

Inc. Village of Freeport

January 31, 2014

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

Re: Case No. ______, Incorporated Village of Freeport – Application for Electric Rate Increase

Dear Secretary Burgess:

Enclosed herewith are the following materials, issued and transmitted for filing on behalf of the Incorporated Village of Freeport, Freeport Electric, in accordance with the requirements of the Public Service Commission.

1. Revised tariff leaves for P.S.C. No. 9, Electricity, containing provisions and rates designed to produce an estimated annual aggregate increase in revenues of \$927,719.00, representing an increase of 2.5% over fiscal year 2013 revenue and a 3.455% increase in rates and charges:

Leaf No. 57 Revision 1 Leaf No. 58 Revision 1 Leaf No. 59 Revision 1 Leaf No. 60 Revision 1 Leaf No. 62 Revision 1 Leaf No. 64 Revision 1

These revisions are issued as of January 31, 2014 and are proposed to be effective June 1, 2014.

2. Exhibits 1-9, which support the Village's requested increase in electric revenues.

The 2.5% revenue increase is being submitted for filing as a "mini-rate" increase, even though a higher rate increase can be justified. The Village is hopeful that the increase can be effective on June 1, 2014. Under the proposed revisions, the revenue increase would be spread equally (i.e., uniform percentage increase) across all rate classes.

First in Service First in Value

46 North Ocean Avenue, Freeport, New York 11520 Website: www.freeportelectric.com Tel: 516-377-2220 Fax: 516-377-2359 The Village has not filed for a rate increase since 2007. The primary reasons for this rate increase include inflationary cost pressures (actual inflation was 6.7% from the effective date of the last increase), a decline in sales volume, higher costs for the New York State Retirement System and health insurance, the need to cover debt service costs and to support the Village's maintenance of its plant through capital additions and improvements.

Newspaper publication will be made in accordance with the Commission's regulations in the local newspapers for four successive weeks. The revised Schedule P.S.C. No. 9 is being made available to the public at Village Hall, 46 North Ocean Avenue, Freeport, New York 11520.

Accordingly, we respectfully request that the Public Service Commission expedite action on this mini-rate case and that the following individuals be advised of any action taken in regard to this filing: a) the undersigned; b) Jeffrey C. Genzer, Outside Counsel, Duncan, Weinberg, Genzer & Pembroke, P.C., 1615 M Street, N.W., Suite 800, Washington, D.C. 20036 (icg@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,

Anthony Fiore
Superintendent of Electric Utilities
afiore@freeportelectric.com

cc: <u>Department of Public Service Staff</u>

Guy Mazza, Esq. Jim Mitchell Tariq Mahmood Colonel Dickens Sean Malpezzi

Village of Freeport
Howard Colton, Esq.
Sharon Koehler
Jeff Genzer, Esq.
Howard Gorman

First in Service First in Value

46 North Ocean Avenue, Freeport, New York 11520 Website: www.freeportelectric.com Tel: 516-377-2220 Fax: 516-377-2359