\$1,065,025,000	\$45,652,646	45
						46
						47
						48

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2012	Year of Report 12/31/2012
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES		
1.	Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.	
2.	If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among group members.	
3.	A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete line 27 and provide the substitute page in the context of a footnote.	

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	\$117,747,001
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5		20,178,426
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		276,947,493
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		41,750,001
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		316,718,462
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	\$56,404,457
28	Show Computation of Tax:	
29		
30	Tax Liability	19,741,560
31	Adjustments to Income Taxes Accrued	(5,037,797)
32		
33	Total Taxes Accrued	14,703,763
34	Less: Allocation to Other iNcome & Deductions	(4,505,575)
35		
36	Federal Income Tax Charged to Operations	10,198,188
37		
38		
39		
40		
41		
42		
43		
44		

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES	
Particulars (Details) (a)	Amount (b)
Taxable Income not Reported on Books:	
Capitalized Interest	2,352,267
Contributions in Aid of Construction (CIAC)	17,826,159
	20,178,426
Deductions Recorded on Books, Not Deducted for Return:	
Bad Debt Reserve	2,346,742
Bonus Depreciation NCR	9,132,893
CAIDI/SAIFI - Electric	508
Consulting Contract Reserve	790,000
Deferred Compensation - Funding vs. Expense	102,945
Deferred Gas Pension Income	1,797,890
Environmental - Reg Asset	23,176,370
FAS 106 OPEB Joint Proposal	4,546,874
FAS 106 OPEB Reg Liability FAS 158	42,463,930
Federal Income Tax	77,606,219
FIN 48 Interest Exp	4,133,000
Flood Costs 2006	548,702
Gain/Loss on Reacquired Debt - Fed	3,189,570
Gas Deferred Property Taxes NCR	178,453
Gas Pipeline Intg Deferral	109,711
GRT Audit Reserve	222,000
Incr Maint/CRO - Electric	36,049
Lobbying and Political Expenses	32,000
Low Income Program - Electric	797,570
Meals and Entertainment	494,000
Medicare Part D NCR	1,101,312
Mgmt Audit - Gas	9,240
Mixed Service Costs 263A Deferral	5,888,694
MTA Surcharge Deferred - Fed	270,592
NBC	3,658,455
NCR - ASGA	1,876,105
NYP&A/NCR	116,700
NYS Income Taxes Deferred	12,068,518
Pandemic Costs	530
Pension - Regulatory Asset FAS 158	10,789,746
Pension Funding vs. Expense	46,720,737
Power Partners Low Income Program Funding	182,824
R&D Deferral	755,751
RDM - Gas	2,379,058
Salvage Proceeds	5,010,921
Sarbanes Oxley Deferral	287,100
Theoretical Reserve Tax Gross Up	4,506,183
Vacation Accrual	100,000
Variable Rate Debt - Electric	1,363,101
Variable Rate Debt - Gas	436,209
Veg Mgmt - Gas	38,365
VERP COA - Electric	6,068,764
VERP COA - Gas	1,613,162
	276,947,493

WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES		
	Particulars (Details) (a)	Amount (b)
	Income Recorded on Books no Included in Return:	
	Lost Revenues Reserve	31,458
	Marcy South Amortization	420,191
	Funded DIT True Up Elec	24,049,797
	Funded DIT True Up Gas	16,685,972
	Net Plant Reconciliation	182,000
	Net Preferred Dividends Adjustment	380,583
		41,750,001
	Deductions on Return Not Charged Against Book Income:	
	Allowance for Funds Used During Construction - Debt	(2,158,610)
	Allowance for Funds Used During Construction - Equity	(3,811,846)
	ASGA - Amort - Electric	(7,404,451)
	Cost of Removal	(10,795,724)
	Cost to Achieve	(1,289,988)
	Deferred Gas Costs Diff GSC vs. Actual	(2,696,604)
	Economic Development Deferral	(9,523,152)
	Environmental - Other Liab	(5,495,250)
	FAS 106 OPEB	(36,063,153)
	Historical Book Rate Change Deferral	(2,844,600)
	Incr Maint/CRO - Gas	(1,985)
	Low Income Program - Gas	(3,356,552)
	Medicare Subsidy	(970,411)
	MFC Revenues	(683,849)
	MFC Undercollection	(303,459)
	Mgmt Audit - Electric	(87,117)
	Mixed Service Costs 263A - Fed	(17,697,697)
	MTA Surcharge Amortization	(179,899)
	NCR Bill Mitigation Deferral	(192,900)
	NCR on SBC NYSEDA	(106,530)
	Net Depreciation Difference	(8,248,175)
	NYS Reserve	(1,101,000)
	Outreach & Education	(15,018)
	PBA Merger Order	(32,134,975)
	Pension Expense - Joint Proposal	(23,454,048)
	POR Incremental Costs	(152,292)
	Pre-Cap Amortization - Gas	(247,415)
	Preferred Stock Dividend Deduction - Fed	(94,000)
	Prepaid Insurance	(95,313)
	Property Tax Deferral	(6,139,713)
	Property Tax Paid vs. Expense	(1,371,000)
	PSC Fee Assessment Deferral	(404,875)
	RDM - Electric	(3,865,965)
	Retired Non-Mass Asset Property - Fed Only	(4,024,000)
	Revenue Enhancement Warranty	(14,942)
	Seneca Lake Deferral	(5,612,778)
	SERP	(1,808,646)
	Service Quality Performance Mechanism	(166,167)
	Storm Costs	(94,483,712)
	Stray Voltage	(141,000)
	Tenn Gas Pipeline Refund	(950,884)
	Transmission Integrity Deferral	(11,803)
	Workers Comp Reserve	(5,706)
	Tenn Gas Pipeline Refund - Receivable	(8,253)
	Theoretical Dep Reserve Amort - Fed	(8,265,000)
	Theoretical Dep Reserve Amort - Flow Thru - Fed	(6,936,000)
	Transformers & Meters - Ends	(366,005)
	Unti of Property - Fed	(10,936,000)
		(316,718,462)

Name of Respondent New York State Electric & Gas Corporation		(1) ☐ An Original (2) ☐ A Resubmission	(Mo, Day, Yr)	Year of Report 12/31/2012		
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR						
1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts. 2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes. 3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts. 4. List the aggregate of each kind of tax under the appropriate heading of "Federal," "State," and "Local" in such manner that the total tax for each State and subdivision can readily be ascertained.						
Line No.	Kind of Tax (See Instruction 5) (a)	BALANCE BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal:					
2	Income Taxes			\$14,703,764	\$30,907,885	
3	FICA Contribution	267,798		12,994,536	12,778,535	
4	Unemployment			133,179	133,179	
5	Other					
5	Total	267,798	0	27,831,479	43,819,599	0
	State:					
6	Income Tax		10,920,687	9,156,256	10,244,032	(78,505)
7	Franchise - Gross Income - 186a	1,885,925		12,705,743	12,852,437	(90,694)
8	Franchise - Gross Earnings - 186					
9	Franchise - Excess Dividends - 186					
10	Temporary Surcharges					
11	Sec. 186a (Gross Income)					
12	Sec. 186 (Gross Earnings)					
13	Sec. 186 (Excess Dividends)					
14	MTA Surcharge					
15	Unemployment Insurance			290,991	290,991	
16	Disability Insurance					
17	Sales and Use	2,061,156		8,901,071	14,253,124	(5,597,398)
18	Petroleum Business Tax - New York					
18	Other					
18	Total	3,947,081	10,920,687	31,054,061	37,640,584	(5,766,597)
	Local:					
19	Real Estate	2,416,362	27,857,255	99,231,289	97,661,045	7,312,447
20	Special Franchise		192,177		39,099	
21	Municipal Gross Income					
22	NYC Special Franchise					
23	Public Utility Excise					
24	Sales and Use					
25	Other					
26	Total	2,416,362	28,049,432	99,231,289	97,700,144	7,312,447
27	Other (list):					
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	TOTAL	\$6,631,241	\$38,970,119	\$158,116,829	\$179,160,327	\$1,545,850

Name of Respondent New York State Electric & Gas Corporation		(1) ☐ An Original (2) ☒ A Resubmission	(Mo, Day, Yr)	Year of Report 12/31/2012		
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
5. If any tax covers more than one year, show the required information separately for each tax year, identifying the year in column (a). 6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses. 7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority. 8. Report in columns (i) through (q) how the taxes were distributed. 9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.						
BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED (Show utility dept. where applicable and acct. charged.)				
(Taxes Accrued Account 236) (g)	Prepaid Taxes (Incl. in Acct. 165) (h)	Electric (Account 408.1,409.1) (i)	Gas (Account 408.1,409.1) (j)	Other Utility Depts. (Account 408.1,409.1) (k)	Other Utility Operating Income (Account 408.1,409.1) (l)	Line No.
483,799 0	\$16,204,121	(\$4,543,554) 7,566,431 77,547	\$14,741,742 1,669,708 17,113			1 2 3 4 5
483,799	16,204,121	3,100,424	16,428,563	0	0	6 7 8 9 10 11 12 13 14 15 16 17 18
1,829,925	11,929,958	5,120,309 8,987,916	3,052,107 3,717,827			19 20 21 22 23 24 25 26
2,306,501		169,437 7,952,807	37,390 948,264			27 28 29 30 31 32 33 34 35 36 37 38 39
4,136,426	11,929,958	22,230,469	7,755,588	0	0	40 41 42 43 44 45 46 47 48 49 50
30,593	31,213,689 231,276	80,085,220	18,919,855			51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70
30,593	31,444,965	80,085,220	18,919,855	0	0	71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90
						91 92 93 94 95 96 97 98 99 100
\$4,650,818	\$59,579,044	\$105,416,113	\$43,104,006	\$0	\$0	101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Day, Yr)	Year of Report 12/31/2012	
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)						
DISTRIBUTION OF TAXES CHARGED (Show utility dept. where applicable and acct. charged.)						
Line No.	Kind of Tax (See Instruction 5) (a)	Other Income and Deductions Account 408.2,409.2 (m)	Extraordinary Items (Account 409.3) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	Other (q)
1	Federal:					
2	Income Taxes	\$4,505,575				
3	FICA Contribution				3,758,398	
4	Unemployment				38,519	
5	Other					
5	Total	4,505,575	0	0	3,796,917	0
6	State:					
6	Income Tax	983,841				
7	Franchise - Gross Income - 186a					
8	Franchise - Gross Earnings - 186					
9	Franchise - Excess Dividends - 186					
10	Temporary Surcharges					
11	Sec. 186a (Gross Income)					
12	Sec. 186 (Gross Earnings)					
13	Sec. 186 (Excess Dividends)					
14	MTA Surcharge					
15	Unemployment Insurance				84,163	
16	Disability Insurance					
17	Sales and Use					
18	Petroleum Business Tax - New York					
19	Other					
18	Total	983,841	0	0	84,163	0
20	Local:					
21	Real Estate	226,214			0	
22	Special Franchise					
23	Municipal Gross Income					
24	NYC Special Franchise					
25	Public Utility Excise					
26	Sales and Use					
27	Other					
26	Total	226,214	0	0	0	0
27	Other (list):					
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	TOTAL	\$5,715,630	\$0	\$0	\$3,881,080	\$0

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Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report 12/31/2012	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) for Electric, Gas, Common, and non-utility respectively							
Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	16,066,006				538,000	
6							
7							
8							
9							
10							
11							
12	SUBTOTAL	\$16,066,006		\$0		\$538,000	\$0
13	Gas Utility						
14	3%						
15	4%						
16	7%						
17	10%	1,688,490				171,184	
18							
19							
20							
21							
22							
23							
24	SUBTOTAL	\$1,688,490		\$0		\$171,184	\$0
25	Common Utility						
26	3%						
27	4%						
28	7%						
29	3%						
30							
31							
32							
33							
34							
35							
36	SUBTOTAL	\$0		\$0		\$0	\$0
37	Nonutility						
38	3%						
39	4%						
40	7%						
41	10%						
42							
43							
44							
45							
46							
47	SUBTOTAL	\$0		\$0		\$0	\$0
48	TOTAL	\$17,754,496		\$0		\$709,184	\$0

If applicable, see insert page below.

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report 12/31/2012	
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) for Electric, Gas, Common, and non-utility respectively							
Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.							
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Account No. (c)	Deferred for Year Amount (d)	Account No. (e)	Allocations to Current Year's Income Amount (f)	Adjustments (g)
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6							
7							
8							
9							
10							
11							
12	SUBTOTAL	\$0		\$0		\$0	\$0
13	Gas Utility						
14	3%						
15	4%						
16	7%						
17	10%						
18							
19							
20							
21							
22							
23							
24	SUBTOTAL	\$0		\$0		\$0	\$0
25	Common Utility						
26	3%						
27	4%						
28	7%						
29	3%						
30							
31							
32							
33							
34							
35							
36	SUBTOTAL	\$0		\$0		\$0	\$0
37	Nonutility						
38	3%						
39	4%						
40	7%						
41	10%						
42							
43							
44							
45							
46							
47	SUBTOTAL	\$0		\$0		\$0	\$0
48	TOTAL	\$0		\$0		\$0	\$0

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) for Electric, Gas, Common, and non-utility respectively (Continued)				
Balance at End Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation		Line No.
\$0				1
0				2
0				3
15,528,006	28.86 Years			4
0				5
0				6
0				7
0				8
0				9
0				10
0				11
\$15,528,006				12
0				13
0				14
0				15
1,517,306	8.86 Years			16
0				17
0				18
0				19
0				20
0				21
0				22
0				23
\$1,517,306				24
0				25
0				26
0				27
0				28
0				29
0				30
0				31
0				32
0				33
0				34
0				35
\$0				36
\$0				37
0				38
0				39
0				40
0				41
0				42
0				43
0				44
0				45
0				46
\$0				47
\$17,045,312				48

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) for Electric, Gas, Common, and non-utility respectively (Continued)				
Balance at End Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation		Line No.
				1
\$0				2
0				3
0				4
0				5
0				6
0				7
0				8
0				9
0				10
0				11
\$0				12
				13
0				14
0				15
0				16
0				17
0				18
0				19
0				20
0				21
0				22
0				23
\$0				24
				25
0				26
0				27
0				28
0				29
0				30
0				31
0				32
0				33
0				34
0				35
\$0				36
				37
\$0				38
0				39
0				40
0				41
0				42
0				43
0				44
0				45
0				46
\$0				47
\$0				48

Name of Respondent New York State Electric & Gas Corporation			This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (5% of the Balance of End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.						
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debits		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Advance Payments	\$1,532,123	143	\$23,990,587	\$24,300,414	\$1,841,950
2						0
3	Revenue Enhancement Projects	28,969	925	59,859	44,917	14,027
4						0
5	Utility Billing Disputes	479,606	456	44,819	13,361	448,148
6						0
7	Marcy South Facilities Charge	13,290,639	454	420,190		12,870,449
8						0
9	Non-Qualified Pension Plans	6,944,348	Various	3,097,750	3,147,173	6,993,771
10						0
11	SFAS No. 112-Employers' Accounting for Postemployment Benefits	5,693,200	Various	8,786,770	8,597,670	5,504,100
12						0
13	Deferred Compensation	510,581	926	142,577	160,931	528,935
14						0
15	Economic Development	260,338				260,338
16						0
17	Employee Deferred Compensation	385,706	131	418,437	267,814	235,083
18						0
19	Advanced Billings & Receipts	1,086,985	Various	1,238,150	1,003,421	852,256
20						0
21	ESCO Collateral	1,547,542	431	11,200		1,536,342
22						0
23	Lockport Agreement	41,667	495	41,667		0
24						0
25	SERP	586,917	242	586,917		0
26						0
27	Deferred Compensation	16,250	920	29,086	38,763	25,927
28						0
29	Rainbow Falls Insurance Recovery	4,052,674	143	4,052,674		0
30						0
31	Annual Compliance Filing Reserve				2,400,000	2,400,000
32						0
33	Miscellaneous		143	1,946	(48,245)	(50,191)
34						0
35						0
36						0
37						0
38						0
39						0
40						0
41						0
42						0
43						0
44						0
45						0
46	From Insert Page A	0		0	0	0
47	TOTAL	\$36,457,545		\$42,922,629	\$39,926,219	\$33,461,135

If applicable, see insert page below:

Please fill in the following:

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OTHER DEFERRED CREDITS (Account 253)						
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debits		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1						\$0
2						0
3						0
4						0
5						0
6						0
7						0
8						0
9						0
10						0
11						0
12						0
13						0
14						0
15						0
16						0
17						0
18						0
19						0
20						0
21						0
22						0
23						0
24						0
25						0
26						0
27						0
28						0
29						0
30						0
31						0
32						0
33						0
34						0
35						0
36						0
37						0
38						0
39						0
40						0
41						0
42						0
43						0
44						0
45						0
46						0
47	TOTAL	\$0		\$0	\$0	\$0

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
ACCUMULATED DEFERRED INCOME TAXES-ACCELERATED AMORTIZATION PROPERTY (Account 281)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property				
2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other			
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)	\$0	\$0	\$0
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)	0	0	0
16	Other (Specify)			
17	TOTAL (Account 281)(Total of 8, 15 and 16)	\$0	\$0	\$0
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			
NOTES				

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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ACCUMULATED DEFERRED INCOME TAXES-ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited To Account 410.2 (e)	Amounts Credited To Account 411.2 (f)	Debits		Credits			
		Acct. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
							1
							2
						\$0	3
						0	4
						0	5
						0	6
						0	7
\$0	\$0		\$0		\$0	\$0	8
							9
						\$0	10
						0	11
						0	12
						0	13
						0	14
0	0		0		0	0	15
						0	16
\$0	\$0		\$0		\$0	\$0	17
							18
						\$0	19
						0	20
						\$0	21

NOTES (Continued)

If applicable, see insert pages below:

Please fill in the following:

01/00/00

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ACCUMULATED DEFERRED INCOME TAXES-ACCELERATED AMORTIZATION PROPERTY (Account 281)

Please fill in the following:

01/00/00

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ACCUMULATED DEFERRED INCOME TAXES-ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization. 2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)
1	Account 282			
2	Electric	\$367,201,264	\$66,349,550	\$21,665,912
3	Gas	148,594,589	24,503,145	11,056,891
4	Other (Define)			
5	TOTAL (Enter Total of lines 2 thru 4)	515,795,853	90,852,695	32,722,803
6	Other (Specify)			
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	\$515,795,853	\$90,852,695	\$32,722,803
10	Classification of TOTAL			
11	Federal Income Tax	\$500,948,735	\$67,173,812	\$20,772,838
12	State Income Tax	14,847,118	23,678,883	11,949,965
13	Local Income Tax			
NOTES				

If applicable, see insert pages below:

New York State Electric & Gas Corporation

12/31/2012

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

Name of Respondent New York State Electric & Gas Corp	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012				
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)							
3. Use separate pages as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited To Account 410.2 (e)	Amounts Credited To Account 411.2 (f)	Debits Account Credited (g)	Amount (h)	Credits Account Debited (i)	Amount (j)		
		182/283	\$86,669,130	182/283	\$191,339,641	\$516,555,413	1
		182/283	29,863,302	182/283	53,634,082	185,811,623	2
						0	3
0	0		116,532,432		244,973,723	702,367,036	4
						0	5
						0	6
						0	7
						0	8
\$0	\$0		\$116,532,432		\$244,973,723	\$702,367,036	9
							10
			\$108,280,991		\$222,528,187	\$661,596,905	11
			8,251,441		22,445,536	40,770,131	12
						\$0	13
NOTES (Continued)							

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283. 2. For Other (Specify), include deferrals relating to other income and deductions.				
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)
1	Account 283			
2	Electric			
3	Accrues Pension Expense	(\$38,801,671)	\$3,808,231	
4	Unfunded Future Tax Liability	53,748,395		
5				
6				
7	Loss on Reacquired Debt	9,752,200		
8	Other	460,057,992	101,345,791	85,204,654
9	TOTAL Electric (Total of lines 3 thru 8)	\$484,756,916	\$105,154,022	\$85,204,654
10	Gas			
11	Accrued Pension Expense	(\$19,128,240)	\$1,131,109	
12	Bill Mitigation Deferral	4,428,151		
13	Unfunded Future Tax Liability	14,906,667		
14	Environmental - Reg Asset	9,556,392		6,145,200
15	Gas Pension Deferral - 2003	17,353,881	16,118,733	16,814,455
16	Other	101,039,353	16,188,777	14,775,755
17	TOTAL Gas (Total of lines 11 thru 16)	\$128,156,204	\$33,438,619	\$37,735,410
18	Other (Specify)			
19	TOTAL (Acct 283) (Enter Total of Lines 9,17 and 18)	\$612,913,120	\$138,592,641	\$122,940,064
20	Classification of TOTAL			
21	Federal Income Tax	\$487,391,757	\$114,278,218	\$101,892,407
22	State Income Tax	125,521,363	24,314,423	21,047,657
23	Local Income Tax			
NOTES				

If applicable, see insert page below:

New York State Electric & Gas Corporation

12/31/2012

12/31/2012

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)
1	Account 283			
2	Electric			
3	SFAS 158 - Pension	\$203,224,808		\$11,242,656
4	Environmental - Reg Asset	40,209,945	3,099,960	6,136,079
5	Unit of Property	21,097,466	7,767,952	3,263,533
6	Casualty Loss	59,398,441	6,160,526	26,125,065
7	Uncontrollable Storm Costs	41,581,966	37,769,020	339,298
8	SFAS 158 - Post Retirement Benefits	6,476,060		1,387,699
9	Repair Allowance	13,914,936	2,837,073	3,434,989
10	Environmental - Other Liab	7,544,082	3,163,215	1,851,377
11	NBC	2,111,905	7,949,291	9,398,588
12	Capitalized Pension Gain	9,134,535	630,667	
13	Casualty Loss - 1998 Storm	3,936,798		148,501
14	ARO - Reg Asset	2,170,734	134,196	71,936
15	Capitalized Interest	4,908,076	900,167	
16	Contributions in Aid of Construction-Amortization	4,501,320	610,500	
17	Merchant Function Charge	677,326	564,002	443,786
18	Energy Tax Reform - Deferred Revenue	1,453,548		1,453,548
19	Metropolitan Transportation Tax Sales Credit	1,022,741		
20	Debt Adjustment	975,114		
21	R & D Expenses	1,073,872	52,000	
22	Other	34,644,319	29,707,222	19,907,599
23				
24	TOTAL Electric	\$460,057,992	\$101,345,791	\$85,204,654
25	Gas			
26	SFAS 158 - Pension	\$58,551,442		\$3,189,507
27	Unit of Property	15,343,283	2,783,748	1,999,547
28	ARO Reg Asset	5,754,248	161,770	331,499
29	SFAS 158 - Postretirement Benefits	1,837,238		393,687
30	Merchant Function Charge	(117,993)	618,442	347,536
31	Capitalized Pension Gain	1,800,118	170,500	
32	Flood Costs	577,667		217,368
33	Repair Allowance	748,105	164,540	203,498
34	Other	16,545,245	12,289,777	8,093,113
35				
36				
37				
38				
39				
40				
41				
42				
43	TOTAL Gas	\$101,039,353	\$16,188,777	\$14,775,755
44	Other			
45				
46				
47				
48				
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50				
51				
52	TOTAL Other	\$0	\$0	\$0

