

STATE OF NEW YORK

# Public Service Commission

William M. Flynn, Chairman

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## Commission Approves New Electric Rates for the City of Jamestown

Albany, NY – 9/21/05 – The New York State Public Service Commission today approved a Joint Proposal for a three-year rate plan that establishes new electricity base rates for the customers of the City of Jamestown Board of Public Utilities (BPU). The new rate plan allows the BPU to recover increased costs due to inflation and ensures the long-term viability of the BPU. The new rate plan marks the first time since 1994 that base rates have increased.

"The new electric plan approved today includes rates that are still comparable, after adjustments for inflation, to rates set in 1994, so that Jamestown customers will continue to benefit from relatively low electric rates compared to customers of other utilities," Commission Chairman William M. Flynn said. "In addition, a flexible rate contract option that was approved by the Commission earlier this year will help the BPU in its efforts to attract and retain large-use customers to the Jamestown area."

In its initial November 2004 filing, the BPU proposed a \$9.7 million (32%) revenue increase, phased in over three years. On May 20, 2005, following a period of negotiations, the BPU and Department of Public Service staff (staff) filed a Joint Proposal with a revised rate plan for the Commission's consideration. Under the terms of the rate plan approved today, revenues will increase by approximately \$4.35 million in the first year, \$1.62 million in the second year, and \$1.62 million in the third year. The corresponding increases in average bills over the three-year plan would be approximately 14.3%, 4.7%, and 4.5% respectively. When adjusted for inflation, these rates are comparable to the rates that went into effect in 1994.

The approved rate plan will remain in effect from November 1, 2005 through October 31, 2008, and continue thereafter until changed by Commission order.

The rate plan approved today contains several provisions for improving the BPU's customer service policies and operations, including training of BPU employees by staff regarding appropriate complaint procedures, applicable Home Energy Fair Practices Act (HEFPA) requirements, and consumer protection procedures. The BPU will also conduct periodic internal follow-up and refresher training, and provide staff with regular reports on its customer service training and complaints.

The Commission will issue a written order authorizing the rate plan. That order, when available, may be obtained from the Commission's Web site at <http://www.dps.state.ny.us> by accessing the Commission Documents section of the homepage and referencing Case Number 04-E-1485. Many libraries offer free Internet access. Commission orders may also be obtained from its Central Files Office, 14<sup>th</sup> floor, 3 Empire State Plaza, Albany, NY 12223 (518-474-2500).