



**Department of  
Public Service**

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[www.dps.ny.gov](http://www.dps.ny.gov)

May 26, 2016

Dear Community Leader/Elected Official:

The New York State Public Service Commission is sponsoring public statement hearings regarding increases to water rates proposed by Suez Water New York (SWNY), formerly United Water New York. The Company is requesting new rates to be effective beginning February 1, 2017.

To ensure full public participation, the Commission will hold informational sessions and public statement hearings to solicit input and comments from your community regarding SWNY's proposal. At the informational session, Staff of the New York State Department of Public Service will provide an overview of the rate case process and representatives of SWNY will describe their proposal. The information sessions will be immediately followed by public statement hearings. Information received at the public statement hearings will be transcribed and will be included in the case record. The public comments will be considered by the Commission in deciding these cases. The Commission may adopt or reject SWNY's proposal in whole or in part.

The enclosed fact sheet provides detailed information on how to participate in the public statement hearings and available options to submit comments on the proceeding. Information about the proceeding can be found at the Commission's [www.dps.ny.gov](http://www.dps.ny.gov) web site. From the homepage, click on "Search," and enter any of the case number (16-W-0130) in the "Search by Case Number" field.

I would appreciate your assistance with informing your constituents about the public statement hearings and encouraging them to provide comments. It is the Commission's intent to facilitate and encourage active and meaningful participation throughout all of its proceedings. We hope you will consider joining us at one of these hearings.

Sincerely,

**Michael Corso**  
Consumer Advocate and Director,  
Office of Consumer Services

Enc.



# Public Service Commission

## Factsheet and Notice of Public Hearing

### SUEZ Water New York Inc. Proposed Rate Increase

Case 16-W-0130

In February 2016, SUEZ Water New York Inc. (SWNY), formerly United Water New York, Inc., requested the New York State Public Service Commission (PSC) approve proposed increases in its water service rates. SWNY serves approximately 74,000 customers in Orange and Rockland Counties.

Upon receipt of the rate filing, Department of Public Service (DPS) Staff began an analysis of the Company's request to evaluate whether – or to what extent – a rate increase is justified. DPS represents the public interest in rate proceedings and evaluates such requests with the goal of ensuring safe and reliable service at just and reasonable rates.

Review of the SWNY filing is currently underway by Staff and other parties to the proceeding. The public is invited to provide comments on the proposal.

#### Informational Forum and Public Statement Hearing

The Commission is seeking comment on the increase to water service rates. An Administrative Law Judge will preside over the gathering of public comments and all evidence relating to the rate request. The comments made at the hearings will become part of the formal case record in this proceeding and will be presented to the Commission for consideration. The Commission may adopt or reject SWNY's proposal in whole or in part.

Interested members of the public are invited to attend a public statement hearing and provide comments regarding the proposal. It is not necessary to make an appointment in advance or present written material in order to speak at the hearing.

Please join us at the following locations:

#### Wednesday, June 15, 2016

Information Session: 2:00pm & 6:00pm  
Public Statement Hearing: 3:00pm & 7:00pm

Stony Point Community Center (Rho Bldg)  
5 Clubhouse Lane  
Stony Point, NY 10980

#### Thursday, June 16, 2016

Information Session: 2:00pm & 6:00pm  
Public Statement Hearing: 3:00pm & 7:00pm

Rockland Community College  
Technology Center, Ellipse Room 8180  
Suffern, NY 10901

Disabled persons requiring special accommodations may place a collect call to the DPS's Human Resources Management Office at 518-474-2520. TDD users may request a sign language interpreter by placing a call through the New York Relay Service at 711 to reach the Department of Public Service's Human Resource Office at the previously mentioned number. If you have difficulty understanding English, please call DPS at 1-800-342-3377 for free language assistance services.

## Summary of the Rate Case

On February 26, 2016, SWNY filed for new water rates to be effective February 1, 2017. SWNY submitted testimony explaining in detail why it believes that the proposed revenue increase requirements are necessary to ensure that the Company can meet the needs of providing safe, adequate and reliable water service to its customers.