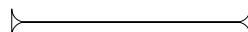
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)				
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited To Account 410.1 (c)	Amounts Credited To Account 411.1 (d)
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Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)		Year of Report 12/31/2012	
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)							
3. Provide in the space below explanations for pages 276 and 277. Include amounts relating to insignificant items listed under Other. 4. Use footnotes as required.							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited To Account 410.2 (e)	Amounts Credited To Account 411.2 (f)	Debits		Credits			
		Acct. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
					\$34,993,440	\$0	1
							2
		190/282	61,066,750		39,060,229	31,741,874	3
						0	4
						0	5
						9,752,200	6
		190/282	374,818,655		30,820,201	132,200,675	7
\$0	\$0		\$435,885,405		\$104,873,870	\$173,694,749	8
							9
					\$17,997,131	\$0	10
						4,428,151	11
		190/282	28,388,984		16,694,320	3,212,003	12
						3,411,192	13
		190/282	16,658,159			0	14
		190/282	95,131,369		17,352,594	24,673,600	15
\$0	\$0		\$140,178,512		\$52,044,045	\$35,724,946	16
						0	17
\$0	\$0		\$576,063,917		\$156,917,915	\$209,419,695	18
							19
							20
			\$496,517,044		\$131,398,277	\$134,658,801	21
			79,546,873		25,519,638	74,760,894	22
						\$0	23
NOTES (Continued)							

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited To Account 410.2 (e)	Amounts Credited To Account 411.2 (f)	Debits		Credits			
		Acct. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
						(k)	
							1
							2
		190/283	\$191,982,152			\$0	3
						37,173,826	4
		190/283	36,129,568	190/283	10,527,683	0	5
		190/283	39,433,902			0	6
						79,011,688	7
		190/283	5,088,361			0	8
		190/283	13,317,020			0	9
						8,855,920	10
						662,608	11
		190/283	9,765,202			0	12
		190/283	3,788,297			0	13
						2,232,994	14
		190/283	5,808,243			0	15
		190/283	5,111,820			0	16
						797,542	17
						0	18
						1,022,741	19
						975,114	20
						1,125,872	21
		190/283	64,394,090	190/283	20,292,518	342,370	22
						0	23
\$0	\$0		\$374,818,655		\$30,820,201	\$132,200,675	24
							25
		190/283	\$55,361,935			\$0	26
		190/283	20,895,581	190/283	4,768,097	0	27
						5,584,519	28
		190/283	1,443,551			0	29
						152,913	30
		190/283	1,970,618			0	31
						360,299	32
		190/283	709,147			0	33
		190/283	14,750,537	190/283	12,584,497	18,575,869	34
						0	35
						0	36
						0	37
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						0	41
						0	42
\$0	\$0		\$95,131,369		\$17,352,594	\$24,673,600	43
							44
						\$0	45
						0	46
						0	47
						0	48
						0	49
						0	50
						0	51
\$0	\$0		\$0		\$0	\$0	52

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)							
CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited To Account 410.2 (e)	Amounts Credited To Account 411.2 (f)	Debits		Credits			
		Acct. Credited (g)	Amount (h)	Acct. Debited (i)	Amount (j)		
							1
							2
						\$0	3
						0	4
						0	5
						0	6
						0	7
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Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
OTHER REGULATORY LIABILITIES (Account 254)					
1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts). 2. For regulatory liabilities being amortized, show period of amortization in column (a). 3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$50,000, whichever is less) may be grouped by classes.					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance End of Year (e)
		Account Credited (b)	Amount (c)		
1	Seneca Lake Storage Project - Gas Transmission	495	\$192,900		\$405,065
2	Facilities - Case Nos. 01-G-1668, 01-G-1683 &				
3	09-G-0716 (amortization period ending				
4	December 2013)				
5					
6	Deferred Income Taxes - Case Nos. 09-E-0715 &	190	604,454	865,081	7,937,616
7	09-G-0716				
8					
9	Funded Deferred Income Taxes			(24,049,798)	(24,049,798)
10					
11	NMP2 Asset Sale Gain Account - Case Nos.	456	10,021,621	393,286	6,094,834
12	01-E-0359, 01-M-0404 & 09-E-0715				
13	(amortization period ending December 2013)				
14					
15	Seneca Asset Sale Gain Account - Case No.	495	6,010,493	397,715	12,664,887
16	10-M-0143 (amortization period ending				
17	December 2013)				
18					
19	Gain/Losses on Surplus Sales - Case Nos.				41,667
20	01-E-0359, 01-G-1668, 01-G-1683 & 01-M-0404				
21					
22	SFAS No. 143 Asset Retirement Obligation -				3,000,988
23	Case Nos. 01-G-1668 & 01-G-1683				
24					
25	Gas Costs - Case Nos. 01-G-1668, 01-G-1683			(2,594,667)	3,459,633
26	& 11-G-0426				
27					
28	Stranded Gas Capacity - Case No. 10-G-0644	456	1,529,420	185,622	4,909,540
29	(amortization period ending December 2013)				
30					
31	Research & Development - Case Nos. 01-G-1668,			140,711	1,490,383
32	01-G-1683, 99-G-1369 & 09-G-0716				
33					
34	Research & Development Tax Credits -			602,316	602,316
35	Case No. 09-G-0716				
36					
37	Economic Development - Case Nos. 01-G-1668,			(9,247,706)	13,515,827
38	02-E-0576, 09-E-0715, 09-G-0716 & 07-E-1222				
39	From Insert Page A		36,733,207	7,741,793	52,428,300
40	From Insert Page B		3,009,343	52,607,306	67,314,057
41	TOTAL		\$58,101,438	\$27,041,659	\$149,815,315



OTHER REGULATORY LIABILITIES (Account 254)					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance End of Year (e)
		Account Credited (b)	Amount (c)		
1	Service Quality Performance Mechanism - Gas -	495	\$166,167		\$166,167
2	Case Nos, 01-G-1668, 01-G-1683, 07-M-0906 &				
3	09-G-0716 (amortization period ending December				
4	2013)				
5					
6	Capitalized Installation Costs - Electric - Case	405,583	366,006		365,969
7	Nos. 05-E-1222 & 09-E-0715 (amortization period	586			
8	ending December 2013)				
9					
10	Capitalized Installation Costs- Gas - Case No.	878	247,415		247,415
11	09-G-0716 (amortization period ending December				
12	2013)				
13					
14	Stray Voltage - Case Nos. 05-E-1222, 09-E-0715	598	141,000		108,915
15	(amortization period ending December 2013)				
16					
17	Taxes on Book Depreciation Rate change - Case	456	2,844,600		7,769,701
18	Nos. 05-E-1222 & 09-E-0715 (amortization period				
19	ending December 2013)				
20					
21	Positive Benefit Adjustment - Case Nos.	407.4	32,134,976		26,076,734
22	07-M-0906, 09-E-0715 & 09-G-0716				
23	(amortization period ending December 2013)				
24					
25	Tennessee Gas Pipeline Refund - Case Nos.	804	937,692	526,151	356,351
26	RP91-203-076, RP92-132-064				
27					
28	Medicare Part D - Case Nos. 09-E-0715 &			1,101,312	2,467,004
29	09-G-0178				
30					
31	Variable Rate Deferral - Case Nos. 09-E-0715 &			1,799,418	3,995,828
32	09-G-0716				
33					
34	Management Audit Expense Deferral - Case			(77,876)	(249,175)
35	Nos. 09-E-0715 & 09-G-0716				
36					
37	Incremental Maintenance/CRO Initiatives - Case			33,956	734,482
38	Nos. 09-E-0715 & 09-G-0716				
39					
40	Pipeline Integrity Costs - Case No. 09-G-0716			109,711	255,540
41					
42	Theoretical Excess Depreciation Reserve Tax Flow-			4,506,183	10,094,118
43	Through Impacts - Case No. 09-E-0715				
44					
45	Purchase of Receivables Deferral Elec & Gas -	456, 495	(104,649)	(257,062)	39,251
46	Case Nos. 09-E-0715 & 09-G-0716				
47					
48					
49	TOTAL		\$36,733,207	\$7,741,793	\$52,428,300

OTHER REGULATORY LIABILITIES (Account 254)					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance End of Year (e)
		Account Credited (b)	Amount (c)		
1	Bonus Depreciation - Carrying Costs - Case Nos.			\$9,132,894	\$16,040,581
2	09-E-0715 & 09-G-0716				
3					
4	263(a) Mixed Services - Carrying Costs - Case Nos.			5,888,694	5,888,694
5	09-E-0715 & 09-G-0716				
6					
7	Deferred Capital Expenditure - Customer Credit -				6,800,000
8	Case No. 07-M-0906				
9					
10	Postretirement Benefits Other Than Pensions			4,546,874	8,440,849
11	Deferral - Case Nos. 09-E-0715 & 09-G-0716				
12					
13	SFAS No. 158 - Postretirement Benefits Other Than			15,485,385	15,485,385
14	Pensions Deferral - Case Nos. 09-E-0715 & 09-G-0716				
15					
16	System Benefit Charge NYSERDA Liability Carrying			(106,530)	
17	Cost - Case No. 05-M-0090				
18					
19	Gas Distribution Vegetation Management -			38,365	46,267
20	Case No. 09-G-0716				
21					
22	Earning Sharing Mechanism (ESM) - Electric - Case			1,521,000	1,521,000
23	No. 09-E-0715				
24					
25	Net Plant Reconciliation - Case Nos. 09-E-0715 &			182,000	182,000
26	09-G-0716				
27					
28	Revenue Decoupling Mechanism (RDM) - Case	495	3,009,343	11,978,660	8,969,317
29	Nos. 09-E-0715 & 09-G-0716				
30					
31	AES Bankruptcy - Case No. 12-E-0174			3,939,964	3,939,964
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49	TOTAL		\$3,009,343	\$52,607,306	\$67,314,057

Name of Respondent New York State Electric & Gas Corporation		This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
ELECTRIC OPERATING REVENUES (ACCOUNT 400)				
1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total. 2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month. 3. If increases or decreases from previous year (columns (c), (e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.				
Line	Title of Account	OPERATING REVENUES		
		Amount for Year	Amount for Previous Year	
No.	(a)	(b)	(c)	
1	Sales of Electricity			
2	(440) Residential Sales	\$610,844,040	\$612,608,967	
3	(442) Commercial and Industrial Sales			
4	Small (or Commercial) (See Instr. 4)	217,658,295	200,660,887	
5	Large (or Industrial) (See Instr. 4)	63,464,045	55,239,078	
6	(444) Public Street and Highway Lighting	11,296,810	10,880,139	
7	(445) Other Sales to Public Authorities	58,263,881	56,154,618	
8	(446) Sales to Railroads and Railways			
9	(448) Interdepartmental Sales	1,281,760	1,497,937	
10	TOTAL Sales to Ultimate Consumers	962,808,831	937,041,626	
11	(447) Sales for Resale	128,583,086	273,425,171	
12	TOTAL Sales of Electricity	1,091,391,917	1,210,466,797	
13	(Less) (449.1) Provision for Rate Refunds	500,000		
14	TOTAL Revenues Net of Provision for Refunds	1,090,891,917	1,210,466,797	
15	Other Operating Revenues			
16	(450) Forfeited Discounts	3,124,253	3,386,266	
17	(451) Miscellaneous Service Revenues	335,075	282,016	
18	(453) Sales of Water and Water Power			
19	(454) Rent from Electric Property	8,164,655	7,973,622	
20	(455) Interdepartmental Rents			
21	(456) Other Electric Revenues	75,088,307	49,775,761	
22	(456.1) Revenues from transmission of Electricity of Others	22,921,658	33,898,844	
23				
24				
25				
26	TOTAL Other Operating Revenues	109,633,948	95,316,509	
27	TOTAL Electric Operating Revenues	\$1,200,525,865	\$1,305,783,306	

Name of Respondent New York State Electric & Gas Corporation	This Report Is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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ELECTRIC OPERATING REVENUES (ACCOUNT 400) (Continued)

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote).

5. See pages 108-109, Important Changes During Year, for important new territory added and important rate increases or decreases.
6. For lines 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by accounts.
7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
6,592,672	6,568,383	761,464	761,842	2
				3
4,342,798	4,110,794	101,519	100,344	4
3,001,691	2,969,594	2,211	2,277	5
72,901	72,364	1,154	1,148	6
1,381,114	1,380,405	13,188	13,234	7
				8
17,355	19,547			9
15,408,531	15,121,087	879,536	878,845	10
3,716,085	6,557,091	7	7	11
19,124,616	21,678,178	879,543	878,852	12
				13
19,124,616	21,678,178	879,543	878,852	14

Line 12, Column (b) includes \$ 3,196,400 of unbilled revenues.

Line 12 Column (d) includes 30,981 MWH relating to unbilled revenues.

New York State Electric & Gas Corporation			This Report Is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
SALES OF ELECTRICITY BY RATE SCHEDULES						
1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale which is reported on pages 310-311. 2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," pages 300-301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading. 3. Where the same customers are served under more than one rate schedule in the same revenue account classifica-				tion (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers. 4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly). 5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto. 6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.		
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales per Customer (e)	Revenue per KWh Sold (f)
1	Residential Sales					
2	SC#1 Residential Regular Service	4,779,751	453,340,376	617,893	7,736	0.0948
3	SC#3 Prim. Serv. Demand<500kW	905	62,920	2	452,500	0.0695
4	SC#5 Outdoor Lighting	3,053	602,510	3,940	775	0.1974
5	SC#6 General Service	14,247	1,725,976	2,445	5,827	0.1211
6	SC#8 Residential Day-Night	1,612,276	140,226,911	133,332	12,092	0.0870
7	SC#9 Gen. Serv. Day-Night	1,614	172,936	178	9,067	0.1071
8	SC#12 Residential Large TOU	184,725	13,383,242	3,674	50,279	0.0724
9						
10	Unbilled Revenues	(3,899)	1,329,169			(0.3409)
11						
12	Totals (Account 440)	6,592,672	610,844,040	761,464	8,658	0.0927
13						
14	Commercial & Industrial Sales					
15	SC#1 Residential Regular Service	9,826	1,090,750	1,805	5,444	0.1110
16	SC#2 Gen. Serv. Demand <500kW	2,355,635	135,510,318	36,571	64,413	0.0575
17	SC#3 Prim. Serv. Demand<500kW	83,766	2,884,189	160	523,538	0.0344
18	SC#5 Outdoor Lighting	14,477	2,093,600	3,605	4,016	0.1446
19	SC#6 General Service	239,754	28,596,812	55,994	4,282	0.1193
20	SC#7,#13 Gen. Serv. >500kW	4,396,385	100,192,569	3,265	1,346,519	0.0228
21	SC#8 Residential Day-Night	3,344	297,290	282	11,858	0.0889
22	SC#9 Gen. Serv. Day-Night	17,986	1,742,002	1,989	9,043	0.0969
23	SC#11 Standby Service	53,816	2,102,687	28	1,922,000	0.0391
24	SC#12 Residential Large TOU	2,278	2,748,900	32	71,188	1.2067
25	Special Contracts (Old Expansion)	138,080	2,413,459			0.0175
26						
27	Unbilled Revenues	29,142	1,449,764			0.0497
28						
29	Totals (Account 442 & 443)	7,344,489	281,122,340	103,731	70,803	0.0383
30						
31	Street & Highway Lighting					
32	SC#1 Limited Cont. Provision	327	46,321	20	16,350	0.1417
33	SC#2 Energy Only/Limited Maint.	14,235	847,915	168	84,732	0.0596
34	SC#3 Standard Street Lighting	58,339	10,402,574	966	60,392	0.1783
35						
36	Totals (Account 444)	72,901	11,296,810	1,154	63,172	0.1550
37						
38						
39						
40						
41	Total Billed	15,377,550	959,612,431	879,536	17,484	0.0624
42	Total Unbilled Rev. (See Instr. 6)	30,981	3,196,400			0.1032
43	TOTAL	15,408,531	\$962,808,831	879,536	17,519	0.0625

SALES OF ELECTRICITY BY RATE SCHEDULES						
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales per Customer (e)	Revenue per KWh Sold (f)
1	Public Authority					
2	SC#1 Residential Regular Service	5,032	393,463	205	24,546	0.0782
3	SC#2 Gen. Serv. Demand <500kW	476,053	24,738,650	5,017	94,888	0.0520
4	SC#3 Prim. Serv. Demand<500kW	63,641	1,888,731	119	534,798	0.0297
5	SC#5 Outdoor Lighting	1,987	302,420	565	3,517	0.1522
6	SC#6 General Service	22,110	2,690,767	6,546	3,378	0.1217
7	SC#7,#13 Gen. Serv. >500kW	724,278	23,531,779	522	1,387,506	0.0325
8	SC#8 Residential Day-Night	3,203	254,408	77	41,597	0.0794
9	SC#9 Gen. Serv. Day-Night	1,226	90,888	112	10,946	0.0741
10	SC#11 Standby Service	77,381	3,921,495	15	5,158,733	0.0507
11	SC#12 Residential Large TOU	466	33,813	10	46,600	0.0726
12						
13	Unbilled Revenue	5,737	417,468			0.0728
14						
15	Totals (Account 445)	1,381,114	58,263,882	13,188	104,725	0.0422
16						
17						
18	Interdepartmental Sales					
19	SC#1 Residential Regular Service					
20	SC#2 Gen. Serv. Demand <500kW	2,700	213,444			0.0791
21	SC#3 Prim. Serv. Demand<500kW	1,851	121,447			0.0656
22	SC#5 Outdoor Lighting	5	1,004			0.2008
23	SC#6 General Service	122	35,205			0.2886
24	SC#7,#13 Gen. Serv. >500kW	12,677	910,413			0.0718
25	SC#9 Gen. Serv. Day-Night		247			
26						
27	Totals (Account 448)	17,355	1,281,760			0.0739
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49						
50						
51						
52						
53						
54						
55	Total Billed	2,796,938	\$119,091,284	26,376	106,041	0.0426

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012	
SALES FOR RESALE (Account 447)						
1. Report all sales for resale (i.e. sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (pages 326-327). 2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser. 3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term service, "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but less than five years. SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less. LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means longer than one year but less than five years.						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Non-Associated Utilities	RQ	Various			
2						
3	Other Sales		Various			
4						
5						
6						
7						
8						
9						
10						
11						
12						
13	From Insert Page					
14	Total					

Name of Respondent New York State Electric & Gas Corp	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RG sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this listing. Enter "Total" in column (a) as the last line of the schedule. Report subtotals and total for columns (g) through (k).

5. In column (c), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatthours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustment, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the last line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales for Resale on page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales for Resale on page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

Megawatthours Sold (g)	REVENUE			Total (\$) (h + i + j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
11,872		\$1,056,176		\$1,056,176	1
				0	2
3,704,213		127,526,910		127,526,910	3
				0	4
				0	5
				0	6
				0	7
				0	8
				0	9
				0	10
				0	11
				0	12
				0	13
3,716,085	\$0	\$128,583,086	\$0	\$128,583,086	14

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering			
5	(501) Fuel			
6	(502) Steam Expenses			
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred-Cr.			
9	(505) Electric Expenses			
10	(506) Miscellaneous Steam Power Expenses			
11	(507) Rents			
12	(509) Allowances			
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	0	0	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering			
16	(511) Maintenance of Structures			
17	(512) Maintenance of Boiler Plant			
18	(513) Maintenance of Electric Plant			
19	(514) Maintenance of Miscellaneous Steam Plant			
20	TOTAL Maintenance (Enter Total of lines 15 thru 19)	0	0	
21	TOTAL Power Production Expenses-Steam Power (Enter Total of Lines 13 and 20)	0	0	
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering			
25	(518) Fuel			
26	(519) Coolants and Water			
27	(520) Steam Expenses			
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred-Cr.			
30	(523) Electric Expenses			
31	(524) Miscellaneous Nuclear Power Expenses			
32	(525) Rents			
33	TOTAL Operation (Enter Total of lines 24 thru 32)	0	0	
34	Maintenance			
35	(528) Maintenance Supervision and Engineering			
36	(529) Maintenance of Structures			
37	(530) Maintenance of Reactor Plant Equipment			
38	(531) Maintenance of Electric Plant			
39	(532) Maintenance of Miscellaneous Nuclear Plant			
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)	0	0	
41	TOTAL Power Production Expenses-Nuclear Power (Enter Total of lines 33 and 40)	0	0	
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering	588,042	407,384	
45	(536) Water for Power			
46	(537) Hydraulic Expenses	78,542	128,548	
47	(538) Electric Expenses	67,898	96,781	
48	(539) Miscellaneous Hydraulic Power Generation Expenses	407,866	95,317	
49	(540) Rents			
50	TOTAL Operation (Enter Total of lines 44 thru 49)	\$1,142,348	\$728,030	

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☒ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.		Amount for Current Year (b)	Amount for Previous Year (c)	
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering	17,878	17,195	
54	(542) Maintenance of Structures	539,270	710,342	
55	(543) Maintenance of Reservoirs, Dams, and Waterways	183,166	267,144	
56	(544) Maintenance of Electric Plant	313,710	303,999	
57	(545) Maintenance of Miscellaneous Hydraulic Plant	373,213	214,760	
58	TOTAL Maintenance (Enter total of lines 53 thru 57)	1,427,237	1,513,440	
59	L Power Production Expenses-Hydraulic Power (Enter total of lines 50 and 58)	2,569,585	2,241,470	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	(329,370)	1,450,197	
63	(547) Fuel	43,740	46,392	
64	(548) Generation Expenses	10,496	11,135	
65	(549) Miscellaneous Other Power Generation Expenses	3,637	1,026	
66	(550) Rents	383,708	358,128	
67	TOTAL Operation (Enter total of lines 62 thru 66)	112,211	1,866,878	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering	946	3,065	
70	(552) Maintenance of Structures	5,806	7,899	
71	(553) Maintenance of Generating and Electric Plant	34,863	54,741	
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	17,399	10,948	
73	TOTAL Maintenance (Enter Total of Lines 69 thru 72)	59,014	76,653	
74	TOTAL Power Production Expenses--Other Power (Enter Total of Lines 67 and 73)	171,225	1,943,531	
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	395,657,362	567,793,150	
77	(556) System Control and Load Dispatching	178,070	135,845	
78	(557) Other Expenses	(2,320,318)	1,432,182	
79	TOTAL Other Power Supply Expenses (Enter Total of Lines 76 thru 78)	393,515,114	569,361,177	
80	TOTAL Power Production Expenses (Enter total of lines 21, 41, 59, 74, and 79)	396,255,924	573,546,178	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	3,545,502	3,842,677	
84	(561) Load Dispatching	5,508,540	5,644,565	
85	(562) Station Expenses	4,565,558	4,300,032	
86	(563) Overhead Lines Expenses	277,449	908,845	
87	(564) Underground Lines Expenses	37,145	19,182	
88	(565) Transmission of Electricity by Others	9,477,253	9,600,051	
89	(566) Miscellaneous Transmission Expenses	2,995,500	3,208,711	
90	(567) Rents	237,685	214,637	
91	TOTAL Operation (Enter total of lines 83 thru 90)	26,644,632	27,738,700	
92	Maintenance			
93	(568) Maintenance Supervision and Engineering	499,622	598,464	
94	(569) Maintenance of Structures	1,222,560	1,619,207	
95	(570) Maintenance of Station Equipment	1,634,817	1,804,718	
96	(571) Maintenance of Overhead Lines	9,264,571	11,260,650	
97	(572) Maintenance of Underground Lines	32,998	65,336	
98	(573) Maintenance of Miscellaneous Transmission Plant	24,169	65,393	
99	TOTAL Maintenance (Enter total of lines 93 thru 98)	12,678,737	15,413,768	
100	TOTAL Transmission Expenses (Enter total of lines 91 and 99)	39,323,369	43,152,468	
101	3. DISTRIBUTION EXPENSES			
102	Operation			
103	(580) Operation Supervision and Engineering	6,847,222	8,040,794	

