



Tim Michaelson
Director - Regulatory Business
461 From Road, Suite 400
Paramus, NJ 07652
tel 201-750-3406
fax 201-750-5728
email Tim.Michaelson@suez-na.com

March 4, 2019

VIA ELECTRONIC FILING AND HAND DELIVERY

Honorable Kathleen M. Burgess
Secretary to the Commission
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case 19-W-_____ - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of SUEZ Water New York Inc., SUEZ Water Westchester Inc. and SUEZ Water Owego-Nichols Inc.

Dear Secretary Burgess:

SUEZ Water New York Inc. ("SWNY"), SUEZ Water Westchester Inc. ("SWWC") and SUEZ Water Owego-Nichols Inc. ("SWON" and collectively, the "Companies") hereby seek a consolidated increase in rates for water service.¹ The Company's supporting testimony explains in detail why the proposed revenue requirement is needed to ensure that the Companies can continue to meet the increasing cost of providing safe, adequate and reliable water service. Despite strong cost control efforts, the Companies have seen increases largely beyond its control including increased real estate and income taxes. In addition, the Companies have invested nearly \$145 million over the past three years and plan on investing another \$440 million over the next five.

In its filing, the Companies are seeking to consolidate their rules and regulations under one tariff and merge other rate design elements with the goal of eventually harmonizing all rates. This includes moving to a conservation-oriented rate structure with inclining blocks for customers in SUEZ Water Westchester.

The proposed delivery rates are designed to produce an annual base revenue increase of approximately \$31.5 million. The enclosed testimony and other financial information fully

¹ The Companies will be filing shortly a petition with the New York State Public Service Commission ("Commission") seeking authorization to merge SWWC and SWON with and into SWNY, with SWNY at the surviving corporate entity. The rate case filed today is premised on the merger of the Companies and includes a total revenue requirement for the combined company. Contemporaneous with this filing, the Company is submitting to the Commission its revised tariff leaves, each with an April 3, 2019 effective date. The list of revised tariff pages for the Company is attached hereto as Appendix A.

Honorable Kathleen Burgess

March 4, 2019

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support the requested revenue requirement. The Company prepared its rate filing using operational results, with appropriate adjustments, for the historical test year ending September 30, 2018. The financial information includes projected operating results for the rate year ending January 31, 2021.

The Company's proposed rates will increase the approximate average residential monthly water bill by \$0.35 cents per day in Rockland County; \$0.18 cents per day in the City of Rye, and the villages of Rye Brook and Port Chester in Westchester County; and \$0.09 cents per day in Forest Park. Customers in other parts of Westchester will see a reduction in their monthly bills of \$0.14 per day and customers in Owego and Nichols will continue with their current rate plan with no additional adjustment.

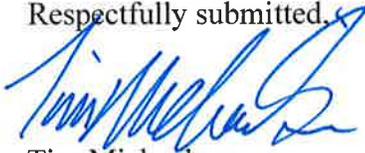
Notice of this filing will be published in newspapers in accordance with the Commission's requirements set forth in 16 NYCRR §§ 720-8.1. Proof of publication of the notice will be filed upon completion.

The Company is also filing a petition requesting a waiver of the 150-day provision in the statement of policy on test periods in major rate proceedings. The petition is attached as Appendix B.

We look forward to working cooperatively with the Commission to reach a resolution that is in the interest of all parties.

Please do not hesitate to contact me if you have any questions regarding this filing.

Respectfully submitted,



Tim Michaelson

Director - Regulatory Business

Enclosures

cc: Active Party Service Lists from Cases 16-W-0130, 17-W-0528, 13-W-0539 and 13-W-0564 (via e-mail).

CERTIFICATE OF SERVICE

I hereby certify that I caused an electronic copy of SUEZ Water New York Inc.'s March, 4 2019 rate case filing to be served, via electronic filing, upon the Honorable Kathleen Burgess, Secretary to the New York Public Service Commission. I have also arranged for 13 hard copies of the filing to be provided by hand delivery to the New York State Department of Public Service during the week of March 4, 2019.

