



November 4, 2011

Jaclyn A. Brillling
Secretary
New York State Public
Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

RE: Pabst Water Company, Inc.

Dear Secretary Brillling,

Attached please find Third Revised Leaf No. 12 and First Revised Leaf No. 5 of PSC No. 3 – Water for Pabst Water Company, Inc. (the “Company”) to be effective April 1, 2012. Also attached is a new Statement, Statement No. 1, which establishes an escrow account to fund necessary upgrades which current rates do not support.

The proposed tariff leaf will increase the typical residential customer’s annual charge from \$463.20 to \$509.10 per year or 9.9%. This proposed change will increase the Company’s annual revenues by \$4,172 from \$30,341 to \$34,510. The filing is a “mini-filing” under the Commission’s Rules of Procedures and a hearing is not required. The proposed escrow would be \$20 per billing period and is expected to collect approximately \$8,000 per year.

The Company

Pabst Water Company, Inc. provides flat rate water service to 65 year-round residential customers in an area known as Northern Westchester Country Club in the Town of North Salem, Westchester County. Fire protection service is not provided. The average number of customers has remained consistent over the last several years and there are no indications that this will change in the near term. The quality of service is excellent with no complaints.

The Rate Filing

The filing contains four years of income statements, and projections of revenues, expenses and rate base. The pro-forma rate year was developed by using a normalized test year which was developed by using the latest known expense levels or the average the expenses for the last three fiscal years. Some adjustments were made and are detailed

on the spreadsheet. The Company will also provide these work papers in electronic format.

The Westchester County Department of Health has directed Pabst Water Co. to provide emergency power back-up systems for both pump houses. Estimated changes required are estimated to be \$7,600 for upgrading the electrical system at the two pump houses and an additional \$4,000 for two portable generators. The Company would propose that these projects be funded through funds deposited in the proposed escrow account. In addition the Company recently replaced several curb valves which current rates do not support and the Company would like to be reimbursed for these expenses through the proposed escrow account. Finally, the current repair allowance is rates in only \$3,000 per year which is routinely too small to pay for needed repairs. The Company proposes that any repair amounts above the \$3,000 level also be funded out of the escrow account.

Public Notice

The Company will send a postcard to each customer notifying them of the pending rate case.

Further Information

The Company asks that questions regarding this filing be directed to:

Frank W. Radigan
Hudson River Energy Group
237 Schoolhouse Road
Albany, NY 12203
(518) 452-2585

Respectfully submitted,

A handwritten signature in cursive script that reads "Frank W. Radigan". The signature is written in dark ink and is positioned below the typed name and contact information.

Pabst Water Company, Inc.
By: Frank W. Radigan