

..DID: 21219
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NIAGARA MOHAWK
A National Grid Company
300 Erie Blvd. West
Syracuse, New York 13202

December 20, 2002

Honorable Janet H. Deixler, Secretary
Public Service Commission
3 Empire State Plaza
Albany, New York 12223

Dear Secretary Deixler:

The attached leaves, issued by Niagara Mohawk Power Corporation ("Company"), are being transmitted for filing in accordance with the requirements of the Public Service Commission, State of New York:

First Revised Leaf No. 30
First Revised Leaf No. 31
Fourth Revised Leaf No. 32
First Revised Leaf No. 33
Second Revised Leaf No. 34
First Revised Leaf No. 35
First Revised Leaf No. 36
Second Revised Leaf No. 37

To PSC No. 214 Electricity

Effective: March 24, 2003

Description of Filing

In the context of the proceedings footnoted below⁽¹⁾, the Commission established a formal hearing on the appeals by the Company of certain informal hearing officer decisions on billing complaints related to street lighting service and the practice of intra-account "netting" of underbillings and overbillings relating to municipal accounts. Proceedings were also instituted to consider past billings to street lighting Customers and revisions to Niagara Mohawk's acts and practices related to street lighting service. Consistent with the rulings issued in these proceedings, and in orders to facilitate the objective of being more accurate in street lighting billings, the Company proposes the tariff changes discussed below. Because this filing is relevant to issues being considered in Phase 2 of the street lighting proceeding, copies are being provided to the administrative law judge and active participants in these proceedings.

Intra-Account Netting is defined as the method of computing the appropriate billing amount for a Customer in a given month by offsetting equipment discovered to have been underbilled in that month against those pieces of equipment discovered to have been overbilled in that month. If by applying this method, the net result is an overbilling then a refund or credit would be issued to the Customer. If the net result is an underbilling, then the recovery of that amount is subject to the applicable backbilling rules and procedures. As a result, the Company proposes the addition of Special Provision P of Service

Classification No. 2 to formalize the use of this method in the tariff.

The Company also proposes the consolidation of multiple municipal "lighting district" accounts into a single account. Consolidation of multiple municipal accounts will assure more accurate billings. The use of multiple accounts in the past has been determined to be a cause of billing inaccuracies.

Accordingly, the attached proposed tariff amendments reflect the revisions to the current tariff leaves that incorporate the above changes and based upon "lessons-learned" in the street lighting proceedings, additional housekeeping changes. The specific revisions are documented below.

1. Special Provision A has been revised for minor clarifying issues. "Duly authorized" has been added regarding the execution of the Form M. Language on annual unit charges has been deleted as this information has not been provided in Schedule "SL" in the past. Also, the last sentence of Special Provision A has been added to clarify that one Form "M" per Customer will constitute a single account. These changes are meant to properly document requested changes by a municipality and implement the single account concept.
2. Special Provision C, 2. Additional Lamp Locations, has been amended to incorporate the "duly authorized" language into any request for additional street lights and documentation relating to the same.
3. Special Provision G has been revised to include the execution of a revised Schedule ASL@ by a duly authorized representative of the Customer. The provision was also amended to add a sentence stating that monthly bills will be adjusted to reflect changes in facilities.
4. Special Provision P has been incorporated into the tariff to more clearly define the netting and backbilling methods to facilitate the requirements of the street lighting proceedings.
5. Form "M" has been revised to remove any reference to lighting districts and other conforming changes to remove that concept from Form M. A sentence was added to the third paragraph clarifying that rates and charges are set forth in the Tariff and not Schedule "SL". Finally, the last paragraph was modified to clarify that the date of the agreement shall be the date of the party signing last in time.
6. A revised Schedule "SL" has been included with this filing with revisions to remove references to lighting districts, to remove outdated billing codes, to update headings to reflect current inventory and equipment and to add sections to be utilized by the Company for tracking purposes. The initial Schedule "SL" will be provided to the Customer showing the equipment quantities being billed at the date of issue. The Customer is to utilize the Schedule "SL" to notify the Company of the number of specific equipment units to be increased or decreased. The Company will utilize the shaded column to track changes per billing period to ensure proper billing to the Customer. These changes update the form to reflect current equipment being used by the Company and information to better track equipment usage.

A copy of the tariff leaves marked to show the changes that were made will be provided by the undersigned upon request.

The requirements of newspaper publication of these revisions as required Public Service Law 66(12)(b) will be completed on January 16, 23, 30 and February 6, 2003.

Technical questions regarding this filing may be directed to Mr. John E. Walter, Director, Outdoor Lighting, 716) 857-4283.

Copies of this filing will be served to Joel A. Linsider, Administrative Law Judge; James J. Santucci, Office of Consumer Services; and all parties active in Case Nos. 99-E-0387, 00-E-0934, and 00-E-0935.

Please advise the undersigned of any action taken with regards to this filing.

Very truly yours,

George A. Bauman, Principal Analyst
Electric Pricing

PJR

Enclosure

¹⁾ Case 99-E-0387-In the Matter of the Rules and Regulations of the Public Service Commission in 16 NYCRR, in Relation to Complaint Procedures B Appeals by Niagara Mohawk Power Corporation of the Informal Decisions in Favor of the City of Olean et al. Filed in C 26358.

Case 00-E-0934-Proceeding on Motion of the Commission on Past Billings for Utility-Owned Street Lighting Service by Niagara Mohawk Power Corporation.

Case 00-E-0935- Proceeding on the Motion of the Commission to Consider Revisions to the Tariffs and Procedures of Niagara Mohawk Power Corporation with Respect to Utility- Owned Street Lighting Service.