

P.O. Box 700 Jamestown, NY 14702-0700 Phone (716) 661-1670 Fax (716) 661-1675 ELECTRIC DISTRICT HEAT WATER WASTEWATER SOLID WASTE

January 6, 2017

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

Re: City of Jamestown Board of Public Utilities - LED Lighting Rates - Case No. 16-E-0523

Dear Secretary Burgess:

Enclosed herewith are the following materials, identified below, issued and transmitted for filing on behalf of the Board of Public Utilities ("BPU") of the City of Jamestown, New York, in accordance with the requirements of the Public Service Commission. LED lighting rate submission materials were included in the original filing on March 27, 2015 by the BPU in Case No. 15-E-0184 and were withdrawn on January 28, 2016 by the BPU for reconsideration and refinement of said rates. The BPU submitted a tariff filing in Case No. 16-E-0523 on September 9, 2016 to update its electric tariff schedule, P.S.C. No. 7, to incorporate LED options in its off-street and street lighting service classifications.

The BPU is clarifying the methodology used to determine the charges to customers related to undepreciated book value for LED conversions from existing high intensity discharge (HID) lighting. The installation of new LED fixtures will be assessed on a case by case basis. For failed HID fixtures, the customer will be presented with the option to have the failed fixture replaced with a new LED fixture. Should the customer choose this option, the new fixture will be installed at no cost to the customer for undepreciated book value of the failed fixture. Otherwise, the fixture will be replaced with the equivalent HID fixture. For LED conversions that are requested by the customer, the customer will be responsible for paying the utility for undepreciated book value of the fixture. The amount will be reestablished annually on March 1<sup>st</sup>, incorporating the previous year's data. The undepreciated book value for HID fixtures will be the average net book value (NBV) of all HID fixtures system-wide for each rate class, which includes service classes 4 & 5. As previously established, the BPU will utilize its own personnel for any new or replacement LED installations.

As of December 1, 2016, the net plant value in account 371.15, or SC4 Off-Street lighting account, was \$270,485. It is estimated that approximately 60% of this value, or \$162,291, is related to existing HID fixtures, with the remaining 40% related to arms and other miscellaneous materials that will remain in service to hold the LED fixtures. Since detailed information by fixture is not available within Jamestown's Plant Accounting system, it is estimated that \$151.96 per fixture, or \$108,194 (\$151.96 per fixture x 712 of fixtures), of investment would not be recovered with an LED replacement. BPU will continue to use 60% in the annual calculation, unless modified by PSC Commission Order or future rate cases.

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In addition, as of December 1, 2016, the net plant value in account 371.14, or SC-5 Public lighting account, was \$886,834. It is estimated that approximately 35% of this value, or \$310,391, is related to existing HID fixtures, with the remaining 65% related to arms and other miscellaneous materials that will remain in service to hold the LED fixtures. Since detailed information by fixture is not available within Jamestown's Plant Accounting system, it is estimated that \$162.15 per fixture or \$576,442 (\$162.15 per fixture x 3555 of fixtures) of investment would not be recovered with an LED replacement. BPU will continue to use 35% in the annual calculation, unless modified by PSC Commission Order or future rate cases.

For comparison purposes, change-out of a current 150W High Pressure Sodium light, could occur with either a L2 or L3 LED light. The BPU expects different LED classes to be used to solve replacement needs, based on the given application, area, and specific lighting needs. The LED technology provides additional options related to directional lighting, light quality, and light intensity which will justify lower wattage replacements in some instances.

The further revisions are issued on 30 days' notice and have an effective date of February 5, 2017, however, the City of Jamestown Board of Public Utilities requests that the leaves be authorized to go into effect on less than statutory notice on February 1, 2017.

Enclosed herewith please find the following revised tariff leaves:

Fifth Revised Leaf No. 94 Thirteenth Revised Leaf No. 105 Fifth Revised Leaf No. 106 Fourth Revised Leaf No. 107 Fifth Revised Leaf No. 108 Tenth Revised Leaf No. 109 Sixth Revised Leaf No. 109.1

A request for a waiver of newspaper publication was submitted on January 4, 2017 for the initial filing. The City of Jamestown Board of Public Utilities is requesting that the waiver be extended to this filing as well.

Accordingly, we respectfully request that the Public Service Commission expedite action on this application and that the following individuals be advised of any action taken in regard to this filing: a) the undersigned; b) Jeffrey C. Genzer, Counsel, Duncan, Weinberg, Genzer & Pembroke, P.C., 1615 M. St., NW, Suite 800, Washington, DC 20036 (jcg@dwgp.com)(202-467-6370); and c) Howard S. Gorman, HSG Group, Inc., 45 Hillpark Avenue, Great Neck, NY 11021 (hgorman@hsg-group.biz)(516-244-6806).

Respectfully submitted,

David L. Leathers, General Manager

cc: Jeff Genzer, Esq. Nicholas Hanson Howard Gorman Kelly Hawkins Chris Rodgers

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