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**Via Electronic Delivery**

March 29, 2019

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

Re: Case No. 09-E-0299 - Petition of the Village of Frankfort for Approval, Pursuant to Section 68 of the Public Service Law, of the Provision of Electric Service to an area of the Town of Frankfort.

Dear Secretary Burgess:

This filing is being submitted pursuant to Ordering Clause 2 of the *Order Granting Certificate, with Conditions* (“CPCN Order”), issued in the above-captioned case by the New York State Public Service Commission (“Commission”) on August 20, 2010. Frankfort Power & Light (“Frankfort”) hereby submits a new Leaf 22 to its PSC No. 2 - Electricity Tariff (“Tariff”). In compliance with the CPCN Order, Leaf 22 will implement a purchased Power adjustment applicable to service within the Frankfort Industrial Park (“IP PPA”). As discussed herein, the IP PPA has been designed in collaboration with Department of Public Service Staff (“Staff”) “to ensure that [Frankfort’s] existing customers are not harmed by any increase in rates

that is directly attributable to any incremental supplemental supply that is needed for [Industrial Park] customers.”

### **Background**

On February 27, 2009, the Village of Frankfort (“Village”) petitioned the Commission for approval to provide electric service to an area in the Town of Frankfort, then known as the Pumpkin Patch. The petition was the culmination of a long-term, cooperative endeavor between the Village, the Town of Frankfort, and the Herkimer County Industrial Development Association (“IDA”) to preserve jobs and promote economic growth and development in their region. As part of that effort, a vacant tract of land (the Pumpkin Patch or the Park) was identified for possible development, and transformation into a viable industrial park. The petition was approved by the CPCN Order. Since then, the facilities necessary to serve the Park have been constructed and paid for by the IDA as required by the CPCN Order.<sup>1</sup> In 2018, Tractor Supply agreed to locate a distribution center in the park, which will be the largest of its kind in the country. Construction of the distribution center has commenced.

### **Discussion**

In issuing the CPCN Order, the Commission conditioned its approval for Frankfort to serve the Park on holding existing customers harmless for any increased costs of supply cause by the Park. Specifically, Ordering Clause 2 required the following:

The Village of Frankfort’s municipal utility, Frankfort Power & Light, shall work with Staff of the Offices of Accounting and Finance and Electric Gas and Water to identify an appropriate purchase-power adjustment to ensure that its existing customers are not harmed by any increase in rates that is directly attributable to any incremental supply that is needed for Pumpkin Patch customers.<sup>2</sup>

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<sup>1</sup> CPCN Order, Ordering Clause 1.

<sup>2</sup> CPCN Order at 26–27.

Frankfort has engaged in consultation with Staff as required and has devised a separate ID PPA that will pass all incremental supply costs of serving the Park to the Parks' customers. The methodology of calculating the IP PPA is identical as that recently approved by the Commission for municipal high density load customers.<sup>3</sup> This filing amends Frankfort's Tariff to add the IP PPA, and makes it applicable to all customers located within the Park.

### **Conclusion**

Based on the foregoing, Frankfort respectfully requests that Leaf 22 become effective on August 1, 2019 in compliance with Ordering Clause 2 of the CPCN Order. In addition, Frankfort requests waiver of the newspaper publication requirements of PSL § 66(12)(b) and 16 NYCRR § 720-8.1. The IP PPA will be applicable only to several Industrial Park customers, all of whom will be individually notified of this filing.

Respectfully submitted,

READ AND LANIADO, LLP  
Attorneys for Frankfort Power & Light

By: /s/ Konstantin Podolny  
Konstantin Podolny

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<sup>3</sup> Case 18-E-0126, *Tariff Filing by the New York Municipal Power Agency to Implement a New Rider A - Rates and Charges for High Density Load Service*, Order Adopting Action and Tariff Amendments on a Permanent Basis (June 15, 2018).