



May 28, 2021

Hon. Michelle L. Phillips  
Secretary to the Commission  
New York State Public Service Commission  
3 Empire State Plaza  
Albany, New York 12223

**Re: New York American Water Company, Inc.  
System Improvement Charge (SIC) Surcharge  
Case 16-W-0259**

Dear Secretary Phillips:

New York American Water hereby submits System Improvement Charge Statement No. 7 to Tariff, P.S.C. No. 5 – Water, effective August 1, 2021. The Commission’s Order Establishing Rates for Water Service issued May 18, 2017 in the above referenced matter adopted the provision of the Joint Proposal that provided for the SIC surcharge to go into effect 60 days after submittal unless Staff submits a letter to the Company indicating that the proposed surcharge should be adjusted.

The purpose of this letter is to outline the expenditures that New York American Water has completed as part of the System Improvement Charge (“SIC”) program, as authorized pursuant to the Commission’s Orders in Case 16-W-0259, Issued and Effective May 18, 2017, and February 6, 2020, and to request the implementation of a surcharge to recover costs related to the SIC program.

As set forth in Exhibits A, B, and C, the total expenditures made to date for the projects included in this filing are \$18,840,058 with no asset retirements. Also included in this filing is the reconciliation of the over/under collection of SIC for the period ended 7/31/2021 totaling \$246,943 in Attachments B and C.

Set out below is a listing of the eligible projects submitted for cost recovery in this filing, as authorized in Case 16-W-0259:

- Plant 5 Filter House Covers, Caustic, Generator & Electric Service
- I38-030044-01 Plant 20 Building Enclosure for IRP
- I38-100002-01 Cambridge Main Replacements
- R38-03J1 Meter Compliance SA1 (AMI Initiative)
- R38-03B3 Fire Flow Driven - Roosevelt & Baldwin
- I38-040008-01 Newbridge Road Well Station Improvements
- R38-05J1 Meter Compliance SA2 (AMI Initiative)



AMERICAN WATER

- Reconciliation of over/under 08/1/2019 – 07/31/2020

New York American Water respectfully requests recovery of \$19,087,001, which results in an annual revenue requirement of \$2,505,789, including depreciation expense and after gross-up for income taxes. Please see Exhibits A1 – A7, and Attachment B for detailed calculations for each project and the prior period over/under collection.

Invoices and additional detail supporting the expenditures, including final cost updates where applicable, will be submitted to Staff separately. New York American Water also respectfully requests that this SIC surcharge go into effect on August 1, 2021.

If you have any questions, or require additional information, please do not hesitate to contact me.

Respectfully submitted,

John T. Dillon

JTD:dlc

Enclosures

cc: Michael Rieder, NYS Department of Public Service  
Timothy Canty, NYS Department of Public Service  
Lynda DiMenna, President, New York American Water Company, Inc.  
John T. Kilpatrick, New York American Water Company, Inc.  
Lisa N. Figliozzi, New York American Water Company, Inc.

