



July 19, 2017

VIA ELECTRONIC FILING

Kathleen H. Burgess, Secretary
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, NY 12223-1350

Re: Case 17-E-____ - Rate Filing of Bath Electric, Gas and Water Systems to Increase its Annual Electric Revenues by \$625,974 or 14.6%

Dear Secretary Burgess:

On behalf of the Bath Electric, Gas and Water Systems - Electric Department ("Bath"), in accordance with the provision of the New York State Public Service Law and the Public Service Commission's ("Commission") regulations, the following tariff leaves are being revised: Leaf Nos. 4, 5, 6, 7, 8, 9 11, 12, 14, 15, 20 and 23. The filing contains provisions and rates designed to increase the monthly bill of a residential customer using approximately 1,175,911kWh of electricity per month during the winter from \$57.18 to \$65.35 or 14.3%. The proposed increase will produce an estimated annual aggregate increase in revenues of \$625,974 or 14.6% based on a forecast test year ending November 30, 2018.

In accordance with Commission regulations and practices, notice to the public will be made in a local newspaper of general circulation for four (4) consecutive weeks.

Bath would also like to update its Factor of Adjustment at this time. The six-year average Factor of Adjustment is 1.0594, which is the method that the Commission has historically used to set the Factor of Adjustment.

Bath's Electric Department is well run. However, purchased power remains our largest expense. Labor and fringe benefits to Bath (i.e. BEGWS) employees is our largest expense. We continue to maximize the utilization of our employees as they work diligently to complete the following improvements and system requirements:

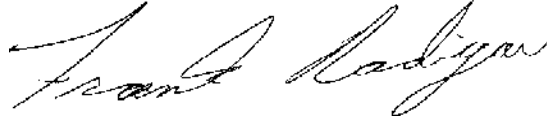
- Voltage conversion program from 4,160V to 12.47kV (work being performed in house);
- Test electric meters and retire as necessary and required;
- Protect our primary and secondary distribution power lines (e.g. tree trimming) in order to provide safe and reliable electric service;
- Respond to customer requests and issues;
- Sending our apprentice electric line works to Linemen School for the required schooling and training;
- Sending all employees in the Electric Department to safety training classes to ensure our electric line workers and apprentice line workers are prepared for the hazards that are presented on a regular basis.

Expenses continue to increase and revenues have decreased of late due to two warm winters. Together these facts have taken a toll on the Electric Department and Bath is operating it at a loss. For fiscal year 2016, the Electric Department lost close to \$140,000 and while fiscal year 2017 just ended, we expect that loss to continue and will update this filing to reflect the latest fiscal year as soon as the books are closed for the year.

Bath asks that questions regarding this filing be directed to Erin Bonacci, Director of Municipal Utilities, 7 South Avenue, Bath, NY 14810, Phone: (607) 664-9103, or via e-mail at

ebonacci@begws.com, and Frank Radigan of the Hudson River Energy Group who may be reached at 235 Lark Street, Albany, NY, 12203, Phone: (518) 431-8480, or via e-mail at FRadigan@aol.com.

Respectfully submitted for
Bath Electric Gas and Water Systems

A handwritten signature in black ink, appearing to read "Frank Radigan". The signature is written in a cursive, flowing style with a large initial "F" and "R".

By: Frank W. Radigan