

PSC No: 1 – Water  
 UNITED WATER NEW ROCHELLE INC.  
 Initial Effective Date: November 1, 2006

Statement Type: PTRS  
 Statement No. 1

**Applicable to all Customers**

**PROPERTY TAX RECONCILIATION STATEMENT**

In Case No. 04-W-1221, The Public Service Commission of the State of New York authorized the following surcredits be passed back to customers that resulted from the Settlement Agreement in Case No. 99-W-0496. These credits arose from tax protest actions taken by United Water that resulted in property tax savings and are now being passed back.

Third Year Property Tax Reconciliation

Case No. 03-W-1162:	\$801,358 (CR)
Interest (net of taxes)	60,427 (CR)

Second Year Property Tax Reconciliation

Case No. 04-W-0001	\$ 19,728 (CR)
Interest (net of taxes)	<u>716 (CR)</u>

Total Credit:	\$882,229 (CR)
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As a result of this over-collection, a surcredit of 3.56% will be applied to all customer bills effective August 28, 2005 until the full amount of the credit has been passed back to the customers at which time this statement will expire.

Issued in compliance with the Commission Order in Case 04-W-1221 dated August 24, 2005

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 225 Palmer Ave., New Rochelle, NY 10801