

January 31, 2013

Jaclyn A. Brilling
Secretary
New York State Public
Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

RE: Massena Electric Department

Dear Secretary Brilling:

Attached please find Original Leaf No. 51 of P.S.C. No.2 – Electric for the Massena Electric Department (the "Company") to be effective May 1, 2013. The new leaf is for the introduction of Service Classification No. 10 for Individual Service Contracts for customers receiving full service from the Town of Massena Electric Department (MED). The purpose of this new service class is to implement an economic development program for industrial and commercial customers with the intention of attracting new customers and encouraging existing customers to expand their businesses in upstate New York.

This service classification differs from the existing S.C. No. 8 which is also an economic development rate in that it does not include a provision that the customer receive an allocation of power from the New York Power Authority. This service classification will ensure that the rates of other customer do not increase as a result of service to the new customer.

MED is a municipal electric utility owned by the Town of Massena which is located on the St. Lawrence River in northernmost New York State. The Town purchased the electric distribution system from Niagara Mohawk Power Corporation (Niagara Mohawk) in 1981. The MED system now serves more than 9,000 customers providing businesses and residents with energy at rates that are in the lowest 10 percent nationally. The implementation of this rider will help to encourage businesses to remain in the area or relocate to the area thus improving the economic status of the region.

Received: 01/31/2013

The Company asks that questions regarding this filing be directed to:

Frank W. Radigan Hudson River Energy Group 237 Schoolhouse Road Albany, NY 12203 Tel: (518) 452-2585

> Respectfully submitted, For the Massena Electric Department

Frank W. Radigan

Enclosure