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
104	3. DISTRIBUTION EXPENSES (Continued)			
105	(581) Load Dispatching	\$321,482	\$205,950	
106	(582) Station Expenses	4,282,080	3,942,086	
107	(583) Overhead Line Expenses	13,732,741	15,221,839	
108	(584) Underground Line Expenses	2,352,075	2,588,739	
109	(585) Street Lighting and Signal System Expenses	80,645	135,001	
110	(586) Meter Expenses	9,319,696	7,442,748	
111	(587) Customer Installations Expenses	2,751,616	643,566	
112	(588) Miscellaneous Expenses	11,688,970	12,225,716	
113	(589) Rents	541,750	662,626	
114	TOTAL Operation (Enter Total of lines 103 thru 113)	51,918,277	51,109,065	
115	Maintenance			
116	(590) Maintenance Supervision and Engineering	15,555,314	16,281,247	
117	(591) Maintenance of Structures	196,449	190,190	
118	(592) Maintenance of Station Equipment	4,144,926	6,141,312	
119	(593) Maintenance of Overhead Lines	133,517,234	123,424,096	
120	(594) Maintenance of Underground Lines	2,013,376	1,901,841	
121	(595) Maintenance of Line Transformers	2,402,712	2,190,991	
122	(596) Maintenance of Street Lighting and Signal Systems	1,853,022	2,035,542	
123	(597) Maintenance of Meters		397	
124	(598) Maintenance of Miscellaneous Distribution Plant	(70,387,457)	(53,854,889)	
125	TOTAL Maintenance (Enter Total of lines 116 thru 124)	89,295,576	98,310,727	
126	TOTAL Distribution Expenses (Enter Total of lines 114 and 125)	141,213,853	149,419,792	
127	4. CUSTOMER ACCOUNTS EXPENSES			
128	Operation			
129	(901) Supervision	1,665,299	1,264,449	
130	(902) Meter Reading Expenses	11,346,646	10,370,516	
131	(903) Customer Records and Collection Expenses	26,122,116	24,511,431	
390	(904) Uncollectible Accounts	11,925,061	11,612,091	
133	(905) Miscellaneous Customer Accounts Expenses	9,091,187	7,848,027	
134	TOTAL Customer Accounts Expenses (Enter Total of lines 129 thru 133)	60,150,309	55,606,514	
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
136	Operation			
137	(907) Supervision			
138	(908) Customer Assistance Expenses	32,677,043	31,297,600	
139	(909) Information and Instructional Expenses	272,472	326,899	
140	(910) Miscellaneous Customer Service and Information Expenses	27,182,948	22,672,223	
141	TOTAL Cust. Service and Informational Expenses (Enter Total of Lines 137 thru 140)	60,132,463	54,296,722	
142	6. SALES EXPENSES			
143	Operation			
144	(911) Supervision			
145	(912) Demonstrating and Selling Expenses	11,725,089	2,427,170	
146	(913) Advertising Expenses			
147	(916) Miscellaneous Sales Expenses	123,069	70,544	
148	TOTAL Sales Expenses (Enter Total of lines 144 thru 147)	11,848,158	2,497,714	
149	7. ADMINISTRATIVE AND GENERAL EXPENSES			
150	Operation			
151	(920) Administrative and General Salaries	8,363,506	7,938,868	
152	(921) Office Supplies and Expenses	7,247,240	7,704,083	
153	(Less) (922) Administrative Expenses Transferred-Credit	\$7,813,416	\$8,260,480	

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
154	7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)			
155	(923) Outside Services Employed	\$45,674,790	\$38,523,345	
156	(924) Property Insurance	2,839,701	840,959	
157	(925) Injuries and Damages	1,560,460	3,279,811	
158	(926) Employee Pensions and Benefits	(13,756,170)	607,642	
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses	28,252,429	28,540,043	
161	(929) (Less) Duplicate Charges-Cr.	(1,404,646)	(1,594,494)	
162	(930.1) General Advertising Expenses	1,255,950	1,351,854	
163	(930.2) Miscellaneous General Expenses	25,133,469	29,968,606	
164	(931) Rents	1,457,050	1,323,629	
165	TOTAL Operation (Enter Total of lines 151 thru 164)	98,810,363	110,223,866	
166	Maintenance			
167	(935) Maintenance of General Plant	1,464,769	3,129,406	
168	TOTAL Administrative and General Expenses (Enter total of lines 165 and 167)	100,275,132	113,353,272	
169	TOTAL Electric Operation and Maintenance Expenses (Enter total of lines 80, 100, 126, 134, 141, 148 and 168)	\$809,199,208	\$991,872,660	
NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES				
1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31. 2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote. 3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.				
1. Payroll Period Ended (Date)		12/31/2012	12/31/2011	
2. Total Regular Full-Time Employees		1,674	1,661	
3. Total Part-Time and Temporary Employees		10	11	
4. Total Employees		1,684	1,672	

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012	
PURCHASED POWER (Account 555) (INCLUDING POWER EXCHANGES)						
1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges. 2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller. 3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows: RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers. LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract. IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but less than five years. SF - for short-term firm service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less. LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit. IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means longer than one year but less than five years. EX - for exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges. OS - for other service. Use this category only for those services which cannot be placed in the above-						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Alice Falls Corporation	OS				
2	Allegheny Hydro No. 8 & 9	OS				
3	BP Corporation North America, Inc.					
4	Broome Development Services					
5	Broome Energy Resources, LLC	OS				
6	Canax Energy, Inc.					
7	Central Hudson	RQ				
8	Central New York Oil & Gas					1
9	Central Vermont Public Service	RQ				
10	Chasm Hydro Partnership	OS				
11	City of Auburn - Auburn Landfill					
12	City of Auburn - North Division	OS				
13	From Insert Page					
14	Total					

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

- defined categories, such as all nonfirm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote for each adjustment. AD - for out-of-period adjustment. Use this code for any accounting adjustment or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for nonFERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
 5. For requirements RQ purchases and any type of services involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
 6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
 7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (1) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
 8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.
 9. Footnote entries as required and provide explanations following all required data.

Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
17				\$1,540		\$1,540	1
175,838			34,702	5,514,849		5,549,551	2
					1,780,567	1,780,567	3
			4,528			4,528	4
17,963				861,909		861,909	5
					2,783	2,783	6
992				93,493		93,493	7
			1,241			1,241	8
41				6,735		6,735	9
5,105			7,028	139,050		146,078	10
9,752				261,450		261,450	11
1,232				104,194		104,194	12
10,512,966	0	0	28,368,321	308,068,772	50,406,200	386,843,293	13
10,723,906	0	0	\$28,415,820	\$315,051,992	\$52,189,550	\$395,657,362	14

PURCHASED POWER (Account 555) (INCLUDING POWER EXCHANGES)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Geneva					
2	Claverack Rural Electric Corporation	RQ				
3	Constellation Energy Commodities Group	RQ				150
4	Cornell University					
5	DB Energy Trading LLC					
6	Delaware County Public Works					
7	Depew Substation					
8	Edward W Kelly					
9	Finger Lakes Energy Corporation	OS				
10	GFI Brokers, LLC					
11	HQ Energy Services					
12	J Aron					
13	ICAP Energy, LLC					
14	ISO New England					
15	Lower Saranac Hydro Partners	OS				
16	National Grid	RQ				
17	NextEra Energy Power Marketing					
18	New York ISO	SF				623
19	New York Power Authority					180
20	Noble Americas Gas & Power Corp.					
21	NRG Power Marketing, Inc.	OS				308
22	Nucor Steel					35
23	Orange & Rockland Utilities	RQ				
24	Other	OS				
25	Penelec	RQ				
26	Pennsylvania Power & Light	RQ				
27	PJM Interconnection, LLC	SF				
28	PSEG Energy Resources & Trading LLC	OS				304
29	Rochester Gas & Electric Corporation	RQ				
30	Rosenthal Collins Group, LLC					
31	Saratoga County Sewer District					1
32	Schluter Systems LP					
33	Seneca Falls Power Corporation	OS				
34	Shell Energy North America US LP					
35	Ski Windham					1
36	SREC Generating Company Inc.					
37	Sysco Food Services of Albany	OS				1
38	TFS Energy					
39	Transalta Energy Marketing US, Inc.					
40	Tri County Rec					
41	Upstate Shredding					3
42	Village of Arcade	RQ				
43	Western Mass Electric Company	RQ				
44	Whiteface Mountain Ski Center					2
45	Zotos International					
46						
47						
48						
49						
50	Total					

PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
			\$4,791			\$4,791	1
250				26,624		26,624	2
			1,026,000		(91,955)	934,045	3
34,979				1,002,102		1,002,102	4
					(8,188)	(8,188)	5
524				14,563		14,563	6
(38,146)				(1,615,807)		(1,615,807)	7
32				1,938		1,938	8
507				45,565		45,565	9
					37,224	37,224	10
					1,023,547	1,023,547	11
					(33,130)	(33,130)	12
					16,560	16,560	13
					36,509	36,509	14
23,286				2,065,465		2,065,465	15
5,928				549,528		549,528	16
					4,453,740	4,453,740	17
7,222,973			9,337,302	243,747,540	25,046,772	278,131,614	18
348,062			8,261,468	(32,066,897)	6,538	(23,798,891)	19
					2,350,254	2,350,254	20
			5,107,000		202,059	5,309,059	21
			382,535			382,535	22
113				18,683		18,683	23
10,888				433,789		433,789	24
135				12,157		12,157	25
1,358				177,433		177,433	26
2,871,029				92,217,897	78,150	92,296,047	27
			4,183,000			4,183,000	28
610				58,570		58,570	29
					14,612,165	14,612,165	30
			12,640			12,640	31
			124			124	32
9,312			2,139	280,139		282,278	33
					2,744,513	2,744,513	34
			1,427			1,427	35
10,987				310,199		310,199	36
			13,181			13,181	37
					15,365	15,365	38
					(83,923)	(83,923)	39
9,947				770,756		770,756	40
			33,922			33,922	41
29				1,626		1,626	42
97				15,283		15,283	43
			2,792			2,792	44
66				1,619		1,619	45
						0	46
						0	47
						0	48
						0	49
10,512,966	0	0	\$28,368,321	\$308,068,772	\$50,406,200	\$386,843,293	50

PURCHASED POWER (Account 555) (INCLUDING POWER EXCHANGES)						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1						
2						
3						
4						
5						
6						
7						
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44						
45						
46						
47						
48						
49						
50	Total					

PURCHASED POWER (Account 555) (Continued) (Including power exchanges)							
Megawatthours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatthours Received (h)	Megawatthours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
						\$0	1
						0	2
						0	3
						0	4
						0	5
						0	6
						0	7
						0	8
						0	9
						0	10
						0	11
						0	12
						0	13
						0	14
						0	15
						0	16
						0	17
						0	18
						0	19
						0	20
						0	21
						0	22
						0	23
						0	24
						0	25
						0	26
						0	27
						0	28
						0	29
						0	30
						0	31
						0	32
						0	33
						0	34
						0	35
						0	36
						0	37
						0	38
						0	39
						0	40
						0	41
						0	42
						0	43
						0	44
						0	45
						0	46
						0	47
						0	48
						0	49
0	0	0	\$0	\$0	\$0	\$0	50

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Including transactions referred to as "wheeling")				
1. Report all transmission of electricity, i.e. wheeling, provided for other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers. 2. Use a separate line of data for each distinct type of transmission service involving the entities listed in columns (a), (b) and (c). 3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c). 4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: LF - for long-term firm transmission service. "Long-term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract. SF - for short-term firm transmission service. Use this category for all firm services, where the duration of each period of commitment for service is less than one year.				
Line No.	Payment By (Company or Public Authority) [Footnote Affiliations] (a)	Energy Received From (Company or Public Authority) [Footnote Affiliations] (b)	Energy Delivered To (Company or Public Authority) [Footnote Affiliations] (c)	Statistical Classification (d)
1	New York Power Authority/White Plains	New York Power Authority	Not Available	
2	BNP Paribas Energy Trading GP	Not Available	Not Available	SFP
3	Barclays Bank PLC	Not Available	Not Available	SFP
4	BP Energy Co.	Not Available	Not Available	SFP
5	Brookfield Energy Marketing, Inc.	Not Available	Not Available	SFP
6	Brookfield Energy Marketing LP	Not Available	Not Available	SFP
7	Bruce Power Inc.	Not Available	Not Available	SFP
8	Centre Lane Trading LTD.	Not Available	Not Available	SFP
9	Citi Group Energy Group Inc.	Not Available	Not Available	SFP
10	Cargill Power Markets LLC	Not Available	Not Available	SFP
11	Conoco Phipps Company	Not Available	Not Available	SFP
12	Constellation Energy Commodities Group	Not Available	Not Available	SFP
13	Consolidated Edison Energy Inc.	Not Available	Not Available	SFP
14	CP Energy Marketing (US) Inc.	Not Available	Not Available	SFP
15	DB Energy Trading LLC	Not Available	Not Available	SFP
16	From Insert Page			
17	Total			

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012			
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as "wheeling")						
OS - for other transmission service. Use this category only for those services which cannot be placed in the above-defined categories, such as all nonfirm transmission service, regardless of the length of the contract. Describe the nature of the service in a footnote. AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment. 5. In column (e), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided. 6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract. 7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.						
FERC Rate Schedule or Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				Megawatthours Received (i)	Megawatthours Delivered (j)	
						1
ISO OATT	NYISO System	Not Available				2
ISO OATT	NYISO System	Not Available				3
ISO OATT	NYISO System	Not Available				4
ISO OATT	NYISO System	Not Available				5
ISO OATT	NYISO System	Not Available				6
ISO OATT	NYISO System	Not Available				7
ISO OATT	NYISO System	Not Available				8
ISO OATT	NYISO System	Not Available				9
ISO OATT	NYISO System	Not Available				10
ISO OATT	NYISO System	Not Available				11
ISO OATT	NYISO System	Not Available				12
ISO OATT	NYISO System	Not Available				13
ISO OATT	NYISO System	Not Available				14
ISO OATT	NYISO System	Not Available				15
			1611	0	0	16
			1611	0	0	17

Name of Respondent New York State Electric & Gas Corp	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as "wheeling")			
8. Report in columns (i) and (j) the total megawatthours received and delivered. 9. In columns (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity listed in column (a). If no monetary settlement was made, enter zero ("0") in column (n). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and type of energy or service rendered. 10. Provide total amounts in columns (i) through (n) as the last line. Enter "TOTAL" in column (a) as the last line. The total amounts in columns (i) and (j) must be reported as Transmission Received and Delivered on page 401, lines 16 and 17, respectively. 11. Footnote entries and provide explanations following all required data.			
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS			
Demand Charges (\$) (k)	Energy Charges (\$) (l)	Other Charges (\$) (m)	Total Revenues (\$) (k + l + m) (n)
		\$1,459,526	\$1,459,526
			0
			0
			0
			0
		224,139	224,139
		34,638	34,638
		15,617	15,617
		771	771
		30,947	30,947
		5,629	5,629
		41,504	41,504
		15,696	15,696
		3,996	3,996
		593	593
4,678,608	0	16,409,994	21,088,602
\$4,678,608	\$0	\$18,243,050	\$22,921,658

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Including transactions referred to as "wheeling")				
Line No.	Payment By (Company or Public Authority) [Footnote Affiliations] (a)	Energy Received From (Company or Public Authority) [Footnote Affiliations] (b)	Energy Delivered To Company or Public Authority [Footnote Affiliations] (c)	Statistical Classification (d)
1	DC Energy LLC	Not Available	Not Available	SFP
2	DTE Energy Trading, Inc.	Not Available	Not Available	SFP
3	EDF Trading North America LLC	Not Available	Not Available	SFP
4	Emera Energy U.S. Subsidiary No 1	Not Available	Not Available	SFP
5	Exelon Generation Company LLC	Not Available	Not Available	SFP
6	Gotham Energy Marketing LP	Not Available	Not Available	SFP
7	HQ Energy Services (US)	Not Available	Not Available	SFP
8	Iberdrola Renewables	Not Available	Not Available	SFP
9	JP Morgan Ventures Energy Corp.	Not Available	Not Available	SFP
10	Louis Dreyfus Energy Services LP.	Not Available	Not Available	SFP
11	Macuarie Energy LLC	Not Available	Not Available	SFP
12	MAG Energy Solutions, Inc.	Not Available	Not Available	SFP
13	Merrill Lynch Commodities, Inc.	Not Available	Not Available	SFP
14	Noble Americas Gas & Power Corp.	Not Available	Not Available	SFP
15	NorthPoint Energy Solutions, Inc.	Not Available	Not Available	SFP
16	NRG Power Marketing LLC	Not Available	Not Available	SFP
17	Ontario Power Generation, Inc.	Not Available	Not Available	SFP
18	Ontario Power Generation Energy Trade, Inc.	Not Available	Not Available	SFP
19	Powerex Corporation	Not Available	Not Available	SFP
20	PP&L EnergyPlus Co. (EPLUS)	Not Available	Not Available	SFP
21	PPM Energy, Inc.	Not Available	Not Available	SFP
22	PSEG Energy Resource & Trade LLC	Not Available	Not Available	SFP
23	Pure Energy, Inc.	Not Available	Not Available	SFP
24	Rainbow Energy Marketing Corp.	Not Available	Not Available	SFP
25	Royal Bank of Canada	Not Available	Not Available	SFP
26	Saracen Merchant Energy LP	Not Available	Not Available	SFP
27	Saracen Power LP	Not Available	Not Available	SFP
28	SESCO Enterprises LLC	Not Available	Not Available	SFP
29	Shell Energy North America	Not Available	Not Available	SFP
30	TransAlta Energy Marketing, Inc.	Not Available	Not Available	SFP
31	Twin Cities Energy LLC	Not Available	Not Available	SFP
32	Twin Cities Power LLC	Not Available	Not Available	SFP
33	Vitol Inc.	Not Available	Not Available	SFP
34	West Oak Energy NY/NE LP	Not Available	Not Available	SFP
35	XO Energy NY LP			
36	Bath Electric, Gas & Water	Various	Bath Electric, Gas & Water	LFP
37	V. of Castile	Various	V. of Castile	LFP
38	V. of Endicott	Various	V. of Endicott	LFP
39	V. of Green	Various	V. of Green	LFP
40	V. of Groton	Various	V. of Groton	LFP
41	V. of Hamilton	Various	V. of Hamilton	LFP
42	V. of Marathon	Various	V. of Marathon	LFP
43	V. of Penn Yan	Various	V. of Penn Yan	LFP
44	V. of Rouses Point	Various	V. of Rouses Point	LFP
45	V. of Sherburne	Various	V. of Sherburne	LFP
46	V. of Silver Springs	Various	V. of Silver Springs	LFP
47	V. of Watkins Glen	Various	V. of Watkins Glen	LFP
48	Delaware County Electric Co-op	Various	Delaware County Electric Co-op	LFP
49	Oneida-Madison Elec Co-op	Various	Oneida-Madison Electric Co-op	LFP
50	Otsego Electric Co-op	Various	Otsego Electric Co-op	LFP
51	Steuben Rural Electric Co-op	Various	Steuben Rural Electric Co-op	LFP
52	Central Hudson	Central Hudson (Vinegar Hill)	Central Hudson (Vinegar Hill)	LFP
53	NYISO-Trans. Congestion Revenues	Various		OS
54				
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65	Total			

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as "wheeling")						
FERC Rate Schedule or Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				Megawatthours Received (i)	Megawatthours Delivered (j)	
ISO OATT	NYISO System	Not Available				1
ISO OATT	NYISO System	Not Available				2
ISO OATT	NYISO System	Not Available				3
ISO OATT	NYISO System	Not Available				4
ISO OATT	NYISO System	Not Available				5
ISO OATT	NYISO System	Not Available				6
ISO OATT	NYISO System	Not Available				7
ISO OATT	NYISO System	Not Available				8
ISO OATT	NYISO System	Not Available				9
ISO OATT	NYISO System	Not Available				10
ISO OATT	NYISO System	Not Available				11
ISO OATT	NYISO System	Not Available				12
ISO OATT	NYISO System	Not Available				13
ISO OATT	NYISO System	Not Available				14
ISO OATT	NYISO System	Not Available				15
ISO OATT	NYISO System	Not Available				16
ISO OATT	NYISO System	Not Available				17
ISO OATT	NYISO System	Not Available				18
ISO OATT	NYISO System	Not Available				19
ISO OATT	NYISO System	Not Available				20
ISO OATT	NYISO System	Not Available				21
ISO OATT	NYISO System	Not Available				22
ISO OATT	NYISO System	Not Available				23
ISO OATT	NYISO System	Not Available				24
ISO OATT	NYISO System	Not Available				25
ISO OATT	NYISO System	Not Available				26
ISO OATT	NYISO System	Not Available				27
ISO OATT	NYISO System	Not Available				28
ISO OATT	NYISO System	Not Available				29
ISO OATT	NYISO System	Not Available				30
ISO OATT	NYISO System	Not Available				31
ISO OATT	NYISO System	Not Available				32
ISO OATT	NYISO System	Not Available				33
ISO OATT	NYISO System	Not Available				34
						35
ISO OATT	NYISO System	Bath Electric, Gas	157			36
ISO OATT	NYISO System	V. of Castile	17			37
ISO OATT	NYISO System	V. of Endicott	101			38
ISO OATT	NYISO System	V. of Green	78			39
ISO OATT	NYISO System	V. of Groton	45			40
ISO OATT	NYISO System	V. of Hamilton	123			41
ISO OATT	NYISO System	V. of Marathon	43			42
ISO OATT	NYISO System	V. of Penn Yan	166			43
ISO OATT	NYISO System	V. of Rouses Point	187			44
ISO OATT	NYISO System	V. of Sherburne	123			45
ISO OATT	NYISO System	V. of Silver Springs	12			46
ISO OATT	NYISO System	V. of Watkins Glen	114			47
ISO OATT	NYISO System	Delaware County	112			48
ISO OATT	NYISO System	Oneida-Madison	29			49
ISO OATT	NYISO System	Otsego Electric	92			50
ISO OATT	NYISO System	Steuben Rural	162			51
ISO OATT	NYISO System	Vinegar Hill	50			52
ISO OATT	NYISO System					53
						54
						55
						56
						57
						58
						59
						60
						61
						62
						63
						64
			1611	0	0	65

