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INDUSTRIAL DEVELOPMENT CONSULTANT

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Audrey Zibelman, Chair
C/O Thomas Congdon, Chief of Staff
New York State Department of Public Service
3 Empire State Plaza
Albany, New York 12223-1350

RE: Mini Rate Case 15-E-0184

Dear Commissioner Zibelman:

I am writing on behalf of RAFFA & ASSOCIATES . We are opposed to the proposed 2.5% increase in electric rates being requested by the Jamestown Board of Public Utilities. This "mini-rate" increase filed with the New York State Public Service Commission would increase rates for all electric customers across the BPU service system: residential, commercial, and industrial.

The JBPU provides valuable services to our company. The JBPU electrical rates are competitive and have been an anchor helping keep our company in the community. We are facing global competition and without the competitiveness of the JBPU utility rates and other services provided by the utility it would be nearly impossible to remain in New York and be competitive. In a region that has some of the highest property taxes in the United States, the JBPU has helped offset those costs through competitive electrical rates. These competitive utility rates provided by the JBPU are in danger of local political pressures.

The JBPU filing indicates that part of the reason for the request includes lower retail electric sales, higher labor costs, and improvements needed for the BPU plant. What it does not say, is that in recent years the JBPU has provided direct payments back to the City Government to help the City of Jamestown meet its general budget expenses. The payments are as follows:

2015 Budget - \$482,000 in electric division revenue
2014 Budget - \$475,000 in electric division revenue
2013 Budget - \$300,000 in electric revenue and \$120,000 from the water division

Over the past three years \$1,377,000 has been channeled from the BPU to the City government, \$1,257,000 of it from the electric division. These payments have been above and beyond the BPU's tax equivalent payments during the same time period. If the Board of Public Utilities invested the monies it has paid out to the City of Jamestown, into its own operating expenses or capital projects, this proposed rate increase could be avoided.

One of the critical issues surrounding this case is that the BPU dividend payments are being made to the City of Jamestown. In theory that may pose no problem for BPU electric customers within the city limits. However, many of the BPU's largest electric customers are outside of the city limits, but fall within the BPU electric service area. Essentially, this amounts to a tax by the city on non-city businesses and residents.

Expansion of the BPU service area over the decades has been a benefit to many companies that would not have otherwise been able to maintain operations in our communities. Agreements with these

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This is essential for ensuring the integrity of the financial data and for providing a clear audit trail.

2. The second part of the document outlines the various methods used to collect and analyze data. These methods include direct observation, interviews, and the use of specialized software tools.

3. The third part of the document describes the results of the data collection and analysis. The findings indicate that there are significant areas for improvement in the current processes, particularly in the areas of data accuracy and reporting.

4. The final part of the document provides recommendations for how to address the identified issues. These recommendations include implementing more rigorous data entry procedures and investing in more advanced data analysis software.

5. The fourth part of the document discusses the challenges faced during the data collection process. These challenges include limited access to certain data sources and the need for extensive training for the data entry staff.

6. The fifth part of the document provides a detailed analysis of the data collected. This analysis shows that the majority of the data is accurate, but there are still some discrepancies that need to be investigated.

7. The sixth part of the document discusses the implications of the findings for the organization. These implications include the need for more frequent audits and the implementation of a more robust data governance framework.

8. The final part of the document provides a summary of the key findings and recommendations. It emphasizes the importance of ongoing monitoring and improvement to ensure the continued accuracy and reliability of the data.

9. The seventh part of the document discusses the future directions of the research. This includes the need for further studies to explore the effectiveness of the recommended interventions and to identify new areas for research.

10. The eighth part of the document provides a conclusion to the report. It reiterates the key findings and the importance of the data in supporting the organization's strategic goals.

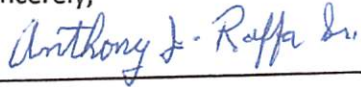
11. The ninth part of the document discusses the limitations of the study. These limitations include the potential for bias in the data collection process and the limited scope of the data analyzed.

12. The final part of the document provides a list of references for the sources used in the report. These references include academic journals, industry reports, and other relevant documents.

municipalities were created in good faith to allow the expansion, which was also beneficial to the BPU as its electrical sales have increased. For those outside the City of Jamestown but within the JBPU franchise area, the rate increase is a form of unfair taxation without representation. For all JBPU customers the rate increase is one more cost increase that they cannot afford and is being driven not on the merits of helping sustain the JBPU but on the merits of funding the City of Jamestown general fund.

We look forward to your attention to this matter.

Sincerely,

A handwritten signature in blue ink that reads "Anthony J. Raffa Sr." is written over a horizontal line.

Anthony J Raffa, Sr., President

Raffa & Associates

