



P.O. Box 700
Jamestown, NY 14702-0700
Phone (716) 661-1670
Fax (716) 661-1675

ELECTRIC
DISTRICT HEAT
WATER
WASTEWATER
SOLID WASTE

July 21, 2011

Via overnight express

The Honorable Jaclyn A. Brilling
Secretary
State of New York
Department of Public Service
3 Empire State Plaza
Albany, NY 12223

Re: Case No. 09-M-0311 - Implementation of Chapter 59 of the Laws of 2009 Establishing a Temporary Annual Assessment Pursuant to Public Service Law §18-a(6); City of Jamestown Board of Public Utilities - Annual Changes to Temporary Assessment Surcharge

Dear Secretary Brilling:

Pursuant to Section 18-a(6) of the Public Service Law and the June 19, 2009 Order in Case 09-M-0311 "Implementation of Chapter 59 of the Laws of 2009 Establishing a Temporary Annual Assessment Pursuant to Public Service Law Section 18-a(6)" (Order), the City of Jamestown Board of Public Utilities (BPU) hereby submits for filing an original and five copies of proposed amendments to the BPU's P.S.C. No. 6 ELECTRICITY to implement a surcharge to recover the Temporary State Energy and Utility Service Conservation Assessment (Temporary State Assessment).

The Temporary State Assessment requires an annual payment, through 2014, equal to 2% of gross operating revenues from intrastate utility operations, exclusive of the first \$500,000, less the amounts assessed for Department of Public Service costs and expenses (General Assessment) that are currently included in base rates.

To recover the revenues required for payment of the Temporary State Assessment less the amount of the General Assessment, the BPU utilizes the surcharge method of recovery. The rates and charges for service under all Service Classifications (SC) including fuel adjustment charges have an additional charge based on the Temporary State Assessment adjustment. The surcharge is allocated to each customer class on a revenue basis. A carrying charge on amounts deferred is imputed. The carrying charge is 4.82% from the BPU's Case 04-E-1485. Reconciliation of the amounts collected through the surcharge will be performed annually.

July 21, 2011

Appendix A presents a reconciliation of the Temporary State Assessment for the year ended June 30, 2011. The Temporary State Assessment was designed to collect \$628,381 (Column C plus Column D) in the year, comprising the 2010 assessment of \$617,683 (Column C) and recovery of the prior year under-collection of \$10,697 (Column D). The total was allocated among the SC in the BPU tariff based on revenue in the prior period, and rates were established for each SC based on forecast kWh for the year. A total of \$656,060 (Column E) was collected in the year, an over-collection of \$27,679 (Column F). The under-collection amount was assigned among the SC by comparing actual collections to the target revenue that had been established. In addition, the carrying charge based on actual collections and payments was computed to be \$18,359 (Column G). This carrying charge was allocated on an equal amount per kWh-basis; a more precise allocation would have been much more complex (because a separate 12-month computation would be needed for each SC) and was determined not to be necessary because the total difference is small. The over-collection of the original Assessment was offset by the carrying charge, and the net over-collection of \$9,320 (Column H) is carried forward to the year ending June 30, 2012.

Appendix B presents the computation of the assessment for the year ending June 30, 2012. The BPU's total assessment for the period is \$669,070 (Column C); this amount was allocated among the SCs based on revenue in the prior period. The 2012 carrying charge was estimated to be \$16,337 (Column E), and this was allocated among the SCs on an equal amount per kWh-basis. For each SC, the amount carried forward from 2010 (Column D, as computed on Appendix A) was added to its share of the June 30, 2012 assessment plus its share of the 2012 carrying charge, to determine the total to be collected from the SC during the year ending June 30, 2012. The rates were computed for each SC based on actual kWh for the year ended June 30, 2011 (Column H).

The new rates are proposed to become effective August 1, 2011. Amounts collected under the existing rates until that date (i.e., amounts collected July 1-31, 2011) will be applied against the total to be collected during the year ending June 30, 2012.

Enclosed herewith are the following materials, issued and transmitted for filing on behalf of the City of Jamestown Board of Public Utilities, in accordance with the requirements of the Order. Appendix C, consisting of revised tariff leaves for P.S.C. No. 6, ELECTRICITY, containing provisions and rates designed to produce an estimated aggregate increase in revenues of \$669,070 over the annual period from August 1, 2011, to July 31, 2012:

First Revised Leaf No. 97
First Revised Leaf No. 99
First Revised Leaf No. 102
First Revised Leaf No. 105
First Revised Leaf No. 109
First Revised Leaf No. 125.

These revisions are issued as of July 21, 2011, and are proposed to be effective August 1, 2011. Submitted herewith are the original and five copies of the Tariff Leaves.

Newspaper publication was ordered waived in the Order.

We respectfully request that the Public Service Commission approve the tariff leaves provided herein. Please advise the following of any action undertaken in this proceeding: 1) David L. Leathers, General Manager, Board of Public Utilities, 92 Steele Street, P.O. Box 700, Jamestown, NY 14702-0700 (716-661-1670); and 2) Mike Anderson, Business Manager, Board of Public Utilities, 92 Steele Street, P.O. Box 700, Jamestown, NY 14702-0700 (716-661-1674).

Respectfully submitted,

David L. Leathers

David L. Leathers
General Manager