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as "wheeling")				
REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS				
Demand Charges (\$) (k)	Energy Charges (\$) (l)	Other Charges (\$) (m)	Total Revenues (\$) (k + l + m) (n)	Line No.
		\$24,988	\$24,988	1
		36,826	36,826	2
		17,486	17,486	3
			0	4
		4,584	4,584	5
			0	6
		21,721	21,721	7
		12,051	12,051	8
			0	9
			0	10
			0	11
		178,592	178,592	12
			0	13
		3,585	3,585	14
		378	378	15
		853	853	16
		221	221	17
		8,176	8,176	18
		44,964	44,964	19
		16,594	16,594	20
			0	21
		84,800	84,800	22
		723	723	23
		3,576	3,576	24
		4,505	4,505	25
			0	26
		9,462	9,462	27
		21,426	21,426	28
		22,846	22,846	29
		28,054	28,054	30
			0	31
		560	560	32
		12,912	12,912	33
			0	34
		13	13	35
465,672			465,672	36
51,825			51,825	37
301,132			301,132	38
232,298			232,298	39
135,318			135,318	40
366,298			366,298	41
128,832			128,832	42
491,101			491,101	43
555,105			555,105	44
365,378			365,378	45
36,183			36,183	46
338,812			338,812	47
331,856			331,856	48
84,614			84,614	49
296,489			296,489	50
478,491			478,491	51
19,204			19,204	52
		15,850,098	15,850,098	53
			0	54
			0	55
			0	56
			0	57
			0	58
			0	59
			0	60
			0	61
			0	62
			0	63
			0	64
\$4,678,608	\$0	\$16,409,994	\$21,088,602	65

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
 (Including transactions referred to as "wheeling")

1. Report all transmission, i.e., wheeling, of electricity provided to respondent by other electric utilities, cooperatives, municipalities, or other public authorities during the year.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company; abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider.
3. Provide in column (a) subheadings and classify transmission service purchased from other utilities as: "Delivered Power to Wheeler" or "Received Power from Wheeler."
4. Report in columns (b) and (c) the total megawatthours received and delivered by the provider of the transmission service.
5. In columns (d) through (g), report expenses as shown on bills or vouchers rendered to the respondent. In column (d), provide demand charges. In column (e), provide energy charges related to the amount of energy transferred. In column (f), provide the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (f). Report in column (g) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero ("0") in column (g). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line. Provide a total amount in columns (b) through (g) as the last line. Energy provided by the respondent for the wheeler's transmission losses should be reported on the Electric Energy Account, page 401. If the respondent received power from the wheeler, energy provided to account for losses should be reported on line 19. Transmission By Others Losses, on page 401. Otherwise, losses should be reported on line 27, Total Energy Losses, page 401.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority [Footnote Affiliations] (a)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
		Megawatthours Received (b)	Megawatthours Delivered (c)	Demand Charges (\$) (d)	Energy Charges (\$) (e)	Other Charges (\$) (f)	Total Cost of Transmission (\$) (g)
1	Central Hudson Gas &						\$0
2	Electric Corp.	OS		53,249			53,249
3							0
4	New york Power Authority	OS		69,764			69,764
5							0
6	National Grid	OS		9,354,240			9,354,240
7							0
8							0
9							0
10							0
11							0
12							0
13							0
14							0
15	From Insert Page						0
16	Total	0	0	\$9,477,253	\$0	\$0	\$9,477,253

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC and GAS)			
Line No.	Description (a)	Amount (b)	
1	Industry Association Dues	\$84,390	
2	Nuclear Power Research Expenses		
3	Other Experimental and General Research Expenses	1,024,794	
4	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar, and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent		
5	Other Expenses (List items of \$5,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$5,000 by classes if the number of items so grouped is shown).		
6	<u>Electric</u>		
7			
8	Iberdrola USA Management Corporation	(45,442)	
9			
10	Other Environmental Activities	24,791,744	
11			
12	Undistributed Adjustment	(3,058,256)	
13			
14	Bank Service Fee	547,396	
15			
16	Rate Agency Fee	169,050	
17			
18	Cost to Achieve - Efficiency Initiatives	1,242,174	
19			
20	Miscellaneous	377,619	
21			
22			
23	Subtotal	25,133,469	
24	<u>Gas</u>		
25			
26	Industry Association Dues	1,451	
27			
28	Other Experimental and General Research Expense	684,430	
29			
30	Iberdrola USA Management Corporation	(7,589)	
31			
32	Other Environmental Activities	10,380,101	
33			
34	Undistributed Adjustment	2,104,591	
35			
36	Bank Service Fee	81,073	
37			
38	Rate Agency Fee	25,037	
39			
40	Cost to Achieve - Efficiency Initiatives	306,975	
41			
42	Miscellaneous	241,432	
43			
44	Subtotal	13,817,501	
45	<u>Other</u>		
46			
47			
48			
49			
50	Subtotal	0	
51	Total	\$38,950,970	

If applicable, see insert page below:

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC and GAS)

Line No.	Description (a)	Amount (b)
52		
53		
54		
55		
56		
57		
58		
59		
60		
61		
62		
63		
64		
65		
66		
67		
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Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Accounts 403, 404, 405) (Except amortization of acquisition adjustments)					
1. Report in Section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405). 2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year. 3. Report all available information called for in section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year. Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of section C the type of plant included in any subaccounts used. In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional classifications and showing a composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used. For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis. 4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.					
A. Summary of Depreciation and Amortization Charges					
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Acct. 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant			\$566,010	\$566,010
2	Steam Production Plant	4,560			4,560
3	Nuclear Production Plant				0
4	Hydraulic Production Plant-Conventional	2,675,543			2,675,543
5	Hydraulic Production Plant-Pumped Storage				0
6	Other Production Plant	8,005			8,005
7	Transmission Plant	18,844,091		575,216	19,419,307
8	Distribution Plant	56,931,438		800,448	57,731,886
9	General Plant	3,571,275		25,484	3,596,759
10	Common Plant-Electric	4,392,497		7,761,400	12,153,897
11	TOTAL	\$86,427,409	\$0	\$9,728,558	\$96,155,967
B. Basis for Amortization Charges					
Intangible Plant 1 Costs of obtaining Hydraulic Licenses are amortized over the various lives of the licenses on an average basis of \$1,978,432. 2. Cost of Software Development are amortized over a period of six to ten years on a total plant basis of \$19,419,392. Transmission Plant 1 Amortization of Rights-of-Way based upon a 60 year life and a total plant basis of \$34,026,966. Distribution Plant 1 Amortization of Rights-of-Way based upon a 60 year life and a total plant basis of \$49,172,914. General Plant 1 Leasehold improvements are amortized over the remainder of the lease on a total plant basis of \$1,702,096. Common Plant 1 Cost of Software Development is amortized over five to ten years on a total plant basis of \$90,736,321 of which 79.1% was allocated to electric.					

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base in thousands (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	See pgs. 204-207						
13	for Plant Balances.						
14							
15	Steam						
16	311-Structures & Imp		30		3.33%	R3.0	
17							
18	Hydro						
19	331-Structures & Imp		60	-15.00%	1.92%		
20	332-Resv, Dam & WW		60	-35.00%	2.25%		
21	333-Turb & Generator		60	-25.00%	2.08%		
22	334-Access Elec		40	-10.00%	2.75%	L1.0	
23	335-Misc Elec		60		1.67%	H2.5	
24	336-Roads, RR & Brdg		50		2.00%		
25							
26	Production						
27	341-Structures & Imp		20		5.00%	R3.0	
28	342-Fuel holders		35		2.86%	R5.0	
29	343-Prime Movers		20		5.00%	R5.0	
30	344-Generators		30		3.33%	R3.0	
31	345-Access Elec		20		5.00%	L1.5	
32							
33	Transmission						
34	352-Structures & Imp		60	-25.00%	2.08%	R3.0	
35	353-Station Eq		60	-15.00%	1.92%		
36	354-Towers & Fixture		75	-30.00%	1.73%	R3.0	
37	355-Poles & Fixtures		60	-50.00%	2.50%		
38	356-OHD Conductor		72	-55.00%	2.15%		
39	356-Clearing		10		10.00%		
40	357-URD Conduit		50	-10.00%	2.20%	R3.0	
41	358-URD Conductor		50	-15.00%	2.30%	R3.0	
42	358-Cond Trench		50		2.00%	R3.0	
43							
44	Distribution						
45	361-Structures & Imp		57	-35.00%	2.37%	R3.0	
46	362-Station Eq		55	-25.00%	2.27%		
47	364-Poles & Towers		58	-50.00%	2.59%		
48	365-OHD Conductor		65	-65.00%	2.54%		
49	365-Clearing		10		10.00%	R3.0	
50	366-URD Conduit		50	-10.00%	2.20%	R3.0	

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012		
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base in thousands (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	367-URD Conductor		55	-15.00%	2.09%	R2.0	
13	368-Line Devices		42	-25.00%	2.98%		
14	368-OHD Services		40	-60.00%	4.00%		
15	370-Meters		35	-10.00%	3.14%	R0.5	
16	373-Street Lighting		28	-20.00%	4.29%	L0.0	
17							
18	General						
19	390-Structures & Imp		50	-15.00%	2.30%	L1.0	
20	391-Office Furniture		15		6.67%	L1.5	
21	391-Computer Equip		8		12.50%	L3.0	
22	393-Stores Equip		27		3.70%	L3.0	
23	394-Shop Equip		19		5.26%	R1.5	
24	395-Lab Equip		25		4.00%	S3.0	
25	397-Communication Eq		19		5.26%	L5.0	
26	398-Misc Equip		24		4.17%	R5.0	
27							
28							
29							
30							
31							
32							
33							
34							
35							
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Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS			
Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account. (a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization. (b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other		Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts. (c) Interest on Debt to Associated Companies (Account 430)-For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year. (d) Other Interest Expense (Account 431)-Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.	
Line No.	Item (a)	Amount (b)	
1	<u>Miscellaneous Amortization (Account 425)</u>		
2			
3			
4			
5			
6			
7			
8			
9			
10	Total	\$0	
11	<u>Donations (Account 426.1)</u>		
12			
13			
14	American Red Cross	200,000	
15	Iberdrola USA Foundation	129,750	
16	Miscellaneous	5,229	
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
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39			
40			
41	Total	\$334,979	

PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS		
Line No.	Item (a)	Amount (b)
1	<u>Life Insurance (Account 426.2)</u>	
2		
3		
4		
5		
6		
7	Total	\$0
8	<u>Penalties (Account 426.3)</u>	
9		
10	Seneca Civil Penalty	52,000
11	New York State Department of Environmental	10,000
12	Town of Milford - Tax Collector	2,073
13	Miscellaneous	1,191
14		
15	Total	\$65,264
16	<u>Expenditures for Certain Civic, Political, and Related Activities (Account 426.4)</u>	
17		
18		
19	Political Action Committee	5,000
20	Political Events, Lobbying Costs	81,906
21	Miscellaneous	(282)
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
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51		
52	Total	\$86,624

PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS		
Line No.	Item (a)	Amount (b)
1	<u>Other Deductions (Account 426.5)</u>	
2		
3	Franchise Agreement Reserve	250,000
4	Miscellaneous	(1,115)
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Total	\$248,885
16	<u>Interest on Debt to Associated Companies (Account 430)</u>	
17		
18		
19		
20		
21		
22		
23		
24		
25		
26	Total	\$0
27	<u>Other Interest Expense (Account 431)</u>	
28	Carry Cost	\$20,233,217
29	Revolver Fees	637,262
30	FIN 48 Interest Reserve	2,380,000
31	Weekly Auction Security Fee	84,791
32	Short Term Debt	300,709
33	Customer Deposits	254,947
34	Income Tax Interest	81,000
35	Gross Receipts Tax Reserve	245,000
36	Miscellaneous	277,616
37		
38	Total	\$24,494,542
39		
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51		

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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REGULATORY COMMISSION EXPENSES FOR ELECTRIC AND GAS

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party. Identify this expense as Electric, Gas or Common.

2. Report in columns (b) and (c) only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for Current Year (b) + (c) (d)	Deferred in Account 182.3 Beginning of Year (e)
1	<u>Electric</u>				
2	New York State Public Service Commission (PSC)				
3					
4	NYPSC Temporary 18A Assessment		24,710,394	24,710,394	
5					
6	NYPSC Annual Assessment		2,733,499	2,733,499	
7					
8	Cayuga Operating Company		103,549	103,549	
9					
10	NYPSC Cases Less than \$25,000		133,496	133,496	
11					
12	Federal Energy Regulatory Commission (FERC)				
13					
14	Transmission Owners Committee		363,085	363,085	
15					
16	FERC Cases Less than \$25,000		208,406	208,406	
17					
18					
19					
20	<u>Gas</u>				
21	New York State Public Service Commission (PSC)				
22					
23	NYPSC Temporary 18A Assessment		10,035,177	10,035,177	
24					
25	NYPSC Annual Assessment		1,119,791	1,119,791	
26					
27	NYPSC Storm and Emergency Investigation		104,294	104,294	
28					
29	NYPSC Cases Less than \$25,000		8,375	8,375	
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	\$0	\$39,520,066	\$39,520,066	\$0

Name of Respondent New York State Electric & Gas Corporation			This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012	
REGULATORY COMMISSION EXPENSES FOR ELECTRIC AND GAS (Continued)							
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.				4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts. 5. Minor items (less than \$25,000) may be grouped.			
Expenses Incurred During Year				Amortized During Year			
Charged Currently to			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
							2
							3
Electric	928	24,710,394					4
							5
Electric	928	2,733,499					6
							7
Electric	928	103,549					8
							9
Electric	928	133,496					10
							11
							12
Electric	928	363,085					13
							14
Electric	928	208,406					15
							16
							17
							18
							19
							20
							21
Gas	928	10,035,177					22
							23
Gas	928	1,119,791					24
							25
Gas	928	104,294					26
							27
Gas	928	8,375					28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							38
							39
							40
							41
							42
							43
							44
							45
		\$39,520,066	\$0		\$0	\$0	46

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Electric and Gas)				
1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued, or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried on by the respondent in which there is a sharing of costs with others, show separately the respondent's cost for the year and cost chargeable to others. (See definition of research, development, and demonstration in Uniform System of Accounts.) 2. Indicate in column (a) the applicable classification, as shown below. Classifications: A. Electric and Gas R, D & D Performed Internally (1) Generation a. Hydroelectric i. Recreation, fish, and wildlife ii. Other hydroelectric b. Fossil-fuel steam c. Internal combustion or gas turbine d. Nuclear e. Unconventional generation f. Siting and heat rejection (2) System Planning, Engineering and Operation (3) Transmission a. Overhead b. Underground (4) Distribution (5) Environment (other than equipment) (6) Other (Classify and include items in excess of \$5,000.) (7) Total Cost Incurred B. Electric and Gas R, D & D Performed Externally (1) Research Support to the Electrical Research Council or the Electric Power Research Institute				
Line No.	Classification (a)	Description (b)		
1	Electric			
2	B4	New York State Energy Research Development Authority (NYSERDA)		
3				
4				
5				
6	Gas			
7	B4	Millenium Gas		
8	B4	Operations Technology Development Company		
9	B4	NYGAS Administration and Expenses		
10	B4	Testing Program for Remote Inspection		
11	B4	New York State Energy Research Development Authority (NYSERDA)		
12	A7	Administrative Expenses		
13	A7	R&D Committee Expenses		
14	A4	Corporate Gas Engineering		
15				
16	A4	Projects under \$5,000 (1)		
17	A4	Projects under \$5,000 (3)		
18	B4	Projects under \$5,000 (1)		
19				
20				
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32				
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35				
36				
37				
38	Total			

Name of Respondent New York State Electric & Gas Corp	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012		
RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)					
(2) Research Support to Edison Electric Institute (3) Research Support to Nuclear Power Groups (4) Research Support to Others (Classify) (5) Total Cost Incurred 3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A.(6) and B.(4)) classify items by type of R, D & D activity. 4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e). 5. Show in column (g) the total unamortized accumulation of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year. 6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est." 7. Report separately research and related testing facilities operated by the respondent.					
Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
	1,025,526	930.2	1,025,526		1
			0		2
			0		3
			0		4
			0		5
			0		6
	29,086	920	29,086		7
	250,000	813	250,000		8
	262,539	930.2	262,539		9
	58,595	930.2	58,595		10
	367,562	930.2	367,562		11
40,727		920	40,727		12
6,158		920	6,158		13
45,341		920	45,341		14
			0		15
(80)		813	(80)		16
(21,719)		930.2	(21,719)		17
	4,081	920	4,081		18
			0		19
			0		20
			0		21
			0		22
			0		23
			0		24
			0		25
			0		26
			0		27
			0		28
			0		29
			0		30
			0		31
			0		32
			0		33
			0		34
			0		35
			0		36
			0		37
\$70,427	\$1,997,389		\$2,067,816	\$0	38

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES		
Line No.	Classification (a)	Description (b)
1		
2		
3		
4		
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50		
51		
52		
53		
54		
55	Total	

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
			0		1
			0		2
			0		3
			0		4
			0		5
			0		6
			0		7
			0		8
			0		9
			0		10
			0		11
			0		12
			0		13
			0		14
			0		15
			0		16
			0		17
			0		18
			0		19
			0		20
			0		21
			0		22
			0		23
			0		24
			0		25
			0		26
			0		27
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			0		31
			0		32
			0		33
			0		34
			0		35
			0		36
			0		37
			0		38
			0		39
			0		40
			0		41
			0		42
			0		43
			0		44
			0		45
			0		46
			0		47
			0		48
			0		49
			0		50
			0		51
			0		52
			0		53
			0		54
\$0	\$0		\$0	\$0	55

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate

lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	1,176,835		
4	Transmission	7,470,582		
5	Distribution	23,721,753		
6	Customer Accounts	18,015,200		
7	Customer Service and Informational	458,576		
8	Sales	394,150		
9	Administrative and General	4,685,166		
10	TOTAL Operation (Enter Total of lines 3 thru 9)	55,922,262		
11	Maintenance			
12	Production	254,142		
13	Transmission	2,029,098		
14	Distribution	43,439,916		
15	Administrative and General	130,149		
16	TOTAL Maint. (Total of lines 12 thru 15)	45,853,305		
17	Total Operation and Maintenance			
18	Production (Enter Total of lines 3 and 12)	1,430,977		
19	Transmission (Enter Total of lines 4 and 13)	9,499,680		
20	Distribution (Enter Total of lines 5 and 14)	67,161,669		
21	Customer Accounts (Transcribe from line 6)	18,015,200		
22	Customer Service and Informational (Transcribe from line 7)	458,576		
23	Sales (Transcribe from line 8)	394,150		
24	Administrative and General (Enter Total of lines 9 and 15)	4,815,315		
25	TOTAL Oper. and Maint. (Total of lines 18 thru 24)	101,775,567	5,875,901	107,651,468
26	Gas			
27	Operation			
28	Production - Manufactured Gas			
29	Production - Natural Gas (Including Expl. and Dev.)			
30	Other Gas Supply	701,378		
31	Storage, LNG Terminaling and Processing			
32	Transmission	308,109		
33	Distribution	9,745,862		
34	Customer Accounts	3,939,045		
35	Customer Service and Informational	141,225		
36	Sales	146,272		
37	Administrative and General	882,502		
38	TOTAL Operation (Enter Total of lines 28 thru 37)	15,864,393		
39	Maintenance			
40	Production - Manufactured Gas			
41	Production - Nat. Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing			
44	Transmission	129,696		
45	Distribution	5,333,166		
46	Administrative and General	688,301		
47	TOTAL Maint. (Enter Total of lines 40 thru 46)	6,151,163		

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
DISTRIBUTION OF SALARIES AND WAGES (Continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)	
Gas (Continued)					
48	Total Operation and Maintenance				
49	Production - Manufactured Gas (Enter Total of lines 28 and 40)	0			
50	Production - Nat. Gas (Including Expl. and Dev.) (Total of lines 29 and 41)	0			
51	Other Gas Supply (Enter Total of lines 30 and 42)	701,378			
52	Storage, LNG Terminaling and Processing (Total of lines 31 and 43)	0			
53	Transmission (Lines 32 and 44)	437,805			
54	Distribution (Lines 33 and 45)	15,079,028			
55	Customer Accounts (Line 34)	3,939,045			
56	Customer Service and Informational (Line 35)	141,225			
57	Sales (Line 36)	146,272			
58	Administrative and General (Lines 37 and 46)	1,570,803			
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	22,015,556	1,271,044	23,286,600	
60	Other Utility Departments			0	
61	Operation and Maintenance			0	
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	123,791,123	7,146,945	130,938,068	
63	Utility Plant				
64	Construction (By Utility Departments)				
65	Electric Plant	31,715,178	1,831,041	33,546,219	
66	Gas Plant	6,536,009	377,349	6,913,358	
67	Other			0	
68	TOTAL Construction (Total of lines 65 thru 67)	38,251,187	2,208,390	40,459,577	
69	Plant Removal (By Utility Departments)				
70	Electric Plant	2,164,024	124,938	2,288,962	
71	Gas Plant	201,753	11,648	213,401	
72	Other			0	
73	TOTAL Plant Removal (Total of lines 70 thru 72)	2,365,777	136,586	2,502,363	
74	Other Accounts (Specify):				
75	Billable Charges	6,731,531	388,638	7,120,169	
76	Other Income & Deductions	745	43	788	
77				0	
78				0	
79				0	
80				0	
81				0	
82				0	
83				0	
84				0	
85				0	
86				0	
87				0	
88				0	
89				0	
90				0	
91				0	
92				0	
93				0	
94				0	
95	TOTAL Other Accounts	6,732,276	388,681	7,120,957	
96	TOTAL SALARIES AND WAGES	171,140,363	9,880,602	181,020,965	

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.

2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant

to which such accumulated provisions relate, including explanation of basis of allocation and factors used.

3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.

4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Acct. No.	Item	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
301	Organization	\$100,000				\$100,000
302	Franchises & Consents					0
303	Miscellaneous Intangible Plant	110,721,360	1,445,592			
	Total Intangible Plant	110,821,360	1,445,592	0	0	112,266,952
	Other (Specify)					
	Total Other	0	0	0	0	0
389	Land & Land Rights	5,780,202				5,780,202
390	Structures & Improvements	84,931,477	3,553,844		14,321	88,499,642
391	Office Furniture & Equipment	24,369,594	3,825,579	(1,583,472)	(346,662)	26,265,039
392	Transportation Equipment	25,018,299	6,732,968		(1,505,875)	30,245,392
393	Stores Equipment	1,076,130	17,890	(140,483)		953,537
394	Tools, Shop & Garage Equipmt.	6,708,089	88,822	(351,691)		6,445,220
395	Laboratory Equip					0
396	Power Operated Equipment					0
397	Communication Equipment	45,187,716	2,527,877	(8,921,036)		38,794,557
398	Misc. Equipment	3,005,903	26,952	(45,321)		2,987,534
399	Other Tangible Property					
	Total General Plant	196,077,410	16,773,932	(11,042,003)	(1,838,216)	199,971,123
	Total Common Utility Plant	\$306,898,770	\$18,219,524	(\$11,042,003)	(\$1,838,216)	\$312,238,075

Departmental Allocation of Common Items

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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COMMON UTILITY PLANT AND EXPENSES (CONTINUED)

RESERVE FOR DEPRECIATION OF COMMON UTILITY PLANT

Balance January 1, 2012	131,731,490
Depreciation and Amortization Provisions for year charged to:	
Depreciation - Electric	4,392,497
Depreciation - Gas	1,160,597
Amortization - Electric	7,761,400
Amortization - Gas	2,050,737
Transportation - Clearing Account	2,737,206
Total Depreciation and Amortization Provisions	18,102,437
Net Charges for Plant Retired:	
Book Cost of Plant Retired	11,042,003
Cost of Removal	437,942
Salvage (Credit)	(153,125)
Net Charges for Plant Retired	11,326,820
Other Debit or Credit Items:	
Net increase in Retirement Work in Progress	
Transfer of Provisions to Electric Department	
Accum. Amortization-Limited Term Property-Johnson Bldg.	
Balance December 31, 2012	<u>\$138,507,107</u>

Common Utility Expenses and Departmental Allocation

	Utility Plant %	Depreciation Expense %
Electric	80.2	79.1
Gas	19.8	20.9
Total	100.00%	100.00%

The Common Utility Plant in Service is allocated to Electric and Gas departments on the ratio of Electric plant (excluding Production) and Gas Utility Plant in Service to the total of such plant at the end of the previous year.

