



**Inc. Village of Freeport**

October 9, 2013

State of New York  
Department of Public Service  
Three Empire Plaza  
Albany, New York 12223

Attn: Ms. Kathleen H. Burgess  
Secretary

Reference: Statement of Fuel Adjustment Cost  
Statement No. 42  
Effective: October 11, 2013

Dear Secretary Burgess,

Village of Freeport hereby submits Statement of Fuel Adjustment Cost No. 42 to Schedule P.S.C. No. 9 effective October 11, 2013.

We are attaching a back-up data sheet and one copy of the Annual Revenue Change as a result of Fuel Adjustment Cost Statement No. 42.

Included in this month's Fuel Adjustment is recovery of the purchase cost of a Transmission Congestion Contract (TCC). With the inception of the New York Independent System Operator (NYISO) we were awarded, at no cost, grandfathered TCCs. These will expire on October 31, 2013. The new TCC contracts have an annual cost from the NYISO which will be 25% payable in February and 75% payable in October. We will partially recover the cost of the first year's contract between now and October. Subsequently the cost will be recovered monthly. This will be included in the Estimated Fuel Cost per kwh on the Statement of Fuel Adjustment and in NYISO charges on the Back-up Data.

In addition, effective November 1, 2013 there will be a reduction in transmission costs with the expiration of legacy transmission contracts commensurate with the effective date of the Transmission Congestion Contract.

Should you have any questions, please contact the undersigned.

Anthony Fiore  
Superintendent of Electric Utilities

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