



December 1, 2020

**VIA CERTIFIED MAIL**

Honorable Daniel P. McCoy  
County Executive  
Albany County  
112 State Street, Room 1200  
Albany, New York, 12207-2021

**Re: Sale of Street Lighting Assets Located in COUNTY OF ALBANY**  
**Bill Account Nos. 13752-95105, 16350-80108, 80752-92105, 97752-93107**

Dear County Executive McCoy:

Niagara Mohawk Power Corporation d/b/a National Grid ("National Grid" or "the Company") is writing in connection with your letter indicating the interest of the County of Albany ("the County") to proceed with the acquisition of certain street lighting assets located in the County. Accompanying this letter are forms for the Purchase and Sale Agreement ("PSA") for the assets subject to sale and the License Agreement for Customer-Owned Street and Area Lighting Attachments to Utility Poles and Structures ("Attachment Agreement") that will govern the future arrangement for street lighting assets purchased by the County that remain located on Company facilities. In addition, this letter describes next steps, required approvals, and timeline going forward.

**Purchase and Sale and Attachment Agreements**

Both parties are required to execute a PSA and Attachment Agreement to formalize the transaction. The PSA will govern the terms and conditions of the asset sale. The Company's form PSA is attached for your review, insertion of municipal information, finalization and execution. The Attachment Agreement is also necessary for any street lighting assets that will remain on National Grid electric facilities. Some municipalities have indicated an interest in smart city technology, such as network lighting control nodes, and the Company has worked with those municipalities to accommodate such technology consistent with the Company's tariff obligations. If the County intends to pursue smart city technology as part of the street light acquisition, please let me know, as this will require additional terms and conditions in the Attachment Agreement.

Once all the documents are executed and returned, the Company will then review the materials, and if all are in order, the Company will countersign the PSA and Attachment Agreement, date the documents, and provide you with fully executed copies.

**Section 70 Filing Process**

Upon execution of the documents, the Company, which is regulated by the New York State Public Service Commission ("PSC"), must petition the PSC for approval pursuant to Public Service Law § 70. National Grid will compile and file the necessary documents required for PSC review. Because the original cost of the assets subject to sale is greater than \$100,000, a formal PSC proceeding is required. The time for a formal PSC review varies and can take several months depending on the complexity of the transaction.

### **Closing, Disconnection and Service Classification**

The parties will be able to close the transaction once all necessary approvals are received for the sale. A sample of the bill of sale that will be executed at closing is included as an exhibit to the PSA. After closing, the County will have twenty-four (24) months to install disconnect devices for the assets in accordance with the Company's standards. Descriptions of the process and financial security requirements associated with asset separation are included in the PSA. The County will be responsible for the operation, maintenance, replacement, and installation of the street light assets subject to the sale after the closing. The County's service classification ("SC") for the account associated with the assets will then be changed in accordance with the Company's P.S.C. 214 – Outdoor Lighting Tariff from Service Classification ("SC-2") to SC-3 (energy only).

I hope this letter provides the information helpful for your evaluation of the street light sale. Please contact me if you have any questions. National Grid looks forward to working with the County towards completion of this sale.

Sincerely,

**Michael A. DiAcetis**  
Manager,  
Customer & Community Engagement

cc:

Enc. PSA  
Attachment Agreement