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012	
ELECTRIC ENERGY ACCOUNT						
Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.						
Line No.	Item (a)	Megawatthours (b)	Line No.	Item (a)	Megawatthours (b)	
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY		
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	15,408,531	
3	Steam		23	Requirements Sales for Resale (See Instruction 4, page 311.)	11,872	
4	Nuclear		24	Non-Requirements Sales for Resale (See Instruction 4, page 311.)	3,704,213	
5	Hydro - Conventional	255,561	25	Energy Furnished Without Charge		
6	Hydro - Pumped Storage		26	y Used by the Company (Electric Department Only, Excluding Station Use)	27,687	
7	Other	8,684,506	27	Total Energy Losses	511,670	
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27)(MUST EQUAL LINE 20)	19,663,973	
9	Net Generation (Enter Total of lines 3 through 8)	8,940,067				
10	Purchases	10,723,906				
11						
12	Received					
13	Delivered					
14	Net Exchanges (Line 12 minus line 13)	0				
15	Transmission for Other (Wheeling)					
16	Received					
17	Delivered					
18	Net Transmission for Other (Line 16 minus line 17)	0				
19	Transmission by Other Losses					
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	19,663,973				
MONTHLY PEAKS AND OUTPUT						
1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system. 2. Report in column (b) the system's energy output for each month such that the total on line 41 matches the total on line 20. 3. Report in column (c) a monthly breakdown of the Non-Requirements Sales for Resale reported on line 24. Include in the monthly amounts any energy losses associated with the			sales so that the total of line 41 exceeds the amount on line 24 by the amount of losses incurred (or estimated) in making the Non-Requirements Sales for Resale. 4. Report in column (d) the system's monthly maximum megawatt load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c). 5. Report in columns (e) and (f) the specified information for each monthly peak load reported in column (d).			
Name of System:						
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	Megawatts (See Instruction 4) (d)	Day of Month (e)	Hour (f)
29	January	1,909,161	470,367	2,572	3	19
30	February	1,752,306	448,954	2,336	12	19
31	March	1,424,785	217,048	2,270	5	19
32	April	1,252,781	96,711	1,980	23	21
33	May	1,362,807	122,551	2,596	29	13
34	June	1,629,528	305,919	2,874	21	17
35	July	1,943,126	344,358	2,962	17	17
36	August	1,850,992	357,283	2,904	3	17
37	September	1,592,852	347,712	2,452	6	15
38	October	1,590,028	346,997	2,083	23	19
39	November	1,562,499	276,131	2,348	27	19
40	December	1,793,108	370,182	2,504	26	18
41	TOTAL	19,663,973	3,704,213			

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

- | | |
|--|---|
| <p>1. Report data for Plant in Service only.</p> <p>2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report on this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants.</p> <p>3. Indicate by a footnote any plant leased or operated as a joint facility.</p> <p>4. If net peak demand for 60 minutes is not available, give data which is available, specifying period.</p> <p>5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant.</p> | <p>6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mcf.</p> <p>7. Quantities of fuel burned (line 37) and average cost per unit of fuel burned (line 40) must be consistent with charges to expense accounts 501 and 547 (line 41) as shown on line 19.</p> <p>8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned.</p> |
|--|---|

Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)
1	Kind of Plant (Steam, Internal Combustion, Gas Turbine or Nuclear)		
2	Type of Plant Construction (Conventional, Outdoor Boiler, Full Outdoor, Etc.)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total Installed Capacity (Maximum Generator Name Plate Ratings in MW)		
6	Net Peak Demand on Plant - MW (60 minutes)		
7	Plant Hours Connected to Load		
8	Net Continuous Plant Capability (Megawatts)		
9	When Not Limited by Condenser Water		
10	When Limited by Condenser Water		
11	Average Number of Employees		
12	Net Generation, Exclusive of Plant Use - KWh		
13	Cost of Plant: Land and Land Rights		
14	Structures and Improvements		
15	Equipment Costs		
16	Total Cost	\$0	\$0
17	Cost per KW of Installed Capacity (Line 5)		
18	Production Expenses: Oper. Supr. & Engr.		
19	Fuel		
20	Coolants and Water (Nuclear Plants Only)		
21	Steam Expenses		
22	Steam From Other Sources		
23	Steam Transferred (Cr.)		
24	Electric Expenses		
25	Misc. Steam (or Nuclear) Power Expenses		
26	Rents		
27	Allowances		
28	Maintenance Supervision and Engineering		
29	Maintenance of Structures		
30	Maintenance of Boiler (or Reactor) Plant		
31	Maintenance of Electric Plant		
32	Maintenance of Misc. Steam (or Nuclear) Plant		
33	Total Production Expenses	\$0	\$0
34	Expenses per Net KWh		
35	Fuel: Kind (Coal, Gas, Oil, or Nuclear)		
36	Unit: (Coal - tons of 2,000 lb.)(Oil - barrels of 42 gals.)(Gas - Mcf)(Nuclear - indicate)		
37	Quantity (Units) of Fuel Burned		
38	Avg. Heat Cont. of Fuel Burned (Btu per lb. of coal per gal. of oil, or per Mcf of gas)(Give unit if nuclear)		
39	Average Cost of Fuel per Unit, as Delivered f. o. b. Plant During Year		
40	Average Cost of Fuel per Unit Burned		
41	Avg. Cost of Fuel Burned per Million Btu		
42	Avg. Cost of Fuel Burned per KWh Net Gen.		
43	Average Btu per KWh Net Generation		

FERC FORM NO. 1 (REV. 12-95)

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)			
9. Items under Cost of Plant are based on U. S. of A. accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 548 and 549 on line 24 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on line 31 "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant.		However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of the plant.	
Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
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\$0	\$0	\$0	16
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			26
			27
			28
			29
			30
			31
			32
\$0	\$0	\$0	33
			34
			35
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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)
1	Kind of Plant (Steam, Internal Combustion, Gas Turbine or Nuclear)		
2	Type of Plant Construction (Conventional, Outdoor Boiler, Full Outdoor, Etc.)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total Installed Capacity (Maximum Generator Name Plate Ratings in MW)		
6	Net Peak Demand on Plant - MW (60 minutes)		
7	Plant Hours Connected to Load		
8	Net Continuous Plant Capability (Megawatts)		
9	When Not Limited by Condenser Water		
10	When Limited by Condenser Water		
11	Average Number of Employees		
12	Net Generation, Exclusive of Plant Use - KWh		
13	Cost of Plant: Land and Land Rights		
14	Structures and Improvements		
15	Equipment Costs		
16	Total Cost		
17	Cost per KW of Installed Capacity (Line 5)		
18	Production Expenses: Oper. Supr. & Engr.		
19	Fuel		
20	Coolants and Water (Nuclear Plants Only)		
21	Steam Expenses		
22	Steam From Other Sources		
23	Steam Transferred (Cr.)		
24	Electric Expenses		
25	Misc. Steam (or Nuclear) Power Expenses		
26	Rents		
27	Allowances		
28	Maintenance Supervision and Engineering		
29	Maintenance of Structures		
30	Maintenance of Boiler (or Reactor) Plant		
31	Maintenance of Electric Plant		
32	Maintenance of Misc. Steam (or Nuclear) Plant		
33	Total Production Expenses		
34	Expenses per Net KWh		
35	Fuel: Kind (Coal, Gas, Oil, or Nuclear)		
36	Unit: (Coal - tons of 2,000 lb.)(Oil - barrels of 42 gals.)(Gas - Mcf)(Nuclear - indicate)		
37	Quantity (Units) of Fuel Burned		
38	Avg. Heat Cont. of Fuel Burned (Btu per lb. of coal per gal. of oil, or per Mcf of gas)(Give unit if nuclear)		
39	Average Cost of Fuel per Unit, as Delivered f. o. b. Plant During Year		
40	Average Cost of Fuel per Unit Burned		
41	Avg. Cost of Fuel Burned per Million Btu		
42	Avg. Cost of Fuel Burned per KWh Net Gen.		
43	Average Btu per KWh Net Generation		

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

Plant Name:			Plant Name:			Plant Name:			Line No.
(d)			(e)			(f)			
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Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)			
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchase of gas turbine equipment, Power, System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses." 6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine,			
FERC Licensed Project No. 2738 Plant Name _____ Kents Falls (d)	FERC Licensed Project No. _____ Plant Name _____ (e)	FERC Licensed Project No. _____ Plant Name _____ (f)	Line No.
Run-of-River			1
Conventional			2
1928			3
1985			4
			5
13.68			6
12			7
8693			8
			9
14			10
0			11
0			12
55,520			13
			14
\$373,181			15
628,352			16
8,680,550			17
8,665,380			18
			19
\$18,347,463	\$0	\$0	20
\$1,341.1888			21
			22
\$18,543			23
			24
24,996			25
16,831			26
86,668			27
916			28
0			29
0			30
18,221			31
52,863			32
23,547			33
\$242,585	\$0	\$0	34
\$4.3693			

If applicable, see insert pages below:

New York State Electric & Gas Corporation

12/31/2012

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

- | | |
|--|--|
| 1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings). | 3. If net peak demand for 60 minutes is not available, give that which is available, specifying period. |
| 2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number. | 4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant. |

Line No.	Item	FERC Licensed Project No. _____ Plant Name _____	FERC Licensed Project No. _____ Plant Name _____
	(a)	(b)	(c)
1	Kind of Plant (Run-of-River or Storage)		
2	Type of Plant Construction (Conventional or Outdoor)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total Installed Capacity (Generator Name Plate Ratings in MW)		
6	Net Peak Demand on Plant - Megawatts (60 minutes)		
7	Plant Hours Connected to Load		
8	Net Plant Capability (In megawatts)		
9	(a) Under the Most Favorable Oper. Conditions		
10	(b) Under the Most Adverse Oper. Conditions		
11	Average Number of Employees		
12	Net Generation, Exclusive of Plant Use - KWh		
13	Cost of Plant:		
14	Land and Land Rights		
15	Structures and Improvements		
16	Reservoirs, Dams, and Waterways		
17	Equipment Costs		
18	Roads, Railroads and Bridges		
19	Total Cost (Enter Total of lines 14 thru 18)	\$0	\$0
20	Cost per KW of Installed Capacity (Line 5)		
21	Production Expenses:		
22	Operation Supervision and Engineering		
23	Water for Power		
24	Hydraulic Expenses		
25	Electric Expenses		
26	Misc. Hydraulic Power Generation Expenses		
27	Rents		
28	Maintenance Supervision and Engineering		
29	Maintenance of Structures		
30	Maintenance of Reservoirs, Dams, and Waterways		
31	Maintenance of Electric Plant		
32	Maintenance of Misc. Hydraulic Plant		
33	Total Production Expenses (Total lines 22 thru 32)	\$0	\$0
34	Expenses per Net KWh		

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchase or gas turbine equipment. Power, System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine,

FERC Licensed Project No. _____ Plant Name _____ (d)	FERC Licensed Project No. _____ Plant Name _____ (e)	FERC Licensed Project No. _____ Plant Name _____ (f)	Line No.
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\$0	\$0	\$0	19
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			31
			32
\$0	\$0	\$0	33
			34

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

- | | |
|---|--|
| <p>1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings).</p> <p>2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available, specifying period.</p> | <p>4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.</p> <p>5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."</p> |
|---|--|

Line No.	Item (a)	FERC Licensed Project No. _____ Plant Name _____ (b)
1	Type of Plant Construction (Conventional or Outdoor)	
2	Year Originally Constructed	
3	Year Last Unit was Installed	
4	Total Installed Capacity (Generator Name Plate Ratings in MW)	
5	Net Peak Demand on Plant - Megawatts (60 minutes)	
6	Plant Hours Connected to Load While Generating	
7	Net Plant Capability (In megawatts)	
8	Average Number of Employees	
9	Generation, Exclusive of Plant Use - KWh	
10	Energy Used for Plumbing - KWh	
11	Net Output for Load (line 9 minus line 10) - KWh	
12	Cost of Plant:	
13	Land and Land Rights	
14	Structures and Improvements	
15	Reservoirs, Dams, and Waterways	
16	Water Wheels, Turbines, and Generators	
17	Accessory Electric Equipment	
18	Miscellaneous Powerplant Equipment	
19	Roads, Railroads and Bridges	
20	Total Cost (Enter Total of lines 13 thru 19)	
21	Cost per KW of Installed Capacity (line 20 / line 4)	
22	Production Expenses	
23	Operation Supervision and Engineering	
24	Water for Power	
25	Pumped Storage Expenses	
26	Electric Expenses	
27	Miscellaneous Pumped Storage Power Generation Expenses	
28	Rents	
29	Maintenance Supervision and Engineering	
30	Maintenance of Structures	
31	Maintenance of Reservoirs, Dams, and Waterways	
32	Maintenance of Electric Plant	
33	Maintenance of Misc. Pumped Storage Plant	
34	Production Exp. Before Pumping Exp. (Enter Total lines 23 thru 33)	
35	Pumping Expenses	
36	Total Production Expenses (Enter Total of lines 34 and 35)	
37	Expenses per Net KWh (Enter result of line 36 divided by line 9)	

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

6. Pumping energy (line 10) is that energy measured as input to the plant for pumping purposes.
7. Include on line 35 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed, leave lines 35, 36 and 37 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each

station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other sources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier, contract number, and date of contract.

FERC Licensed Project No. _____ Plant Name _____ (c)	FERC Licensed Project No. _____ Plant Name _____ (d)	FERC Licensed Project No. _____ Plant Name _____ (e)	Line No.
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Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012	
GENERATING PLANT STATISTICS (Small Plants)						
1. Small generating plants are steam plants of less than 25,000 Kw; internal combustion and gas-turbine plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.						
Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity-Name Plate Rating (in MW) (c)	Net Peak Demand MW (60 Min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	Hydro					
2	Rainbow Falls (B)	1926	2.64			6,372,323
3	Cadyville (A)	1921	5.53	4.7	24,432	17,851,178
4	Keuka (C)	1928				923,271
5	Mill "C" (A)	1922	6.05	5.7	24,432	16,020,067
6						
7						
8	Internal Combustion					
9	Harris Lake	1967	2	2	84	393,173
10	Auburn Gas Turbine	2000	7.25	7	202	
11						
12	(A) Project #2738					
13	(B) Project #2835					
14	(C) Project #2852					
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Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012	
GENERATING PLANT STATISTICS (Small Plants)(Continued)						
3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, page 403. 4. If net peak demand for 60 minutes is not available, give that which is available, specifying period.			5. If any plant is equipped with combinations of steam, hydro, internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.			
Plant Cost Per MW Inst Capacity (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Cost (In cents per million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
2,413,759	65,419		51,812			1
3,228,061	100,761		80,991			2
	21,059		148,271			3
2,647,945	111,010		91,393			4
						5
						6
						7
						8
196,587	11,069	43,740	42,775			9
	392,223		16,239			10
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of less than 25,000 Kw; internal combustion and gas-turbine plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating).

2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity- Name Plate Rating (in MW) (c)	Net Peak Demand MW (60 Min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
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GENERATING PLANT STATISTICS (Small Plants)(Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, page 403.

4. If net peak demand for 60 minutes is not available, give that which is available, specifying period.

5. If any plant is equipped with combinations of steam, hydro, internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost Per MW Inst Capacity (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Cost (In cents per million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
						2
						3
						4
						5
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						7
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						45
						46

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report	Year of Report 12/31/2012
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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.

2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.

3. Report data by individual lines for all voltages if so required by a State commission.

4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.

5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole, wood or steel; (2) H-frame, wood, or steel poles; (3) tower; or (4) underground construction. If a transmission

line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.

6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	Designation		Voltage (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure	Length (Pole Miles) (In the case of underground lines, report circuit miles)		Number of Circuits
	From (a)	To (b)	Operating (c)	Designed (d)		On Structures of Line Designated (f)	On Structures of Another Line (g)	
1	Watercure	Oakdale	345.00	345.00	Stl. Tower	41.00		1
2	Watercure	Oakdale	345.00	345.00	H. Frame	1.00		1
3	Watercure	Oakdale	230.00	230.00	H. Frame	42.00		1
4	Oakdale	Lafayette	345.00	345.00	Stl. Tower	24.00		1
5	Oakdale	Lafayette	345.00	345.00	H. Frame	1.00	1.00	1
6	Niagara	Robinson Rd	230.00	230.00	H. Frame	17.00		1
7	Niagara	Robinson Rd	230.00	230.00	Stl. Tower	1.00		1
8	Stolle Road	New Gardenville	230.00	230.00	H. Frame	3.00		1
9	Stolle Road	New Gardenville	230.00	230.00	Stl. Tower	9.00		1
10	Robinson Road	Stolle Road	230.00	230.00	H. Frame	30.00		1
11	Robinson Road	Stolle Road	230.00	230.00	Stl. Tower	1.00		1
12	Canandaigua	Hillside	230.00	230.00	H. Frame	51.00		1
13	Meyer	Canandaigua	230.00	230.00	H. Frame	13.00		1
14	Stolle Road	Meyer	230.00	230.00	H. Frame	5.00		1
15	Stolle Road	Meyer	230.00	230.00	Stl. Tower	49.00		1
16	Hillside	East Towanda	230.00	230.00	H. Frame	11.00		1
17	Hillside	East Towanda	230.00	230.00	Stl. Tower	1.00		1
18	Watercure	Hillside	230.00	230.00	H. Frame	1.00		1
19	Watercure	Hillside	230.00	230.00	Stl. Tower			1
20	Homer City	Stolle Road	345.00	345.00	H. Frame	165.00		1
21	Homer City	Stolle Road	345.00	345.00	Stl. Tower	1.00		1
22	Homer City	Watercure	345.00	345.00	H. Frame	176.00		1
23	Homer City	Watercure	345.00	345.00	Stl. Tower	1.00		1
24	Oakdale	Fraser	345.00	345.00	Stl. Tower	1.00		1
25	Oakdale	Fraser	345.00	345.00	H. Frame	56.00		1
26	Kintigh	Niagara	345.00	345.00	Stl. Tower	1.00		1
27	Kintigh	Niagara	345.00	345.00	H. Frame	17.00		1
28	Kintigh	Station 80	345.00	345.00	H. Frame	17.00		1
29	Kintigh	Station 80	345.00	345.00	Stl. Tower	1.00		1
30	Fraser	Coopers Corners	345.00	345.00	H. Frame	15.00		1
31	Fraser	Coopers Corners	345.00	345.00	Stl. Tower	1.00		1
32	Fraser	Coopers Corners	345.00	345.00	H. Frame	13.00		1
33	Fraser	Coopers Corners	345.00	345.00	Stl. Tower	1.00		1
34	Oakdale	Clark Corners	345.00	345.00	Stl. Tower	0.38		1
35			115.00		Overhead	1,454.93	17.00	235
37	Total					2,222.31	18.00	269

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
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TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report lower voltage lines and higher voltage lines as one line. Designate in a footnote if you do not include lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g).

8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or

shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.

9. Designate any transmission line leased to another company and give name of lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.

