

Municipal and Rural Electric Cooperative Systems
Service Tariff Amendments – Notice of Adoption

October 26, 2010

EXHIBIT “D”

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Via Regular & Electronic Mail

April 9, 2009

Anne B. Cahill, Corporate Secretary
Power Authority of the State of New York
123 Main St., 15M
White Plains, NY 10601

Re: Proposed Tariff Revisions

Dear Secretary Cahill:

By Notice of Proposed Rulemaking, adopted by Resolution at the trustees' January 27, 2009 meeting, the New York Power Authority ("NYPA") provided notice that it is proposing to revise its tariffs applicable to its municipal electric system customers. The notice provides that written comments will be accepted through April 13, 2009.

The Municipal Electric Utility Association of New York State ("MEUA") consists of 40 municipal electric system customers of NYPA. The MEUA is pleased to submit these comments on NYPA's proposed tariff revisions to Service Tariffs 39A, 38A and 38B.

Proposed Revisions To Tariff 39A

§ II.E. The phrase "other contract documents" is ambiguous. We suggest the phrase be explained, as, for example, listing the documents in questions, or otherwise clarifying its meaning.

§ II. I. The definition of "partial requirements" includes within it the phrase "incremental power and energy." "[I]ncremental power and energy" is not defined. We understand that "incremental," in this context, refers to power and energy purchased by a specific system that is not supplied by NYPA. We recommend that the term be defined or explained for clarity.

§ III.C. The definition of "minimal monthly energy charge" is described as the amount of energy "allocated." We believe "provided" may be a more accurate word.

§ III.D. The proposed definition of "Contract Demand" is drawn from Rider B to the Contract between NYPA and the customer. "Rider B" is an existing provision in the Contract, and is not subject to amendment here. The proposed tariff revisions have no effect on "Rider B." The definition of Contract Demand is of the utmost importance to partial requirements customers. The interested parties – NYPA and its partial requirements customers – have arrived at a mutually acceptable practice regarding the working definition of Contract Demand and the application of UCAP credits. Nothing in the proposed tariff revisions should have any effect on the existing practices of the interested parties with respect to the UCAP credit and Contract Demand. The interested parties should also further memorialize their working agreement in the area of Contract Demand and application of the UCAP credit in a written form that is mutually acceptable, clear and readily available to all parties. Those practices must not be subject to unilateral revision.

§ III.G.6. The provisions of proposed § 6 are ambiguous and could be considered unduly broad. As drafted, the section could be construed to sanction charges to customers for costs unrelated to the specific Customers' service. We suggest, after the capitalized word "Customers," inserting the phrase "under this tariff." Also, after "reliability," insert the phrase "of service to Customers under this tariff."

§ III.H. The provisions regarding future potential pass-through charges should be clarified. The word "customer" in line 5 should be capitalized to make it clear it refers to "Customer" as defined under this tariff.

§ IV.C. The proposed provision incorporates some language from Contract Rider B. The provision refers to "Partial Requirement Scheduling and Dispatch Procedures." Those "Procedures" are of the utmost importance to NYPA and its partial requirements customers. The "Procedures" should be memorialized in a written form that is clear, mutually acceptable and readily available to all parties.

§ V. The last paragraph of the provision regarding the "FAC" and the "RSR" is confusing. What "balances" and "prior agreements" are included herein, and what customers would be affected? We do not understand that this provision would have any applicability to any partial requirements municipal systems.

Anne B. Cahill
Corporate Secretary

April 9, 2009

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Proposed Revisions to Tariffs 39A and 38B

Our comments on the proposed revisions to tariffs 39B and 38A track, as applicable, those provided above.

Thank you for the opportunity to comment on the proposed tariff revisions. Please feel free to contact me if you have any questions or if I can provide any further information

Very truly yours,

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