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July 1, 2009

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*OF COUNSEL

Via overnight express

The Honorable Jaclyn A. Brilling
Secretary
State of New York
Department of Public Service
3 Empire State Plaza
Albany, NY 12223

Re: Compliance Filing of Tariff Leaves -- Case No. 09-M-0311

Dear Secretary Brilling:

Pursuant to Section 18-a(6) of the Public Service Law and the June 19, 2009 Order in Case 09-M-0311 "Implementation of Chapter 59 of the Laws of 2009 Establishing a Temporary Annual Assessment Pursuant to Public Service Law Section 18-a(6)" (the Order), the Village of Massena Electric Department (MED) hereby submits for filing an original and five copies of proposed amendments to MED's P.S.C. No. 2, Electricity, to implement a surcharge to recover the Temporary State Energy and Utility Service Conservation Assessment (Temporary State Assessment).

Enclosed herewith are the following materials, issued and transmitted for filing on behalf of the Village of Rockville Centre in accordance with the requirements of the Order. Appendix B, consisting of a revised tariff leaf for P.S.C. No. 2, Electricity,, containing provisions and rates designed to produce an estimated aggregate increase in revenues of \$184,221.71 over the annual period from July 1, 2009, to June 30, 2010:

Leaf No. 38.

These revisions are issued as of June 30, 2009, and are proposed to be effective July 1, 2009. Submitted herewith are the original and five copies of the Tariff Leaf.

The Temporary State Assessment, which is applicable to jurisdictional municipal electric corporations, requires an annual payment for the next five years equal to 2% of gross operating revenues from intrastate utility operations, exclusive of the first \$500,000, less the amounts assessed for Department of Public Service costs and expenses (General Assessment) that are authorized in the annual State Budget.

Recovery of the revenues required for payment of the Combined General and Temporary State Assessment less the amount of the General Assessment which is currently included in Base Rates will occur over the 5 year period July 1, 2009 through June 30, 2014. The Village will utilize the surcharge method of recovery. The rates and charges for service under all Service Classifications including fuel adjustment charges will have an additional charge based on the Temporary State Assessment Adjustment as indicated in Appendix A. The surcharge will be calculated as a percentage of each bill rendered, such percentage will be uniform for all Service Classifications. This alleviates any disparate treatment between Service Classifications. For the year July 1, 2009 through June 30, 2010 the rate charged for recovery will be 1.76%. This rate was developed using the Temporary State Assessment Adjustment as calculated in Appendix A and the projected sales for the period July 1, 2009 through June 30, 2010. No carrying charges will be imputed at this time as the Village has the funds necessary to cover the Temporary State Assessment and will not be seeking additional funding at this time. Reconciliation of the amounts collected through the surcharge will be performed annually. In each subsequent year, a new Temporary State Assessment surcharge will be calculated, due to changes in projected intrastate gross operating revenues.

Newspaper publication was ordered waived in the Order.

We respectfully request that the Public Service Commission approve the tariff leaves provided herein. Please advise the undersigned of any action undertaken in this proceeding and also notify: Andrew McMahon, General Manager, Massena Electric Department, 71 E. Hatfield Street, Massena NY 13662, 315-764-0253.

Respectfully submitted,

Thomas L. Rudebusch

Thomas L. Rudebusch
On behalf of the City of Jamestown
Board of Public Utilities
tlr@dwgp.com

cc: Active Party List Case 09-M-0311 (by email)

Appendix A

Town of Massena Electric Department
Calculation of Temporary State Assessment Adjustment

Electric Operations - Based on Calendar Year 2008 Revenues

Total Operating Revenues	\$ 11,413,730
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Adjustments:

\$500,000 exemption	<u>500,000</u>
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Total Assessable Utility Electric Revenues	\$ 10,913,730
Assessment Rate	<u>2.00%</u>

Estimated Combined General Assessment and Temporary State Assessment	\$ 218,274.60
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Amount of 18-a Currently in Base Rates	<u>34,062.89</u>
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Estimated Temporary State Assessment Surcharge Amount	<u><u>\$ 184,211.71</u></u>
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Calculation of Recovery:

Estimated Temporary State Assessment Surcharge Amount	\$ 184,211.71
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Estimated Revenues for July 1, 2009 through June 30, 2010	12,425,300
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Surcharge	<u><u>1.48%</u></u>
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