

**Terrel Hills Water Company, Inc.
PO Box 476
Saratoga Springs, NY 12866**

October 24, 2018

Honorable Kathleen H. Burgess
Secretary to the Commission
NYS Department of Public Service Three
Empire State Plaza
Albany, NY 12223

Dear Secretary Burgess:

The enclosed tariff amendments to P.S.C. No. 1 – Water are transmitted electronically for filing in compliance with the requirements of the Public Service Commission of the State of New York:

P.S.C. No. 1 – Water

Leaf 10 - Revision 1

Leaf 12 - Revision 1

Escrow Account Statement No. 1

Effective: March 1, 2019

Terrel Hills Water Company, Inc. (the Company) is requesting to increase its total annual revenues by approximately \$51,003 or 103.39%, as demonstrated on the attached income statement. The primary drivers for the requested increase are increased operating and maintenance costs, primarily because the Company has not had a rate increase since 1988. The Company is also proposing to increase its restoration of service charges to be consistent with such charges allowed by the Commission since 1988. The Company is also proposing to establish and maintain a replenishable, interest bearing escrow account with a maximum balance of \$45,400, not including account interest, for the purposes of making emergency and extraordinary repairs and/or plant improvements, including but not limited to: well pump replacements; replacement of the emergency generator; structural repairs to the pumphouse and clearwell; replacement of water meters and affiliated equipment & billing software; and replacement of piping within the pumphouse.

The Company will notify its customers via individual letter and therefore requests waiver of newspaper publication pursuant to Public Service Law §89-c(10) and 16 NYCRR §720-8.1, and a copy of the notice will be provided after issuance. Other information will be provided as requested. Thank you for your help and attention in this matter.

Very truly yours,

Mark McDonald, President
Terrel Hills Water Company, Inc.

Enc.