10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	Cost of Line (Include in column (j) land, land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
2156 ACSR			\$0				\$0	1
2156 ACSR			0				0	2
1192 ACSR			0				0	3
1280 ACSR			0				0	4
1280 ACSR			0				0	5
1192 ACSR			0				0	6
1192 ACSR			0				0	7
1192.5 ACSR			0				0	8
1192.5 ACSR			0				0	9
1192 ACSR			0				0	10
1192 ACSR			0				0	11
1033 ACSR			0				0	12
1033 ACSR			0				0	13
1033 ACSR			0				0	14
1033 ACSR			0				0	15
1033 ACSR			0				0	16
1033 ACSR			0				0	17
1192 ACSR			0				0	18
1192 ACSR			0				0	19
1033 ACSR			0				0	20
1033 ACSR			0				0	21
1033 ACSR			0				0	22
1033 ACSR			0				0	23
1033 ACSR			0				0	24
1033 ACSR			0				0	25
1192 ACSR			0				0	26
1192 ACSR			0				0	27
			0				0	28
			0				0	29
			0				0	30
			0				0	31
			0				0	32
			0				0	33
			0				0	34
			0				0	35
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	36

TRANSMISSION LINE STATISTICS (Continued)								
Line No.	Designation		Voltage (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure	Length (Pole Miles) (In the case of underground lines, report circuit miles)		Number of Circuits
	From (a)	To (b)	Operating (c)	Designed (d)		On Structures of Line Designated (f)	On Structures of Another Line (g)	
1					Underground	5.00		4
2			69.00		Overhead	9.00		5
3			45.00		Overhead	706.00	2.00	160
4					Underground	1.00		2
5			35.00		Overhead	1,352.90	46.00	640
6					Underground	4.00		11
7			23.00		Overhead	54.00	3.00	13
8			13.00		Overhead	3.00		1
9								
10								
11								
12								
13								
14								
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44								
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46								
47								
48								
49								
50								
51								
52								
53	Total					4,357.21	69.00	1,105

TRANSMISSION LINE STATISTICS (Continued)								
Size of Conductor and Material (i)	Cost of Line (Include in column (j) land, land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
			0				0	1
			0				0	2
			0				0	3
			0				0	4
			0				0	5
			0				0	6
			0				0	7
			0				0	8
			0				0	9
			0				0	10
	42,548,956	415,863,246	458,412,202				0	11
			0				0	12
			0				0	13
			0				0	14
			0				0	15
			0				0	16
			0				0	17
			0				0	18
			0				0	19
			0				0	20
			0				0	21
			0				0	22
			0				0	23
			0				0	24
			0				0	25
			0				0	26
			0				0	27
			0				0	28
			0				0	29
			0				0	30
			0				0	31
			0				0	32
			0				0	33
			0				0	34
			0				0	35
			0				0	36
			0				0	37
			0				0	38
			0				0	39
			0				0	40
			0				0	41
			0				0	42
			0				0	43
			0				0	44
			0				0	45
			0				0	46
			0				0	47
			0				0	48
			0				0	49
			0				0	50
			0				0	51
			0				0	52
	42,548,956	415,863,246	458,412,202	0	0	0	0	53

Name of Respondent New York State Electric & Gas Corporation			This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012	
TRANSMISSION LINES ADDED DURING YEAR							
1. Report below the information called for concerning transmission lines added or altered during the year. It is not necessary to report minor revisions of lines. 2. Provide separate subheadings for overhead and				underground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (f) and (g), it is permissible to report in these columns the estimated final completion			
Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	Chenango Bridge	Kattelville	2.90	OH Wood SPSC		1	1
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
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33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44	Total		3			1	1

Name of Respondent New York State Electric & Gas Corporation				This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012		Year of Report 12/31/2012	
TRANSMISSION LINES ADDED DURING YEAR (Continued)									
costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).				3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.					
Conductors			Voltage KV (Operating) (k)	Line Cost					
Size (h)	Specifications (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers, and Fixtures (m)	Conductors and Device (n)	Total (o)	Line No.	
18/1	477ACSR	Single	35			\$2,200,000	\$2,200,000	1	
							0	2	
							0	3	
							0	4	
							0	5	
							0	6	
							0	7	
							0	8	
							0	9	
							0	10	
							0	11	
							0	12	
							0	13	
							0	14	
							0	15	
							0	16	
							0	17	
							0	18	
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							0	25	
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							0	28	
							0	29	
							0	30	
							0	31	
							0	32	
							0	33	
							0	34	
							0	35	
							0	36	
							0	37	
							0	38	
							0	39	
							0	40	
							0	41	
							0	42	
							0	43	
				\$0	\$0	\$2,200,000	\$2,200,000	44	

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of less than 10 MVA, except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Aurora	D	34.50	12.47	12.50
2	Cayuga	D	34.50	4.80	
3	Clark St	D	34.50	4.16	
4	Genoa	D	34.50	4.80	
5	Grant Ave	D	34.50	12.47	
6	Green St	D	34.50	4.16	
7	Hamilton Rd	T	115.00	34.50	
8	Jordan Rd	D	34.50	12.47	
9	Marcellus	D	34.50	4.80	
10	Marietta	D	34.50	2.40	
11	Otisco	D	34.50	7.20	
12	Port Byron	D	34.50	4.80	
13	Savannah	D	34.50	4.80	
14	Scipio	D	34.50	4.80	
15	State St	T	115.00	34.50	
16	Stryker Ave	D	34.50	12.47	
17	Swift St	D	34.50	4.16	
18	Union Springs	D	34.50	4.80	
19	Weedsport	D	34.50	4.80	
20	Wright Ave	T	115.00	34.50	
21	Afton	T	115.00	34.50	
22	Apalachin	D	34.50	4.80	
23	Berkshire	D	34.50	4.80	
24	Bevier Street	D	34.50	12.47	
25	Bodle Hill	D	34.50	4.80	
26	Burr Ave	D	34.50	12.47	
27	Castle Gardens	T	115.00	12.47	
28	Center Village	D	34.50	4.80	
29	Chenango Bridge	D	34.50	4.80	
30	Chenango Forks	D	34.50	4.80	
31	Cincinnatus	D	34.50	4.80	
32	Clark St - Endicott	D	34.50	12.47	
33	Clarks Corners Rd	T	345.00	115.00	
34	Conklin	D	34.50	4.80	
35	Endicott Hill	D	34.50	4.80	
36	Endicott Railway	D	34.50	4.80	
37	Flemingville	D	34.50	4.80	
38	Fuller Hollow	T	115.00	12.47	
39	Gannett	D	34.50	12.50	
40	Glenwood	D	34.50	4.80	

SUBSTATIONS (Continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In MVa)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	Goudey	T	115.00	34.50	
2	Greene	D	34.50	4.80	
3	Harpur	D	34.50	4.80	
4	Hooper Rd	D	34.50	4.80	
5	Jarvis St	D	34.50	4.80	
6	Kattleville	T	115.00	34.50	
7	Langdon	T	115.00	12.47	
8	Lockheed Martin	D	34.50	12.00	
9	Lounsberry	T	115.00	12.47	
10	Lourdes	D	34.50	4.80	
11	Maine	D	34.50	4.80	
12	Morgan Rd	T	115.00	34.50	
13	Morningside Heights	D	34.50	4.80	
14	Morris St	D	34.50	4.80	
15	North Endicott	T	115.00	4.80	
16	Northside	T	115.00	34.50	
17	Nowlan Rd	D	34.50	4.80	
18	Noyes Island	D	34.50	12.47	
19	Oakdale	T	345.00	115.00	
20	Owego	D	34.50	4.80	
21	Rano	D	34.50	12.47	
22	Robble Ave	T	115.00	12.47	
23	South Owego	T	115.00	34.50	
24	Sanitaria Springs	D	34.50	4.80	
25	Tarbell	D	34.50	4.80	
26	Vestal	D	34.50	12.47	
27	Vincent Corners	D	34.50	4.80	
28	W Union	D	34.50	12.50	
29	Whig Street	D	34.50	4.80	
30	Whitney Ave	D	34.50	4.80	
31	Whitney Point	D	34.50	4.80	
32	Willet	T	115.00	34.50	
33	Windsor	D	34.50	8.32	
34	Adams Corners	D	46.00	13.20	
35	Amawalk	T	115.00	13.20	
36	Amenia	D	69.00	4.80	
37	Bedford Hills	D	46.00	4.80	
38	Cantitoe	D	46.00	4.80	
39	Carmel	T	115.00	13.20	
40	Crafts	D	46.00	13.20	
41	Cross River	D	46.00	13.20	
42	Croton Falls	T	115.00	13.20	
43	Dingle Ridge	D	46.00	4.80	
44	Dover Plains	D	46.00	13.20	
45	Golden Bridge	T	115.00	13.20	
46	Green Haven	D	13.20	2.40	
47	Harlem Valley	D	46.00	2.40	
48	Haviland Hollow	D	46.00	13.20	
49	Katonah	T	115.00	13.20	
50	Kent	D	46.00	4.80	
51	Kent Cliffs	D	46.00	4.80	
52	Mohansic	T	115.00	13.20	
53	NYCDEP Shaft 13	D	46.00	2.40	
54	Pawling	T	115.00	4.80	
55	Peach Lake	D	46.00	4.80	
56	Pound Ridge	D	46.00	13.20	
57	Putnam Lake	D	46.00	13.20	
58	Sylvan Lake	T	115.00	13.20	

SUBSTATIONS (Continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In MVa)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	Teakettle Spout	D	46.00	13.20	
2	Ten Mile River	D	46.00	13.20	
3	Tilly Foster	T	115.00	13.20	
4	Union Valley	T	115.00	13.20	
5	W Paterson	D	46.00	13.20	
6	Wassaic	D	46.00	2.40	
7	Wood Street	T	345.00	115.00	
8	14th Street	D	34.50	4.80	
9	Bath	T	115.00	12.47	
10	Broad Street	D	34.50	12.47	
11	Bulkhead	D	34.50	4.80	
12	Campbell	D	34.50	12.47	
13	Caton Ave	T	115.00	34.50	
14	Cayuta	D	34.50	8.30	
15	Chemung	T	115.00	12.47	
16	Dike Sub	D	34.50	4.00	
17	Erwin	D	34.50	12.47	
18	Fallbrook	D	34.50	12.47	
19	First St	D	34.50	12.00	
20	Fulton St	D	34.50	4.80	
21	Goss Rd	D	34.50	4.80	
22	Hammondsport	D	34.50	12.50	
23	Hampton Rd	D	34.50	4.80	
24	Hillcrest Rd	D	34.50	12.50	
25	Hillside	T	230.00	34.50	
26	Kane St	D	34.50	4.80	
27	Kanona	D	34.50	12.00	
28	Madison Ave	D	34.50	4.80	
29	Montour Falls	T	115.00	34.50	
30	New Corning	D	34.50	12.47	
31	Philo Rd	D	34.50	13.20	
32	Prattsburg	D	34.50	4.80	
33	Presho	D	34.50	12.47	
34	Ridge Rd	T	115.00	12.47	
35	Riverside	D	34.50	12.50	
37	South Addison	D	34.50	12.47	
38	Stoney Ridge	T	230.00	115.00	
39	Sullivan Park Sub	D	115.00	13.20	
40	Tuttle Place	D	34.50	4.80	
41	Watercure	T	345.00	230.00	
42	West Elmira	D	34.50	4.80	
43	West Erie Ave	D	115.00	34.50	
44	Whiskey Creek	D	34.50	12.47	
45	Woodlawn Ave	D	34.50	4.80	
46	Yawger Rd	T	115.00	12.50	
47	Bankert Rd	D	34.50	12.50	
48	Bellona	D	34.50	4.80	
49	Border City	T	115.00	34.50	
50	Clyde	D	34.50	4.80	
51	Dresden	D	34.50	12.47	
52	Dundee	D	34.50	12.47	
53	Five Points	D	34.50	12.47	
54	Flat St	T	115.00	34.50	
55	Gorham	D	34.50	4.80	
56	Goulds	D	34.50	4.80	
57	Greenidge	T	115.00	34.50	
58	Guardian	D	115.00	12.47	
59	Haley Rd	T	115.00	34.50	

SUBSTATIONS (Continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In MVa)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	Hall	D	34.50	4.80	
2	Hyatt Rd	T	115.00	34.50	
3	Keuka	D	34.50	4.80	
4	Lehigh St	D	34.50	12.47	
5	Lyons	D	34.50	12.47	
6	Mac Dougall	D	34.50	7.25	
7	Macedon	T	115.00	34.50	
8	Middlesex	D	34.50	4.80	
9	Milo	D	34.50	4.80	
10	Oaks Corners	D	34.50	4.80	
11	O'Brien Rd	D	34.50	2.40	
12	Palmyra	D	34.50	4.80	
13	Phelps	D	34.50	4.80	
14	Rushville	D	34.50	4.80	
15	Sampson	D	34.50	4.80	
16	Seneca Falls	D	34.50	12.47	
17	Seneca Ordinance	D	34.50	4.80	
18	Sleight Rd	T	115.00	34.50	
19	St Johns	D	34.50	4.80	
20	Van Buren St	D	34.50	12.47	
21	Waterloo	D	34.50	4.80	
22	West Geneva	D	34.50	12.47	
23	Arkport	D	34.50	4.80	
24	Atlanta	D	34.50	4.80	
25	Bennett	T	115.00	34.50	
26	Canaseraga	D	34.50	4.80	
27	Canisteo	D	34.50	4.80	
28	Cohocton	D	34.50	4.80	
29	Eelpot Rd	T	115.00	34.50	
30	Federal St	D	34.50	4.80	
31	Hill St	D	34.50	4.80	
32	Howard	D	34.50	12.47	
33	Leicester	D	34.50	12.47	
34	Meyer	T	230.00	115.00	
35	Moraine Rd	T	115.00	34.50	
37	Naples	D	34.50	12.47	
38	Palmiter Rd	T	115.00	12.47	
39	Perry Center	D	34.50	4.80	
40	Silver Springs	D	34.50	4.80	
41	South Perry	T	115.00	69.00	
42	Spring Water	D	34.50	4.80	
43	Stanton Ave	D	34.50	12.47	
44	Wallace	D	34.50	12.47	
45	Warsaw	D	34.50	12.47	
46	Wayland	D	34.50	4.80	
47	Webbs Crossing	D	34.50	12.47	
48	Woodhull	D	34.50	4.30	
49	Benjamin Hill	D	34.50	4.80	
50	Burdett	D	34.50	4.80	
51	Candor	T	115.00	34.50	
52	Cayuga Heights	D	34.50	12.47	
53	Codington Rd	T	115.00	34.50	
54	Cornell Farm	D	34.50	12.47	
55	County Hospital	D	34.50	4.80	
56	Dryden	D	34.50	4.80	
57	East Ithaca	T	115.00	13.20	
58	Etna	T	115.00	34.50	
59	Fourth St	D	34.50	8.30	

SUBSTATIONS (Continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In MVa)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	Harford Mills	D	34.50	4.80	
2	Interlaken	D	34.50	4.80	
3	Locke	D	34.50	4.80	
4	Ludlowville	D	34.50	4.80	
5	Milliken	T	115.00	36.20	
6	Moravia	D	34.50	4.80	
7	Ovid	D	34.50	4.80	
8	Peruville	D	34.50	4.80	
9	South Hill	D	34.50	12.47	
10	South Lansing	D	34.50	4.80	
11	Trumansburg	D	34.50	4.80	
12	Valois	D	34.50	4.80	
13	West Hill	D	34.50	12.47	
14	Willard	D	34.50	2.40	
15	Alden	D	34.50	4.80	
16	Armor	D	34.50	12.47	
17	Bennington Ctr	D	34.50	12.47	
18	Big Tree	T	115.00	34.50	
19	Blossom Rd	D	34.50	12.47	
20	Cemetary Rd	D	34.50	12.47	
21	Cobblehill	T	115.00	34.50	
22	Cold Springs	T	115.00	34.50	
23	Cowlesville	D	34.50	4.80	
24	David Rd	T	115.00	34.50	
25	Dayton	D	34.50	4.80	
26	Depew	T	115.00	34.50	
27	Dick Rd	D	34.50	4.80	
28	East Aurora	D	34.50	4.80	
29	Ebenezer	D	34.50	4.80	
30	Ellicott Rd	D	34.50	4.80	
31	Ellington	D	34.50	4.80	
32	Erie St	T	115.00	34.50	
33	Frog Valley	D	34.50	12.47	
34	New Gardenville	T	230.00	4.20	
35	Girdle Rd	T	115.00	34.50	
37	Hamburg	D	34.50	4.80	
38	Holland	D	34.50	4.80	
39	Indian Church Rd	D	34.50	4.80	
40	Java	D	34.50	4.80	
41	Lake Ave	D	34.50	12.47	
42	Langner Rd	T	115.00	12.47	
43	Legion Dr	D	34.50	4.80	
44	Losson Rd	D	34.50	12.47	
45	New Albion	D	34.50	4.80	
46	North Broadway	T	115.00	34.50	
47	Orchard Park	D	34.50	4.80	
48	Pavement Rd	T	115.00	34.50	
49	Randolph	D	34.50	4.80	
50	Rein Rd	D	34.50	12.47	
51	Roll Rd	T	115.00	34.50	
52	Silver Creek	T	115.00	4.80	
53	Sloan	D	34.50	4.80	
54	South Colden	D	34.50	8.32	
55	South Park	D	34.50	12.47	
56	Springbrook	D	34.50	12.47	
57	State School	D	34.50	4.80	
58	Stolle Rd	T	345.00	230.00	
59	Tyler St	D	34.50	4.80	

SUBSTATIONS (Continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In MVa)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	Walden Ave	T	15.00	12.47	
2	Wales Ctr	D	34.50	4.80	
3	Wehrle Dr	D	34.50	12.47	
4	Wende Rd	D	34.50	12.47	
5	West Varysburg	D	34.50	12.47	
6	Beaver Brook	D	34.50	4.80	
7	Callicoon	D	34.50	12.47	
8	Concord	D	34.50	4.80	
9	Coopers Corners	T	345.00	34.50	
10	Dubois St	D	34.50	12.47	
11	Ferndale	T	115.00	34.50	
12	Fosterdale	D	34.50	4.80	
13	Grossinger	D	34.50	12.47	
14	Hazel	T	115.00	4.80	
15	Hilldale	D	34.50	12.47	
16	Jeffersonville	D	34.50	7.20	
17	Kiamesha	D	34.50	12.50	
18	Liberty	D	34.50	4.80	
19	Livingston Manor	D	34.50	4.80	
20	Luxton Lake	D	34.50	4.80	
21	Maplewood	D	34.50	12.47	
22	Monticello	D	34.50	4.80	
23	Mountaindale	T	115.00	12.50	
24	Neversink	D	34.50	4.80	
25	Old Falls	D	34.50	12.00	
26	Rock Hill	T	115.00	4.80	
27	Roscoe	D	34.50	12.00	
28	Sackett Lake	D	34.50	4.80	
29	Shields Rd	D	34.50	4.80	
30	Shortcut Rd	T	115.00	34.50	
31	Swan Lake	D	34.50	4.80	
32	Walden	T	69.00	12.50	
33	West Woodbourne	T	115.00	34.50	
34	White Lake	D	35.00	4.80	
35	White Sulfur Springs	D	34.50	4.80	
37	Willowemoc	D	34.50	4.80	
38	Yulan	D	34.50	12.47	
39	Chestnut Ridge	D	34.50	12.00	
40	Harrison Radiator	T	115.00	12.40	
41	Hinman Rd	T	115.00	34.50	
42	Locust St	D	34.50	12.00	
43	Mill St	D	34.50	4.16	
44	Park Ave	D	34.50	4.16	
45	Robinson Rd	T	230.00	115.00	
46	South Niagara St	D	34.50	12.47	
47	Transit St	D	34.50	12.47	
48	Vine St	D	34.50	4.16	
49	Canaan	D	34.50	4.80	
50	Chatham	D	34.50	4.80	
51	Comstock	T	115.00	34.50	
52	Coons Crossing	D	34.50	4.80	
53	Craryville	T	115.00	12.47	
54	Crooked Lake	D	34.50	4.80	
55	Granville	D	34.50	12.47	
56	Halfmoon	D	34.50	13.20	
57	Kline Kill	T	115.00	34.50	
58	Mechanicville Hydro	D	34.50	4.16	
59	Mellonville	D	34.50	4.80	

SUBSTATIONS (Continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In MVa)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	Mulberry	T	115.00	36.20	
2	Rutland	D	34.50	4.80	
3	Salem - New	T	115.00	34.50	
4	Salem - Old	D	34.50	12.47	
5	Stephentown	T	115.00	4.80	
6	Stillwater	D	34.50	4.80	
7	W Lebanon	D	34.50	4.80	
8	W Sand Lake	D	34.50	4.80	
9	Wynantskill	T	115.00	4.80	
10	Andes	T	115.00	12.47	
11	Arkville	T	115.00	12.47	
12	Axtell Rd	T	115.00	12.47	
13	Bainbridge	D	46.00	4.80	
14	Barrett	D	46.00	4.16	
15	Belleayre	T	115.00	12.47	
16	Birdsall St	D	46.00	4.80	
17	Bouckville	D	46.00	4.80	
18	Bridgewater	D	46.00	4.80	
19	Brotherstown Rd	T	115.00	46.00	
20	Colliers	T	115.00	46.00	
21	Cooperstown	D	46.00	4.80	
22	County Line	T	115.00	46.00	
23	Delhi	T	115.00	4.80	
24	Deposit	D	46.00	12.00	
25	Downsville	D	46.00	4.80	
26	Earlville	D	46.00	12.47	
27	East Norwich	T	115.00	46.00	
28	Eaton	D	46.00	4.80	
29	Edmeston	D	46.00	12.47	
30	Emmons	D	46.00	4.80	
31	Finch Hollow	D	46.00	4.80	
32	Fraser	T	345.00	115.00	
33	Gilbertsville	D	46.00	4.80	
34	Grand Gorge	T	115.00	12.47	
35	Guilford Center	D	46.00	4.80	
37	Hancock	T	115.00	12.00	
38	Henry St	D	46.00	4.80	
39	Jordanville	D	46.00	2.40	
40	Milford	D	46.00	12.00	
41	Morris	D	46.00	12.00	
42	Morrisville	D	46.00	12.00	
43	Mount Upton	D	46.00	4.80	
44	New Berlin	D	46.00	4.80	
45	North Norwich	D	46.00	4.80	
46	Norwich Pharmacy	D	46.00	12.00	
47	Oriskany Falls	D	4.00	4.80	
48	Otego	D	46.00	4.80	
49	Oxford	D	46.00	4.80	
50	Pierce Ave	D	46.00	12.47	
51	Richfield Springs	T	115.00	46.00	
52	River Road	D	46.00	4.80	
53	Sand St	D	46.00	4.80	
54	Sands Creek	D	46.00	12.47	
55	Scintilla	D	46.00	2.40	
56	Shandaken	T	115.00	34.50	
57	Sidney RR St	T	115.00	46.00	
58	South Cooperstown	D	46.00	12.47	
59	South Edmeston	D	46.00	4.80	

SUBSTATIONS (Continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In MVA)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	South New Berlin	D	46.00	4.80	
2	Springfield Center	T	115.00	12.47	
3	Stilesville	T	115.00	46.00	
4	Unadilla	D	46.00	4.80	
5	Waterville	D	46.00	4.80	
6	West Davenport	D	46.00	4.80	
7	West St	D	46.00	4.80	
8	West Winfield	D	46.00	12.47	
9	Windham	T	115.00	12.47	
10	Woods Corners	D	46.00	8.32	
11	Arizona	D	46.00	12.50	
12	Banker Rd	D	46.00	12.47	
13	Barton Brook	T	115.00	46.00	
14	Beekmantown	D	46.00	4.80	
15	Blue Mtn Lake	D	46.00	34.50	
16	Cabot Mine	D	46.00	12.47	
17	Cadyville Hydro	D	46.00	6.60	
18	Chateaugay	T	115.00	34.50	
19	Clintonville	D	46.00	12.47	
20	Dannemora	D	46.00	12.47	
21	Hallock Hill	T	115.00	46.00	
22	Hammond Lane	D	46.00	12.47	
23	Harris Lake	D	12.50	2.40	
24	High Falls	D	46.00	6.90	
25	Hyde	D	46.00	12.47	
26	Jay	D	43.80	36.20	
27	Keeseville	D	12.50	4.80	
28	Kents Falls	T	115.00	6.90	
29	Limestone	D	46.00	12.47	
30	Lyon Mtn	T	115.00	34.50	
31	Mason Corners	T	115.00	12.47	
32	Mill C	D	46.00	4.80	
33	Northend	T	115.00	46.00	
34	Norton	D	46.00	12.47	
35	Peru	D	46.00	12.47	
37	Rainbow Falls	D	46.00	2.40	
38	Saranac (NYPA)	T	115.00	46.00	
39	Sciota-Flatrock	T	115.00	46.00	
40	South Junction	D	46.00	12.47	
41	Steamboat Landing	D	46.00	4.80	
42	Stickney Bridge	D	46.00	4.80	
43	West Chazy	D	46.00	4.80	
44	Woodruff Pond	D	46.00	12.47	
45	Homer City	T	345.00	115.00	
46					
47	<u>Substations over 10,000 kVA</u>				
48					
49	Count	MVA			
50	Distribution	124		2647	
51	Transmission	115		12672	
52		239		15319	
53					
54	<u>Substations under 10,000 kVA</u>				
55					
56	Distribution	191		913	
57	Transmission	2		15	
58		193		928	
59					
60	Total	432		16247	

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012	
SUBSTATIONS (Continued)						
5. Show in columns (i), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity. 6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.						
Capacity of Substation (In Service) (In MVA) (f)	Number of Trans- formers in Service (g)	Number of Spare Trans- formers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (in MVA) (k)	
5.00	3	1				1
2.00	1					2
5.00	3					3
3.00	3					4
14.00	1					5
18.00	2					6
28.00	1					7
10.00	4					8
5.00	3					9
1.00	1	1	Ground Bank	3		10
4.00	3					11
5.00	3					12
2.00	3					13
2.00	3					14
77.00	7	2	Zig Zag Transformer	1		15
14.00	1					16
5.00	3					17
5.00	3					18
5.00	3					19
122.00	5					20
14.00	1		Ground Bank	1		21
5.00	3					22
4.00	1					23
6.00	1					24
7.00	3					25
17.00	4					26
14.00	3	1				27
2.00	3					28
10.00	1					29
5.00	3					30
3.00	3					31
102.00	9					32
448.00	2					33
5.00	3					34
5.00	3					35
10.00	3					36
2.00	3					37
22.00	1					38
7.00	1					39
10.00	6					

SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In MVA)	Number of Trans- formers in Service	Number of Spare Trans- formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (in MVA)	
(f)	(g)	(h)	(i)	(j)	(k)	
125.00	13	1	Ground Bank	1		1
2.00	3					2
9.00	4					3
9.00	3					4
18.00	2					5
56.00	1					6
155.00	5					7
26.00	2					8
7.00	3	1				9
3.00	1					10
6.00	3					11
50.00	1		Ground Bank	1		12
5.00	3					13
12.00	2					14
106.00	4					15
83.00	5		Ground Bank	1		16
7.00	1		Ground Bank	1		17
61.00	4					18
1,094.00	5					19
5.00	3					20
32.00	4	1				21
89.00	2					22
112.00	6		Ground Bank	2		23
5.00	3					24
4.00	1					25
15.00	4					26
2.00	3					27
22.00	1					28
3.00	1					29
18.00	2					30
5.00	3					31
37.00	1					32
5.00	3					33
22.00	1					34
37.00	1					35
61.00	4					36
31.00	4					37
18.00	2					38
78.00	2					39
22.00	1					40
22.00	1					41
149.00	3					42
5.00	3					43
8.00	3					44
74.00	2					45
4.00	3	1				46
2.00	3					47
14.00	1					48
136.00	4	1				49
16.00	2					50
7.00	3					51
41.00	2					52
9.00	3	1				53
136.00	6					54
13.00	6					55
30.00	2					56
22.00	1					57
22.00	1					58

SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In MVa)	Number of Trans-formers in Service	Number of Spare Trans-formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (in MVa)	
(f)	(g)	(h)	(i)	(j)	(k)	
22.00	1					1
22.00	1					2
59.00	2	1				3
37.00	1					4
8.00	3					5
5.00	3					6
560.00	2					7
25.00	2					8
115.00	3					9
34.00	4					10
15.00	4					11
8.00	3					12
50.00	3	1	Ground Bank	1		13
2.00	3					14
10.00	1					15
13.00	2	1				16
18.00	4					17
44.00	2					18
12.00	2					19
19.00	4					20
10.00	4					21
10.00	6	1				22
16.00	5					23
22.00	1					24
709.00	4		Ground Bank	1		25
5.00	3					26
10.00	1					27
21.00	4					28
42.00	4		Ground Bank	2		29
22.00	1					30
22.00	1					31
5.00	3					32
7.00	1					33
73.00	5		Ground Bank	1		34
22.00	1					35
5.00	1					37
224.00	1					38
74.00	2					39
5.00	3					40
400.00	1					41
9.00	3					42
112.00	2		Ground Bank	1		43
3.00	3	1				44
23.00	7					45
22.00	1					46
22.00	1					47
1.00	3					48
112.00	2		Ground Bank	1		49
10.00	1					50
5.00	6					51
5.00	3					52
2.00	1					53
37.00	1					54
2.00	3					55
5.00	3					56
56.00	7					57
20.00	2					58
56.00	1					59

SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In MVA)	Number of Trans- formers in Service	Number of Spare Trans- formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (in MVA)	
(f)	(g)	(h)	(i)	(j)	(k)	
1.00	3					1
56.00	1					2
3.00	3					3
22.00	6					4
14.00	4		Ground Bank	3		5
5.00	6					6
78.00	2					7
7.00	1					8
2.00	3					9
10.00	6					10
2.00	3					11
10.00	1					12
2.00	3					13
5.00	3					14
1.00	3					15
22.00	4	1				16
14.00	4					17
116.00	2					18
1.00	1					19
34.00	4					20
9.00	3					21
30.00	4					22
3.00	3					23
2.00	1		Ground Bank	3		24
96.00	7		Zig Zag Transformer	1		25
3.00	3					26
7.00	1					27
2.00	3					28
56.00	1					29
3.00	3					30
20.00	2					31
2.00	3	1				32
6.00	6	1				33
284.00	8					34
56.00	1					35
5.00	3					37
22.00	1					38
3.00	3					39
10.00	1		Ground Bank	1		40
63.00	4	1	Ground Bank	1		41
7.00	1					42
10.00	1					43
5.00	3					44
21.00	4					45
10.00	3					46
14.00	6	1				47
1.00	3					48
5.00	3					49
2.00	3					50
24.00	2					51
34.00	2					52
106.00	4		Zig Zag Transformer	1		53
2.00	3					54
3.00	3					55
5.00	3					56
50.00	2					57
117.00	7	1	Zig Zag Transformer	1		58
15.00	6					59

SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In MVA)	Number of Trans- formers in Service	Number of Spare Trans- formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (in MVA)	
(f)	(g)	(h)	(i)	(j)	(k)	
1.00	3					1
7.00	1					2
2.00	3					3
2.00	3					4
112.00	9					5
10.00	4					6
7.00	1					7
2.00	3	1				8
23.00	2					9
14.00	1					10
5.00	3					11
2.00	3					12
10.00	3	1				13
1.00	3					14
7.00	1					15
22.00	1					16
3.00	1					17
149.00	2					18
24.00	2					19
32.00	2					20
33.00	1					21
22.00	1					22
4.00	1					23
70.00	3					24
1.00	1					25
20.00	1					26
19.00	2					27
21.00	2					28
5.00	3					29
9.00	1					30
6.00	1					31
131.00	4					32
5.00	3					33
502.00	3					34
74.00	1					35
18.00	2					37
6.00	1					38
8.00	1					39
5.00	3					40
12.00	2					41
37.00	1					42
8.00	1		Ground Bank	3		43
44.00	2					44
2.00	3					45
56.00	1					46
9.00	3					47
56.00	1					48
6.00	1					49
13.00	6					50
56.00	1					51
14.00	4					52
9.00	1					53
5.00	3					54
12.00	2					55
10.00	1					56
6.00	1					57
610.00	4					58
19.00	2					59

SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In MVA)	Number of Trans- formers in Service	Number of Spare Trans- formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (in MVA)	
(f)	(g)	(h)	(i)	(j)	(k)	
66.00	2					1
5.00	3					2
36.00	2					3
19.00	4					4
7.00	1					5
2.00	3					6
5.00	3					7
7.00	3					8
456.00	3		Ground Bank	1		9
5.00	2					10
50.00	1		Ground Bank	1		11
5.00	3					12
22.00	1					13
24.00	4	1	Ground Bank	3		14
10.00	3	1				15
14.00	3	1				16
22.00	1					17
10.00	3					18
5.00	3					19
2.00	3					20
15.00	6					21
10.00	3					22
22.00	1					23
2.00	3					24
22.00	1					25
31.00	2	3				26
7.00	1					27
5.00	3					28
1.00	3					29
56.00	1					30
7.00	3					31
44.00	2		Ground Bank	3		32
91.00	2					33
19.00	4					34
1.00	1					35
1.00	3					37
8.00	3	1				38
14.00	1					39
120.00	3					40
106.00	2					41
36.00	2					42
5.00	3					43
5.00	3					44
280.00	1		Ground Bank	1		45
18.00	2					46
24.00	8					47
8.00	3					48
5.00	3					49
5.00	3					50
37.00	1					51
2.00	3					52
32.00	2					53
2.00	3					54
5.00	3	1				55
22.00	1					56
50.00	1					57
22.00	3					58
5.00	3					59

SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In MVA)	Number of Trans-formers in Service	Number of Spare Trans-formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (in MVA)	
(f)	(g)	(h)	(i)	(j)	(k)	
112.00	2					1
5.00	3	1				2
37.00	1					3
5.00	3					4
39.00	5					5
2.00	3					6
5.00	3	1				7
5.00	3					8
72.00	2					9
10.00	1					10
10.00	1					11
30.00	4					12
5.00	1	2				13
10.00	1					14
10.00	1					15
16.00	6					16
7.00	1					17
4.00	3					18
67.00	5	1				19
84.00	9	3	Ground Bank	1		20
8.00	3					21
50.00	1					22
67.00	15	2	Ground Bank	3		23
11.00	6	1				24
2.00	3					25
8.00	3					26
137.00	7	1	Ground Bank	1		27
2.00	3					28
3.00	3					29
5.00	3					30
1.00	3					31
280.00	1					32
3.00	1					33
10.00	1					34
2.00	1					35
10.00	3	1				37
14.00	1					38
2.00	3					39
6.00	3					40
7.00	6					41
15.00	4					42
4.00	3					43
5.00	3					44
1.00	1					45
7.00	1					46
10.00	6					47
10.00	6					48
6.00	3					49
21.00	6	1				50
35.00	7	1				51
9.00	3					52
15.00	4					53
1.00	3					54
7.00	6					55
23.00	5					56
74.00	7					57
22.00	1					58
8.00	3					59

SUBSTATIONS (Continued)						
Capacity of Substation (In Service) (In MVA)	Number of Trans-formers in Service	Number of Spare Trans-formers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (in MVA)	
(f)	(g)	(h)	(i)	(j)	(k)	
3.00	1					1
8.00	1					2
74.00	2					3
5.00	3					4
5.00	3					5
5.00	3					6
2.00	2	1				7
6.00	3					8
42.00	2					9
8.00	3					10
8.00	1					11
14.00	3					12
62.00	4					13
5.00	3					14
8.00	1					15
10.00	1					16
7.00	4					17
37.00	1					18
2.00	3					19
6.00	3					20
50.00	1					21
22.00	1					22
8.00	4	1				23
21.00	5					24
8.00	3					25
33.00	5					26
13.00	4					27
49.00	4		Ground Bank	1		28
10.00	3					29
4.00	1					30
22.00	1					31
11.00	4					32
56.00	1					33
3.00	3					34
10.00	1					35
3.00	1					37
25.00	3					38
93.00	2		Ground Bank	1		39
14.00	1					40
1.00	1					41
2.00	3					42
2.00	3					43
14.00	1					44
448.00	2					45
						46
						47
						48
						49
						50
						51
						52
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						55
						56
						57
						58
						59

Name of Respondent New York State Electric & Gas Corporation		This Report is: (1) ☐ An Original (2) ☐ A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2012	Year of Report 12/31/2012
ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS					
1. Report below the information called for concerning distribution watt-hour meters and line transformers. 2. Include watt-hour demand distribution meters, but not external demand meters. 3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other parties, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.					
Line No.	Item (a)	Number of Watt-Hour Meters (b)	LINE TRANSFORMERS		
			Number (c)	Total Capacity (In MVA) (d)	
1	Number at Beginning of Year	916,542	313,455	9,919	
2	Additions During Year				
3	Purchases	9,116	12,312	223	
4	Associated with Utility Plant Acquired				
5	TOTAL Additions (Enter Total of Lines 3 and 4)	9,116	12,312	223	
6	Reductions During Year				
7	Retirements	11,501	7,935	182	
8	Associated with Utility Plant Sold				
9	TOTAL Reductions (Enter Total of Lines 7 and 8)	11,501	7,935	182	
10	Number at End of Year (Lines 1 + 5 - 9)	914,157	317,832	9,960	
11	In Stock	15,612	6,237	630	
12	Locked Meters on Customers' Premises				
13	Inactive Transformers on System				
14	In Customers' Use	898,545	311,595	9,330	
15	In Company's Use				
16	TOTAL End of Year (Enter Total of lines 11 to 15. This line should equal line 10.)	914,157	317,832	9,960	
Note: Beginning balance adjusted per operational data (statistical data extraction methodology).					

Name of Respondent New York State Electric & Gas Corporation	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
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ENVIRONMENTAL PROTECTION FACILITIES

1. For purposes of this response, environmental protection facilities shall be defined as any building, structure, equipment, facility, or improvement designed and constructed solely for control, reduction, prevention or abatement of discharges or releases into the environment of gaseous, liquid or solid substances, heat, noise or for the control, reduction, prevention, or abatement of any other adverse impact of an activity on the environment.

2. Report the differences in cost of facilities installed for environmental considerations over the cost of alternative facilities which would otherwise be used without environmental considerations. Use the best engineering design achievable without environmental restrictions as the basis for determining costs without environmental considerations. It is not intended that special design studies be made for purposes of this response. Base the response on the best engineering judgment where direct comparisons are not available.

Include in these differences in costs the costs or estimated costs of environmental protection facilities in service, constructed or modified in connection with the production, transmission, and distribution of electrical energy and shall be reported herein for all such environmental facilities placed in service on or after January 1, 1969, so long as it is readily determinable that such facilities were constructed or modified for environmental rather than operational purposes. Also report similar expenditures for environmental plant included in construction work in progress. Estimate the cost of facilities when the original cost is not available or facilities are jointly owned with another utility, provided the respondent explains the basis of such estimations.

Examples of these costs would include a portion of the costs of tall smokestacks, underground lines, and landscaped substations. Explain such costs in a footnote.

3. In the cost of facilities reported on this page, include an estimated portion of the cost of plant that is or will be used to provide power to operate associated environmental protection facilities. These costs may be estimations on a percentage of plant basis. Explain such estimations in a footnote.

4. Report all costs under the major classifications provided below and include, as a minimum, the items listed hereunder:

A. Air pollution control facilities:

- (1) Scrubbers, precipitators, tall smokestacks, etc.
- (2) Changes necessary to accommodate use of environmentally clean fuels such as low ash

or low sulfur fuels including storage and handling equipment

(3) Monitoring equipment

(4) Other.

B. Water pollution control facilities:

(1) Cooling towers, ponds, piping, pumps, etc.

(2) Waste water treatment equipment

(3) Sanitary waste disposal equipment

(4) Oil interceptors

(5) Sediment control facilities

(6) Monitoring equipment

(7) Other.

C. Solid waste disposal costs:

(1) Ash handling and disposal equipment

(2) Land

(3) Settling ponds

(4) Other.

D. Noise abatement equipment:

(1) Structures

(2) Mufflers

(3) Sound proofing equipment

(4) Monitoring equipment

(5) Other.

E. Esthetic costs:

(1) Architectural costs

(2) Towers

(3) Underground lines

(4) Landscaping

(5) Other.

F. Additional plant capacity necessary due to restricted output from existing facilities, or addition of pollution control facilities.

G. Miscellaneous:

(1) Preparation of environmental reports

(2) Fish and wildlife plants included in Accounts 330, 331, 332, and 335.

(3) Parks and related facilities

(4) Other.

5. In those instances when costs are composites of both actual supportable costs and estimates of costs, specify in column (f) the actual costs that are included in column (e).

6. Report construction work in progress relating to environmental facilities at line 9.

Line No.	Classification of Cost (a)	CHANGES DURING YEAR			Balance at End of Year (e)	Actual Cost (f)
		Additions (b)	Retirements (c)	Adjustments (d)		
1	Air Pollution Control Facilities					
2	Water Pollution Control Facilities					
3	Solid Waste Disposal Costs				527,097	527,097
4	Noise Abatement Equipment					
5	Esthetic Costs					
6	Additional Plant Capacity					
7	Miscellaneous (Identify significant)					
8	TOTAL (Total of lines 1 thru 7)	0	0	0	527,097	527,097
9	Construction Work in Progress					

Next Page is 450

Name of Respondent New York State Electric & Gas Corporation			This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report 12/31/2012
FOOTNOTE DATA					
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)		
120	10	b	Includes Prepayments of (20,338,322).		
120	10	c	Includes Prepayments of 1,189,520.		
120	18	b	Property Plant and Equipment	3,055,760	
			Unamortized Debt Expense	(975,000)	
			Miscellaneous Deferred Debits	5,237,302	
			Other Deferred Credits	(2,907,591)	
			Preliminary Engineering	69,862	
			Provision for Pension Benefits	(11,074,180)	
			Provision for Injuries and Damages	500,000	
			Provision for Rate Refunds	500,000	
			Other	(221,168)	
				(5,815,015)	
120	18	c	Property Plant and Equipment	3,129,255	
			Miscellaneous Deferred Debits	651,912	
			Provision for Pension Benefits	-8,537,579	
			Provision for Injuries and Damages	4,104,331	
			Provision for Rate Refunds	2,487,062	
			Other	563,666	
				94,844	
				2,493,491	
120	26	b	Includes additions to common utility plant.		
120	26	c	Includes additions to common utility plant.		
120	90	b	Cash (131)	8,755,681	
			Working Fund (135)	450,802	
				9,206,483	
120	90	c	Cash (131)	10,054,238	
			Working Fund (135)	472,595	
				10,526,833	
219	16	c	Other Debit and Credit items consists of the following: 1) Amortization of the excess depreciation reserve to account 456810, other electric revenues, of \$(15,192,351). 2) Depreciation associated with Asset Retirement Costs of \$32,680. 3) Miscellaneous adjustments of \$6,414.		
262	2	l	Other Federal Income Taxes consisted of:		
			Account 409.1 Income Taxes, Utility Operating Income-Gas	14,741,742	
			Account 409.2 Income Taxes, Other Income and Deductions Elec & Gas	4,505,575	
				19,247,317	
262	3	l	Other FICA charges consisted of:		
			Account 408.1 Taxes Other Than Income Taxes, Utility Operating Taxes-Gas	1,669,708	
			Various including Capital	3,758,398	
				5,428,106	
262	4	l	Other Federal Unemployment Tax charges consisted of:		
			Account 408.1 Taxes Other Than Income Taxes, Utility Operating Taxes-Gas	17,113	
			Various including Capital	38,519	
				55,632	
262	9	f	NYS MTA	(78,505)	
262	9	l	Other State Income Taxes consisted of:		
			Account 409.1 Income Taxes, Utility Operating Income-Gas	3,052,107	

FOOTNOTE DATA			
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
			Account 409.2 Income Taxes, Other Income and Deductions Elec & Gas 983,841
			4,035,948
262	10	l	Other State Unemployment Tax charges consisted of:
			Account 408.1 Taxes Other Than Income Taxes, Utility Operating Taxes-Gas 37,390
			Various including Capital 84,163
			121,553
262	11	f	Gross Receipts Tax - MTA (90,694)
262	11	l	Account 408.1 Taxes Other Than Income Taxes, Utility Operating Taxes-Gas 3,717,827
262	12	f	Use taxes paid, Various accounts and Capital (5,597,398)
262	12	l	Account 408.1 Taxes Other Than Income Taxes, Utility Operating Taxes-Gas 948,264
262	17	f	Miscellaneous deferred debits/credits, net
262	17	l	Other Local Property Taxes consisted of:
			Account 408.1 Taxes Other than Income Taxes, Utility Operating Income-Gas 18,919,855
			Account 408.2 Taxes Other than Income Taxes, Non-Operating Property Tax 226,214
			19,146,069
326	3	l	Current Year Contract for Difference.
326	6	l	Current Year Broker Charges.
326A	1	l	Current Year Contract for Difference.
326A	3	l	Current Year Contract for Difference.
326A	8	l	Current Year Broker Charges.
326A	9	l	Current Year Contract for Difference.
326A	10	l	Current Year Contract for Difference.
326A	11	l	Current Year Broker Charges.
326A	12	l	Current Year Ancillary Charges.
326B	1	l	Current Year Contract for Difference.
326B	2	l	Prior Year ISO Charges. (Closeouts)
326B	3	l	Prior Year NYPA charges.
326B	4	l	Current Year Contract for Difference.
326B	5	l	Current Year Contract for Difference.
326B	11	l	Current Year Ancillary Charges.
326B	14	l	Current Year Contract for Difference.
326C	4	l	Current Year Contract for Difference.
326C	8	l	Current Year Broker Charges.
326C	9	l	Current Year Contract for Difference.
401	7	b	Includes 8,684,220 MWH of energy received from energy providers who serve the Respondent's customers.
424	1	o	Reported Line Cost amounts are estimated.

STATE OF NEW YORK
Public Service Commission
5 Year Book Data - From FERC Form 1

New York State Electric & Gas Corporation
12/31/2012

COMPARATIVE BALANCE SHEET
ASSETS AND OTHER DEBITS

	Annual Report Source Page, Line (Column)	12/31/2012
UTILITY PLANT		
Electric Utility Plant	Pg 200, L 13 (c); Pg 110, L 7 (d)	\$3,517,877,693
Less Accum. Prov. For Deprec. & Amort.	Pg 200, L 14 (c); Pg 110, L 8 (d)	1,801,093,289
Net Electric Utility Plant	Formula	1,716,784,404
Gas Utility Plant	Pg 201, L 13 (d); Pg 110, L 12 (d)	817,772,565
Less Accum. Prov. For Deprec. & Amort.	Pg 201, L 14 (d)	308,119,590
Net Gas Utility Plant	Formula	509,652,975
Other Utility Plant	Formula	324,081,425
Less Accum. Prov. For Deprec. & Amort.	Formula	138,507,107
Net Other Utility Plant	Formula	185,574,318
Total Utility Plant	Pg 110, L 4, 7, 11, 12 (d)	4,659,731,683
Less Accum. Prov. For Deprec. & Amort.	Pg 110, L 5, 8 (d)	2,247,719,986
Net Total Utility Plant	Formula	2,412,011,697
OTHER PROPERTY AND INVESTMENTS		
Nonutility Property	Pg 110, L 14 (d)	6,900,981
Accum. Prov. For Deprec. & Amort.	Pg 110, L 15 (d) (-)	(1,002,206)
Investment in Associated Companies	Pg 110, L 16 (d)	0
Investment in Subsidiary Companies	Pg 110, L 17 (d)	0
Other Investments	Pg 110, L 20 (d)	69,771
Other Special Funds	Formula	12,132,935
Total Other Property and Investments	Pg 110, L 22 (d)	18,101,481
CURRENT AND ACCRUED ASSETS		
Cash	Pg 110, L 24 (d)	8,755,681
Special Deposits	Pg 110, L 25 (d)	0
Working Funds	Pg 110, L 26 (d)	450,802
Temporary Cash Investments	Pg 110, L 27 (d)	0
Notes Receivable	Pg 110, L 28 (d)	0
Accounts Receivable	Pg 110, L 29, 30 (d)	193,037,035
Accum. Prov. For Uncollectible Accts.	Pg 110, L 31 (d) (-)	(22,294,742)
Notes Receivable from Associated Cos.	Pg 110, L 32 (d)	0
Accounts Receivable from Assoc. Cos.	Pg 110, L 33 (d)	4,366,140
Materials and Supplies	Pg 110, L 34=>43 (d)	15,964,739
Gas Stored Underground - Current	Pg 110, L 44 (d)	21,225,487
Liquefied Natural Gas in Storage	Pg 110, L 45 (d)	0
Prepayments	Pg 110, L 46, 47 (d)	71,641,544
Interest and Dividends Receivable	Pg 110, L 48 (d)	0
Rents Receivable	Pg 110, L 49 (d)	0
Accrued Utility Revenue	Pg 110, L 50 (d)	67,190,553
Misc. Current and Accrued Assets	Pg 110, L 51 (d)	8,959,095
Total Current and Accrued Assets	Formula	369,296,334
DEFERRED DEBITS		
Unamort. Debt Expense	Pg 111, L 54 (d)	13,344,158
Extraordinary Property Losses	Pg 111, L 55=>56 (d)	0
Prelim. Survey and Investigation Charges	Pg 111, L 58, 59 (d)	91,130
Clearing Accounts	Pg 111, L 60 (d)	0
Temporary Facilities	Pg 111, L 61 (d)	0
Miscellaneous Deferred Debits	Pg 111, L 57, 62, 65, 67 (d)	1,213,455,093
Deferred Losses from Disp. of Utility Plant	Pg 111, L 63 (d)	0
Research and Development	Pg 111, L 64 (d)	0
Accumulated Deferred Income Taxes	Pg 111, L 66 (d)	(2,908,294)
Total Deferred Debits	Formula	1,223,982,087
Total Assets and Other Debits	Formula should = Pg 111, L 69 (d)	\$4,023,391,599

