

P.S.C. No. 9 Electricity
Village of Freeport
Initial Effective Date: 05/15/2010

Leaf: 56
Revision: 0
Superseding Revision:

XIII. ADJUSTMENT OF RATES AND CHARGES: (Continued)

H. Fuel Reconciliation:

1. Village shall be permitted to perform monthly fuel reconciliation beginning in the rate year. Village shall implement the fuel reconciliation by quantifying the prior months over or under collection of fuel and purchased power and any differences between fuel expense and fuel collections in the prior month will be charged (credited) to Customers in the current month. The first month of fuel expenses that will be reconciled will be July 2007 to be recovered in September 2007's Statement of Fuel Adjustment. This process will continue on a monthly basis.
2. From July 1, 2007 through February 28, 2008 and, thereafter, for each fiscal year, Village will review the fuel expense included in the FAC to ensure that the prior period reconciliation captured all cash fuel expenses within that year. Over or under recoveries to Customers shall be recovered in the next monthly period to reflect any adjustments.

I. Temporary State Assessment Pursuant to Public Service Law §18-a (6)

1. On April 1, 2009, New York State enacted the New York State Budget for 2009-2010, which, in part, requires the Department of Public Service to collect a Temporary State Energy and Utility Service Conservation Assessment, effective from April 1, 2009 to March 31, 2014.
2. As per order Implementing Temporary State Assessment, Case 09-M-0311, the Village is authorized to recover the revenues required for payment of the Temporary State assessment, including carrying charges, subject to annual reconciliation over five years, July 1, 2009 through June 30, 2014.
3. The delayed recovery of the Temporary State Assessment will require the use of a deferral accounting mechanism. The Village is authorized to defer the difference between the total assessment expense and the amount collected from customers in any annual period.
4. A separate surcharge identified as a specific line item *NYS Assessment* will be included on Customer bills to collect the Temporary State Assessment.
5. Collection of the Temporary State Assessment will be obtained by applying a 0.002582/kwh surcharge to Customer bills in the first year. The surcharge will be adjusted annually to reflect subsequent year's assessments.
6. The amounts collected through the surcharge will be subject to an annual reconciliation, to the extent the amounts needed to pay the Temporary State Assessment differ from the amounts collected in each annual period.

Issued by: Anthony Fiore, Superintendent of Electric Utilities
Inc. Village of Freeport, Freeport, New York