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DISTRICT HEAT
WATER
WASTEWATER
SOLID WASTE

March 30, 2020

Michelle L. Phillips, Secretary New York State Public Service Commission Three Empire State Plaza Albany, New York 12223-1350

Dear Secretary Phillips,

Enclosed herewith are the following materials, issued and transmitted for filing on behalf of the City of Jamestown Board of Public Utilities ("BPU") in accordance with the requirements of the Public Service Commission ("Commission").

1. Revised tariff leaves for P.S.C. No. 7, Electricity, containing provisions for economic assistance for line extension and obsolete service equipment upgrades as outlined in Rider No. 5;

Third Revised Leaf No. 123

These revisions are issued March 30, 2020 and are proposed to be effective August 1, 2020.

The proposed revisions are being made to help reduce the impact on customer's normal responsibility to pay for electric service relocation due to the BPU performing back-lot infrastructure relocations. By incorporating the revisions, we anticipate long term expense reductions, overall system reliability improvements, and lower outage restoration times that will collectively benefit all customers. The BPU is revising Rider No. 5 of its tariff to reflect the BPU's change from Business Development Recruitment and Retention Assistance to System Expansion and Reliability Improvements Assistance by adding language defining economic assistance for back-lot service relocations.

The BPU has identified areas of the distribution system that are in need of repair or relocation, are located behind houses that are no longer easily accessible from the street, and therefore are risking reliability concerns for many customers. We refer to these pole lines as back-lot lines. Many of these original installations are beyond expected service life and need to be repaired or replaced. These pole lines typically have secondary lines, while a few include primary lines. Over the years, they have been blocked in, built around, and in some cases are or have become completely inaccessible. In several instances, the BPU has already built duplicate pole lines in front of the houses along the street which provides an alternative, accessible and more permanent infrastructure. Through attrition, as homeowners upgrade services or install new services, the connection to some houses has been moved from the back towards the front. However, the BPU then has extra expenses managing two sets of infrastructure for the same set of customers. Back-lot systems may serve many customers, or only one customer.

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The BPU is developing plans to proactively eliminate these back-lot lines where deemed necessary. Not all back-lot lines are in need of repair or relocation. As part of the upgrade, in some cases, the customer-owned service equipment needs to be relocated to facilitate the roadside service connection. Since it is the customer-owned equipment, such as entrance cable, weather head, and/or meter socket that needs to be relocated, the customer is typically responsible for the cost. The BPU is recommending utilizing Rider No. 5 funds to assist customers with those expenses. The Rider No. 5 Economic Development Fund was originally approved in the December 19, 2002 Order in Case 02-E-0890, Petition of City of Jamestown for Allocation of a refund received from the New York Power Authority and incorporated into the Rider No. 5 Tariff Leaf as part of the January 22, 2003 Order in Case 02-E-1355; the fund was initiated at \$600,000. This current requested change is similar to what was revised in 2014 with Rider No. 5 for customer assistance on obsolete service replacements.

The BPU sees these system upgrades as benefitting all customers because when the back-lot lines are damaged or are in need of repair, the restoration or repair work is very costly and time-consuming. Typically larger crews are needed and higher expenses are incurred to make repairs for outages that may only affect a small number of customers. By addressing very old and vulnerable back-lot infrastructure, the BPU anticipates expense reduction opportunities for all customers and system reliability improvement. We also anticipate that the removal of these old, inaccessible distribution lines will ultimately contribute towards a lower rate base.

Our relocation plans will be multi-year across the next 5-10 years, will not include all back-lot facilities, and will not completely deplete the current Rider No. 5 designated funds. A listing of past fund allocations and the current fund balance is provided in Appendix A.

Newspaper publication will be made in accordance with the Commission's regulations. Publication will be made on four consecutive weeks.

Accordingly, we respectfully request that the Public Service Commission expedite approval of the requested revisions. Additionally, we request that the Public Service Commission please advise the undersigned of any action undertaken in this proceeding and also notify Jeffrey C. Genzer, Counsel to the BPU, 1667 K St., Suite 700, Washington, DC 20006 (202-467-6370 and jcg@dwgp.com).

Respectfully submitted,

David L. Leathers General Manager

cc: Paul Darmetko, Department of Public Service Staff

Jeff Genzer Chris Rodgers