**COMPARATIVE BALANCE SHEET
LIABILITIES AND OTHER CREDITS**

	Annual Report Source Page, Line (Column)	12/31/2012
PROPRIETARY CAPITAL		
Common Stock Issued	Pg 112, L 2 (d)	430,056,628
Preferred Stock Issued	Pg 112, L 3 (d)	1
Capital Stock Subscribed	Pg 112, L 4 (d)	0
Stock Liability for Conversion	Pg 112, L 5 (d)	0
Premium on Capital Stock	Pg 112, L 6 (d)	148,699,535
Other Paid-in Capital	Pg 112, L 7 (d)	126,080,422
Installments Received on Capital Stock	Pg 112, L 8 (d)	0
Capital Stock Expense	Pg 112, L 9, 10 (d) (-)	(4,382,335)
Retained Earnings	Pg 112, L 11 (d)	360,410,995
Unapp Undistributed Subsidiary Earnings	Pg 112, L 12 (d)	0
Reacquired Capital Stock	Pg 112, L 13 (d) (-)	0
Total Proprietary Capital	Formula	1,060,865,246
LONG-TERM DEBT		
Bonds	Pg 112, L 16 (d)	1,065,025,000
Reacquired Bonds	Pg 112, L 17 (d) (-)	0
Advances from Associated Companies	Pg 112, L 18 (d)	0
Other Long-Term Debt	Pg 112, L 19 (d)	0
Unamortized Premium on Long-Term Debt	Pg 112, L 20 (d)	0
Unamortized Discount on Long-Term Debt-Debit	Pg 112, L 21 (d) (-)	(1,795,291)
Total Long-Term Debt	Formula	1,063,229,709
CURRENT AND ACCRUED LIABILITIES		
Notes Payable	Pg 112, L 32 (d)	80,507,239
Accounts Payable	Pg 112, L 33 (d)	156,456,306
Notes Payable to Associated Companies	Pg 112, L 34 (d)	0
Accounts Payable to Associated Companies	Pg 112, L 35 (d)	24,746,822
Customer Deposits	Pg 112, L 36 (d)	13,779,512
Taxes Accrued	Pg 112, L 37 (d)	4,650,818
Interest Accrued	Pg 112, L 38 (d)	12,959,956
Dividends Declared	Pg 112, L 39 (d)	0
Matured Long-Term Debt	Pg 112, L 40 (d)	0
Matured Interest	Pg 112, L 41 (d)	0
Tax Collections Payable	Pg 112, L 42 (d)	344,503
Misc. Current and Accrued Liabilities	Pg 112, L 43, 44 (d)	68,265,653
Total Current and Accrued Liabilities	Formula	361,710,809
DEFERRED CREDITS		
Customer Advances for Construction	Pg 113, L 47 (d)	1,798,101
Other Deferred Credits	Pg 113, L 50=>52 (d)	183,276,450
Accumulated Deferred Investment Tax Credits	Pg 113, L 48 (d)	17,045,312
Deferred Gains from Disposition of Utility Plant	Pg 113, L 49 (d)	0
Accumulated Deferred Income Taxes	Pg 113, L 53 (d)	911,786,731
Total Deferred Credits	Formula	1,113,906,594
OPERATING RESERVES		
Property Insurance Reserve	Pg 112, L 25 (d)	0
Injuries and Damage Reserve	Pg 112, L 26 (d)	13,200,000
Pension and Benefits Reserve	Pg 112, L 27 (d)	277,173,909
Miscellaneous Operating Reserves	Pg 112, L 24, 28, 29 (d)	113,652,381
Total Operating Reserves	Formula	404,026,290
Total Liabilities and Other Credits	Formula should = Pg 113, L 68 (d)	\$4,003,738,648

COMPARATIVE INCOME AND RETAINED EARNINGS STATEMENT
TOTAL UTILITY OPERATING INCOME

	Annual Report Source Page, Line (Column)	12/31/2012
ELECTRIC OPERATING INCOME		
Operating Revenues	Pg 115, L 2 (e)	\$1,200,525,865
Operating Expense:		
Operation Expense	Pg 115, L 4 (e)	704,273,875
Maintenance Expense	Pg 115, L 5 (e)	104,925,333
Depreciation Expense	Pg 115, L 6 (e)	86,427,409
Amort. and Depletion of Utility Plant	Pg 115, L 7 (e)	9,728,558
Amort. of Utility Plant Acq. Adj.	Pg 115, L 10+11-12 (e)	(21,968,308)
Amort of Property Losses	Pg 115, L 9 (e)	0
Amort of Conversion/Regulatory Expenses	Pg 115, L 8 (e)	0
Taxes Other than Income Taxes	Pg 115, L 13 (e)	104,839,358
Income Taxes	Pg 115, L 14=>16-17+18 (e)	67,988,806
Gains from Disposition of Util. Plant	Pg 115, L 19, 21 (e)	0
Losses from Disposition of Util. Plant	Pg 115, L 20, 22 (e)	0
Total Operating Expenses	Formula	1056215031
Net Operating Revenues	Formula	144310834
Other Electric Utility Operating Income	No Entry	
Total Electric Utility Operating Income	Formula	144310834
GAS OPERATING INCOME		
Operating Revenues	Pg 115, L 2 (g)	\$334,857,696
Operating Expense:		
Operation Expense	Pg 115, L 4 (g)	200,932,498
Maintenance Expense	Pg 115, L 5 (g)	21,167,053
Depreciation Expense	Pg 115, L 6 (g)	19,775,324
Amort. and Depletion of Utility Plant	Pg 115, L 7 (g)	2,231,505
Amort. of Utility Plant Acq. Adj.	Pg 115, L 10+11-12 (g)	(511,816)
Amort of Property Losses	Pg 115, L 9 (g)	0
Amort of Conversion Expenses	Pg 115, L 8 (g)	0
Taxes Other than Income Taxes	Pg 115, L 13 (g)	25,310,156
Income Taxes	Pg 115, L 14=>16-17+18 (g)	26,131,680
Gains from Disposition of Util. Plant	Pg 115, L 19, 21 (g)	0
Losses from Disposition of Util. Plant	Pg 115, L 20, 22 (g)	0
Total Operating Expenses	Formula	295036400
Net Operating Revenues	Formula	39821296
Other Gas Utility Operating Income	No Entry	
Total Gas Utility Operating Income		39821296
Other Utility Operating Income	Pg 115, L 24 (i); Pg 116, L 24 (k), (m),	0
Total Utility Operating Income	Formula should = Pg 114, L 24 (c)	\$184,132,130

**COMPARATIVE INCOME AND RETAINED EARNINGS STATEMENT
OTHER INCOME AND EXPENSES; INTEREST EXPENSE**

	Annual Report Source Page, Line (Column)	12/31/2012
OTHER INCOME		
Income - Merch., Jobbing & Contract Work	Pg 117, L 29-30 (c)	0
Income from Nonutility Operations	Pg 117, L 31-32 (c)	0
Nonoperating Rental Income	Pg 117, L 33 (c)	0
Equity in Earnings of Subsidiary Companies	Pg 117, L 34 (c)	0
Interest and Dividend Income	Pg 117, L 35 (c)	0
Allowance for Funds Used During Construction	Pg 117, L 36 (c)	0
Miscellaneous Nonoperating Income	Pg 117, L 37 (c)	0
Gain on Disposition of Property	Pg 117, L 38 (c)	0
Total Other Income	Formula	0
OTHER INCOME DEDUCTIONS		
Loss on Disposition of Property	Pg 117, L 41 (c)	0
Miscellaneous Amortization	Pg 117, L 42 (c)	0
Miscellaneous Income Deductions	Pg 117, L 43 (c)	0
Total Other Income Deductions	Formula	0
TAXES-OTHER INCOME AND DEDUCTIONS		
Taxes Other than Income Taxes	Pg 117, L 46 (c)	0
Income Taxes	Pg 117, L 47=>49-50+51-52 (c)	0
Total Taxes-Other Income & Deductions	Formula	0
Net Other Income and Deductions	Formula	0
INTEREST CHARGES		
Interest on Long-term Debt	Pg 117, L 56 (c)	0
Amortization of Debt Discount and Expense	Pg 117, L 57+58-60 (c)	0
Amortization of Premium on Debt-Credit	Pg 117, L 59 (c)	0
Interest on Debt to Associated Company	Pg 117, L 61 (c)	0
Other Interest Expense	Pg 117, L 62-63 (c)	0
Total Interest Charges	Formula	0
Income Before Extraordinary Items	Formula	184132130
EXTRAORDINARY ITEMS		
Extraordinary Income	Pg 117, L 67 (c)	0
Extraordinary Deductions	Pg 117, L 68 (c)	0
Income Taxes, Extraordinary Items	Pg 117, L 70 (c)	0
Net Extraordinary Items	Formula	0
Net Income	Formula	\$184,132,130

RETAINED EARNINGS		
Unappropriated Retained Earnings (BOP)	Pg 118, L 1 (c)	\$347,791,559
Balance Transferred from Income	Pg 118, L 16 (c)	117,747,001
Appropriations of Retained Earnings	Pg 118, L 22 (b)	0
Dividends Declared-Preferred Stock	Pg 118, L 29 (c) (-)	568,620
Dividends Declared-Common Stock	Pg 118, L 36 (c) (-)	105,000,000
Adjustments to Retained Earnings	Pg 118, L -9+15-37 (c)	0
Net Change to Unapp. Retained Earnings	Formula	12178381
Unappropriated Retained Earnings (EOP)	Formula	359969940
Appropriated Retained Earnings (EOP)	Pg 119, L 47 (b)	441,055
Total Retained Earnings	Formula should = Pg 119, L 48 (b)	\$360,410,995

CASH FLOW STATEMENT
OTHER INCOME AND EXPENSES; INTEREST EXPENSE

	Annual Report Source Page, Line (Column)	12/31/2012
Cash Flows From Operating Activities		
Net Income	Pg 120, L 2 (b)	\$117,747,001
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, Depletion & Amortization	Pg 120, L 4=>7 (b)	92,746,674
Deferred Taxes & ITCs	Pg 120, L 8, 9	74,970,974
Receivables and Inventory	Pg 120, L 10=>12 (b)	8,279,571
Payables and Accrued Expenses	Pg 120, L 13	12,605,630
Other Regulatory Assets (Net)	Pg 120, L 14, 15 (b)	(135,627,940)
Capitalized AFDUC - Equity	Pg 120, L 16 (b) (-)	(4,154,215)
Undistributed Earnings of Affiliates	Pg 120, L 17 (b) (-)	0
Other Adjustments	Pg 120, L 18 (b)	(5,815,015)
	Pg 120, L 19 (b)	57,510,482
	Pg 120, L 20, 21 (b)	7,800,000
Net Cash From Operating Activities	Formula	<u>226,063,162</u>
Cash Flows From Investing Activities		
Cash Outflows For Construction	Pg 120, L 34 (b)	(228,395,722)
Acquisition Of Other Non-Current Assets	Pg 120, L 36=>38 (b)	0
Investments in & Advances to Affiliates	Pg 120, L 39 (b)	0
Contributions & Advances from Affiliates	Pg 120, L 40 (b)	0
Net Proceeds - Sale Or Disposition Of:		
Property, Plant & Equipment	No Entry	
Investments In Affiliated Companies	Pg 120, L 42, 43 (b)	0
Investment Securities	Pg 120, L 44, 45 (b)	0
Other Current Assets & Liabilities	Pg 121, L 46=>48 (b)	0
Other Cash Flows - Investing Activities	Pg 121, L 49=>52 (b)	0
	Pg 121, L 53=>55 (b)	187,948
Net Cash From Investing Activities	Formula	<u>(228,207,774)</u>
Cash Flows From Financing Activities		
Net Proceeds (Payments) - Issuing & Retiring:		
Long-Term Debt	Pg 121, L 61, 64, 65, 73, 76, 77 (b)	46,044,543
Common Stock	Pg 121, L 63+75 (b)	0
Preferred Stock	Pg 121, L 62+74 (b)	(10,158,900)
Short-Term Debt	Pg 121, L 66, 78 (b)	70,507,239
Dividends Paid	Pg 121, L 80, 81 (b)	(105,568,620)
Other Cash Flows - Financing Activities	Pg 121, L (67=>69, 79) (b)	0
Net Cash From Financing Activities	Formula	<u>824,262</u>
Net Increase/(Decrease) In Cash & Equivalents	Formula	(1,320,350)
Cash & Equivalents At Beginning Of Year	Pg 121, L 88 (b)	10,526,833
Cash & Cash Equiv. At End Of Year	Formula should = Pg 121, L 90 (b)	\$9,206,483

STATEMENT OF REVENUE AND OPERATION AND MAINTENANCE - ELECTRIC

	Annual Report Source Page, Line (Column)	12/31/2012
ELECTRIC REVENUES		
Residential	Pg 300, L 2 (b)	\$610,844,040
Commercial	Pg 300, L 4 (b)	217,658,295
Industrial	Pg 300, L 5 (b)	63,464,045
Other Ultimate Customers	Pg 300, L 6=>9 (b)	70,842,451
Total Revenues-Ultimate Customers	Formula	962,808,831
Resales	Pg 300, L 11 (b)	128,583,086
Other Operating Revenues	Pg 300, L 26-13 (b)	109,133,948
Total Electric Operating Revenues	Formula should = Pg 300, L 27 (b)	\$1,200,525,865
KWH SALES (THOUSANDS)		
Residential	Pg 301, L 2 (d)	6,592,672
Commercial	Pg 301, L 4 (d)	4,342,798
Industrial	Pg 301, L 5 (d)	3,001,691
Other Ultimate Customers	Pg 301, L 6=>9 (d)	1,471,370
Total Sales-Ultimate Customers	Formula	15,408,531
Resales	Pg 301, L 11 (d)	3,716,085
Total Kilowatt-Hour Sales	Formula should = Pg 301, L 14 (d)	19,124,616
AVERAGE ELECTRIC CUSTOMERS PER MONTH		
Residential	Pg 301, L 2 (f)	761,464
Commercial	Pg 301, L 4 (f)	101,519
Industrial	Pg 301, L 5 (f)	2,211
Other Ultimate Customers	Pg 301, L 6=>9 (f)	14,342
Total Ultimate Customers	Formula	879,536
Resales	Pg 301, L 11 (f)	7
Total Customers	Formula should = Pg 301, L 14 (f)	879,543
ELECTRIC OPERATING REVENUE RELATIONSHIP		
Residential Sales		
Average Annual Bill Per Customer	Formula	\$802.20
Average KWH Consumption Per Customer	Formula	8,658
Average Revenue Per KWH Sold (Cents)	Formula	9.27
Commercial Sales		
Average Annual Bill Per Customer	Formula	\$2,144.02
Average KWH Consumption Per Customer	Formula	42,778
Average Revenue Per KWH Sold (Cents)	Formula	5.01
Industrial Sales		
Average Annual Bill Per Customer	Formula	\$28,703.77
Average KWH Consumption Per Customer	Formula	1,357,617
Average Revenue Per KWH Sold (Cents)	Formula	2.11
ELECTRIC OPERATION AND MAINTENANCE EXPENSES		
Steam Power Expense	Pg 320, L 21 (b)	\$0
Nuclear Power Expense	Pg 320, L 41 (b)	0
Hydraulic Power Expense	Pg 321, L 59 (b)	2,569,585
Other Power Generation Expense	Pg 321, L 74 (b)	171,225
Other Power Supply Expense	Pg 321, L 79 (b)	393,515,114
Total Power Production Expense	Formula	396,255,924
Transmission Expense	Pg 321, L 100 (b)	39,323,369
Distribution Expense	Pg 322, L 126 (b)	141,213,853
Customer Account Expense	Pg 322, L 134, 141 (b)	120,282,772
Sales Expense	Pg 322, L 148, (b)	11,848,158
Administrative and General	Pg 323, L 168 (b)	100,275,132
Total Operation & Maintenance Expense	Formula should = Pg 323, L 169 (b)	\$809,199,208

DISTRIBUTION OF ELECTRIC REVENUES

	Annual Report Source Page, Line (Column)	12/31/2012
Total Revenues	Formula	\$1,200,525,865
Sales of Electricity (MWHS)	Formula	19,124,616

DOLLAR AMOUNTS

Fuel and Purchased Power	Formula	\$395,701,102
Wages and Benefits	Formula	93,895,298
Other Expenses	Formula	319,602,808
Depreciation & Amortization Expenses	Formula	74,187,659
Income Taxes-Operating	Formula	67,988,806
Other Taxes-Operating	Formula	104,839,358
Capital Costs	Formula Should = Pg 115, L 24 (e)	144,310,834
Total	Formula	\$1,200,525,865

PERCENT OF REVENUE

Fuel and Purchased Power	Formula	33.0
Wages and Benefits	Formula	7.8
Other Expenses	Formula	26.6
Depreciation & Amortization Expenses	Formula	6.2
Income Taxes-Operating	Formula	5.7
Other Taxes-Operating	Formula	8.7
Capital Costs	Formula	12.0
Total	Formula should = 100	100.0

CENTS PER KWH

Fuel and Purchased Power	Formula	2.07
Wages and Benefits	Formula	0.49
Other Expenses	Formula	1.67
Depreciation & Amortization Expenses	Formula	0.39
Income Taxes-Operating	Formula	0.36
Other Taxes-Operating	Formula	0.55
Capital Costs	Formula	0.75
Total	Formula Should - L 1/2	6.28

Note: Includes Sales for Resale

Data Field Below

	Annual Report Source Page, Line (Column)	12/31/2012
<u>Fuel and Purchased Power</u>		
Steam - Fuel	Pg 320, L 5 (b)	0
Nuclear - Fuel	Pg 320, L 25 (b)	0
Hydro - Water for Power	Pg 320, L 45 (b)	0
Other Power - Fuel	Pg 321, L 63 (b)	43,740
Purchased Power	Pg 321, L 76 (b)	395,657,362
Total Fuel and Purchased Power	Formula	395,701,102
-Fuel and PP related to Sales for Resale (Not Used)		
Fuel and PP - Ultimate Customers	Formula	395,701,102
<u>Wages and Benefits</u>		
Salaries	Pg 354, L 25 (d)	107,651,468
Pensions and Benefits	Pg 323, L 158 (b)	(13,756,170)
Total Wages and Benefits	Formula	93,895,298
<u>Other Expenses</u>		
Total O&M Expenses	Pg 323, L 169 (b)	809,199,208
-Total Fuel and PP	Formula	395,701,102
-Wages and Benefits	Formula	93,895,298
-Other Gains	Formula	0
+Other Losses	Formula	0
Other Expenses	Formula	319,602,808
<u>Depreciation and Amortization</u>		
Depreciation Exp	Formula	86,427,409
Amort & Depl of Utility Plant	Formula	9,728,558
Amort of Other Utility Plant	Formula	(21,968,308)
Amort of Property Losses	Formula	0
Amort of Conversion Expenses	Formula	0
Total Depre and Amort		74,187,659
<u>Fuel and PP related to Sales for Resale (Not Used)</u>		
Total Fuel and PP		395,701,102
divided by Total MWHs		19,124,616
Fuel Cost per KWH		0.0207
times Sales for Resale MWHs		3,716,085
Sales for Resale Fuel		76,888,285

COMPARATIVE STATEMENT OF UTILITY PLANT AND SELECTED RATIOS

	Annual Report Source Page, Line (Column)	12/31/2012
ELECTRIC UTILITY PLANT		
Intangible	Pg 205, L 5 (g)	21397824
Production		
Steam	Pg 205, L 15 (g)	527097
Nuclear	Pg 205, L 23 (g)	0
Hydraulic	Pg 205, L 32 (g)	130468841
Other	Pg 207, L 42 (g)	393173
Transmission	Pg 207, L 53 (g)	864306542
Distribution	Pg 207, L 69 (g)	2158820362
General	Pg 207, L 83 (g)	231349336
Electric Plant - Purchased or Sold	Pg 200, L 5 (c)	0
Experimental Plant - Unclassified	Pg 200, L 7 (c)	0
Nuclear Fuel Assemblies (Net)	Pg 203, L 6, 10, 11, 12 (f)	0
Total Electric Plant In Service	Formula Should = Pg 200, L 8 (c) plus Pg 203, L 10 (f)	3407263175
Leased to Others	Pg 200, L 9 (c)	0
Held for Future Use	Pg 200, L 10 (c)	1327628
Construction Work in Progress	Pg 200, L 11 (c)	109286890
Acquisition Adjustments	Pg 200, L 12 (c)	0
Total Electric Utility Plant	Formula Should = Pg 200, L 13 (c) plu Pg 203, L 10 (f)	3517877693
Accum. Provision - Depre. & Amort.	Pg 200, L 33 (c); Pg 203, L 13 (f)	1801093289
Net Electric Plant	Formula	\$1,716,784,404

SELECTED RATIOS AND STATISTICS

Current Assets / Current Liabilities	Formula	1.02
Total Capitalization	Formula	\$2,204,602,194
<u>Percent Of Capitalization (Incl S-T Debt)</u>		
Long-Term Debt	Formula	48.2%
Preferred Stock	Formula	0.0%
Common Stock & Retained Earnings	Formula	48.1%
Short-Term Debt	Formula	3.7%
Pretax Coverage of Interest Expense	Formula	#DIV/0!
Com. Stock Dividends as a % of Earnings	Formula	57.2%
Return on Common Equity	Formula	17.3%
Internal Cash Generated as a % of Cash Outflows for Construction	Formula	99.0%
Earnings per Share	Formula	\$2.80
Book Value per Share	Formula	\$16.19
Dividends per Share	Formula	\$1.60
Misc Deferred Debits as a % of Capitalization	Formula	46.7%

	5 Year Book Source	12/31/2012
Current Assets	A: L 39	369296334
Current Liabilities	B: L 32	361710809
Total Capitalization	Formula	2204602194
Long-Term Debt	B: L 19	1063229709
Preferred Stock	B: L 2	1
Common Stock and Retained Earnings (Excl. Preferred Stock)	B: L 12-L 2	1060865245
Short-Term Debt	B: L 20, 22, 28	80507239
Pretax Income	See below	278252616
Interest Expense	D: L 65	0
Dividends Paid	D: L 76	105000000
Net Income (Excl. Preferred Stock Dividends)	D: L 66-L 75	183563510
Internal Cash	E: L 11	226063162
Cash Outflows for Construction	E: L 12 * -1	228395722
Shares Outstanding (Millions)	FERC A/R, Pg 251, L 20 (e)	65,508,477
Misc Deferred Debits - Net	A: L 45 - B: L 34	1030178643
Number of Employees (Electric)	FERC A/R, Pg 323, L 4	1684
<u>Pre-Tax Income</u>		
Total Utility Operating Income	C: L 42	184132130
+Income Taxes - Electric	C: L 12	67988806
+Income Taxes - Gas	C: L 32	26131680
+Other Income	D: L 51	0
- Other Income Deductions	D: L 55	0
- Other Taxes	D: L 56	0
Pre-Tax Income	Formula	278252616