The proposed revenue increase is approximately \$11.6 million (or 13.7% increase to current revenues). According to SWNY, major rate drivers include increases in the cost of providing service, real estate taxes, and waste disposal. SWNY is proposing a water conservation program, as well as infrastructure investments including increasing pipe replacement, establishing new supply wells and implementing an Advanced Metering Infrastructure project. The Company also seeks recovery of costs associated with the Haverstraw Desalination Project.

### Conservation Program:

The Company is also proposing a Conservation Program with a cost of \$800,000 in the first year and total cost of \$4.8 million over a five year roll-out. The goal of the program is to reduce average consumption by 1 million gallons per day by the year 2020. Components of the program include:

- Rebates for water efficient appliances (e.g. toilets) and fixtures (e.g. low-flow showerheads);
- Customer outreach and education, including water audits;
- Conservation oriented rate design (described below);
- Recommended municipal ordinances
- Monitoring and reporting, as needed.

### Proposed Rates:

SWNY currently uses a seasonal rate structure – i.e. rates are higher in the summer when outdoor water use may be greater. The Company is proposing eliminating the seasonal rate structure in favor of a block rate design: water consumption in the first rate block (0-5 ccf of water a month, approximately 6,700 gallons) would be charged at one rate, while consumption in the second block (6-12 ccf/month usage) would be charged a higher rate. Consumption in the third rate block (usage in excess of 12 ccf/month) would be charged at a higher rate than blocks 1 and 2. SWNY suggests that this rate structure will encourage conservation by customers that use water for discretionary outdoor purposes like lawn watering and irrigation.

Under the Company's block rate proposal, residential customers with low usage would expect to see a slight reduction in their monthly bills, while average and higher use residents would see an increase in their monthly bills. The chart below shows the estimated bill impacts for average residential water customers:

	Monthly Bill Impacts	
	%	\$
<b>Residential 5/8" meter</b>		
<b>Typical Indoor-only usage (5 ccf/month)</b>	<b>(4.8)%</b>	<b>(\$1.83)</b>
<b>Average Use (9 ccf/month)</b>	<b>13.2%</b>	<b>\$8.17</b>
<b>Higher Use (12 ccf/month)</b>	<b>19.8%</b>	<b>\$15.67</b>

The full text of the rate case, including a breakdown of expected bill impacts by customer class, may be viewed online at DPS's [www.dps.ny.gov](http://www.dps.ny.gov) website. From the homepage, click on "Search," and enter the case number (16-W-0130) in the "Search by Case Number" field.

## Methods for Commenting on the Case

All comments can be submitted at the public statement hearings held on June 15 and 16, 2016 or through the methods below:

- **Via Mail/E-Mail:** Submit comments electronically to Kathleen H. Burgess, Secretary, at [secretary@dps.ny.gov](mailto:secretary@dps.ny.gov) or by mail or delivery to Secretary Burgess at the Department of Public Service, Three Empire State Plaza, Albany, New York 12223-1350. Comments delivered in these manners should reference "SUEZ Water New York, Inc. Rate Case" (16-W-0130).
- **Via the Department's Website:** Comments may also be entered directly into the case by locating the case via the home page of the Commission's website, [www.dps.ny.gov](http://www.dps.ny.gov), by clicking on "Search," and entering the associated case number (noted above) in the "Search by Case Number" field. After clicking to open the case, enter comments in the "Post Comments" section located at the top of the page.
- **Via Toll-Free Opinion Line:** Individuals may choose to submit comments by calling the Commission's toll-free Opinion Line at 1-800-335-2120. This line is set up to receive in-state calls 24-hours a day. Callers should press "1" to leave comments about Case 16-W-0130 "SUEZ Water New York Inc.". Comments received via the Opinion Line are not transcribed, but a summary is provided to the Commission for their consideration.

Comments submitted via these alternative means will be accepted at any point while this proceeding is pending, but are requested by June 17, 2016 to ensure full consideration. All comments will become part of the record considered by the Commission.