

P.S.C. No. 2 – Water
SUEZ Water New York Inc.
Initial Effective Date: January 14, 2022

Leaf No. 89
Revision: 4
Superseding Revision: 3

**23.4 REVENUE, PRODUCTION COST AND PROPERTY TAX RECONCILIATION
ADJUSTMENT CLAUSE (RRC) – WESTCHESTER**

APPLICABLE FOR USE OF SERVICE FOR CITY OF NEW ROCHELLE, VILLAGE OF BRONXVILLE, VILLAGE OF TUCKAHOE, VILLAGE OF PELHAM MANOR, VILLAGE OF PELHAM, VILLAGE OF ARDSLEY, VILLAGE OF DOBBS FERRY, VILLAGE OF HASTINGS-ON-HUDSON, TOWN OF MAMARONECK, TOWN OF GREENBURGH, TOWN OF MOUNT PLEASANT AND TOWN OF EASTCHESTER IN WESTCHESTER COUNTY, NEW YORK. (F/K/A SUEZ WATER WESTCHESTER RATE DISTRICT #1)

APPLICABLE FOR USE OF SERVICE FOR VILLAGE OF PORT CHESTER, VILLAGE OF RYE BROOK AND THE CITY OF RYE IN WESTCHESTER COUNTY, NEW YORK. (F/K/A SUEZ WATER WESTCHESTER RATE DISTRICT #2)

According to the terms and conditions of the Commission's Order issued in Case 19-W-0168, issued and effective July 16, 2020, the existing reconciliation will recommence with the modifications described below.

The rates applicable to all metered Customer accounts will be subject to automatic adjustment by way of a surcharge, or credit, based on the difference between the actual net metered water revenues (operating revenues, private and public fire hydrant revenues plus the change in unbilled revenue less production costs, consisting of purchased water from the New York City Water Board (NYCWB), additional cost for excess purchased water (entitlement and excess), purchased water from Westchester Joint Water Works (WJWW) and Aquarion Connecticut (AWC-CT) (entitlement, excess and fixed charges, and purchased power and chemicals) for the preceding year, and the revenue targets shown in the table below. The then-current Rate Year's net revenue variance plus any prior net revenue variances will be recovered or refunded annually through a percentage surcharge or surcredit to be applied to all metered customers' bills. Metered revenues are based on metered Customers' bill-rendered base rate revenue plus the change in unbilled revenue at the beginning and at the end of each rate year. Included in the revenue target for reconciliation will be the public and private fire hydrant revenues, to be reconciled annually.

The difference in purchased water costs to include excess per capita costs will be calculated by comparing the actual purchased water from NYCWB, WJWW and AWC-CT in million gallons (MG) in the rate years, grossed up 18% for losses, to the purchased water targets allowed in this proceeding, as shown in the table below. The purchased water targets reflects the NYCWB purchased water rate of \$2,054.63 per MG and the NYCWB Excess per Capita rate of \$3,300.44 per MG, both effective July 1, 2021. The purchased water targets for WJWW reflect the rate in effect as of July 1, 2021, for NYCWB of \$2,054.63 per MG and WJWW rate of \$1805.65 per MG effective January 14, 2022, for a total cost of \$3,860.28 per MG, and the Excess per Capita rate of \$3,300.44 per MG in effect as of July 1, 2021. The AWC purchased water target reflects the estimated rate of \$1,782.96 per MG that took effect July 1, 2014.