I have also caused a copy to be served via e-mail on the active parties in Cases 16-W-0130, 17-W-0528 and 13-W-0539 and the New York State Department of State, Utility Intervention Unit ("UIU"). I have also arranged for two hard copies to be provided by hand delivery to the UIU during the week of March 4, 2019.

Dated this 4th day of March, 2019.



Debra Visconti



Tim Michaelson
 Director - Regulatory Business
 461 From Road, Suite 400
 Paramus, NJ 07652
 tel 201-750-3406
 fax 201-750-5728
 email Tim.Michaelson@suez.com

March 4, 2019

VIA ELECTRONIC FILING AND HAND DELIVERY

Honorable Kathleen M. Burgess
 Secretary to the Commission
 New York State Public Service Commission
 Three Empire State Plaza
 Albany, NY 12223-1350

Re: Case 19-W- -Proceeding on Motion of the Commission as to the Rates,
 Charges, Rules and Regulations of United Water New York Inc.

Dear Secretary Burgess:

The enclosed tariff leaves listed below and issued by SUEZ Water New York Inc. ("SWNY" or the "Company"), formerly United Water New York Inc., are being transmitted for filing in compliance and accordance with the New York State Public Service Commission's ("Commission") rules and regulations. The tariffs are filed to become effective on April 3, 2019.

<u>Leaf</u>	<u>Revision</u>	<u>Superseding</u>
1	1	0
2	1	0
3	1	0
4	1	0
5	1	0
6	1	0
7	1	0
8	1	0
9	1	0
10	1	0
11	1	0
12	1	0
13	1	0
14	1	0
15	1	0
16	1	0
17	1	0
18	1	0
19	1	0
20	1	0
21	1	0
22	1	0
23	2	1

Honorable Kathleen Burgess, Secretary
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<u>Leaf</u>	<u>Revision</u>	<u>Superseding</u>
24	1	0
25	1	0
26	1	0
27	1	0
28	1	0
29	1	0
30	1	0
31	1	0
32	1	0
33	1	0
34	2	1
35	1	0
36	1	0
37	1	0
38	1	0
39	1	0
40	1	0
41	1	0
42	1	0
43	1	0
44	1	0
45	1	0
46	1	0
47	1	0
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58	1	0
59	1	0
60	1	0
61	1	0
62	1	0
63	1	0
64	1	0
65	1	0
66	1	0
67	1	0
68	1	0

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<u>Leaf</u>	<u>Revison</u>	<u>Superseding</u>
69	1	0
70	1	0
71	1	0
72	1	0
73	1	0
74	1	0
75	3	2
76	1	0
77	1	0
78	1	0
79	1	2
80	3	2
81	1	0
83	3	2
83	1	0
84	3	2
85	1	0
86	1	0
87	1	0
88	1	0
89	1	0
90	3	2
91	1	0
92	1	0
93	1	0
94	3	2
95	3	2
96	1	0
97	3	2
98	1	0
99	3	2
100	1	0
101	1	0
102	1	0
103	3	2
104	0	
105	0	
106	0	
107	0	
108	0	
109	0	
110	0	
111	0	
112	0	
113	0	

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<u>Leaf</u>	<u>Revison</u>	<u>Superseding</u>
114	0	
115	0	
116	0	
117	0	

<u>Statement Type</u>	<u>Statement No.</u>
RRC	4
RTS	2
DRS	2
SIC	1
MPFP	1

Purpose of the Filing

The enclosed revisions to the Company's Schedule P.S.C. No. 1 - Water, are designed to produce an annual increase in base rates of \$11.6 million. Prepared written testimony and exhibits comprising SWNY's direct case in support of these tariff revisions are being filed with the Commission contemporaneously under separate cover.

Newspaper Publication

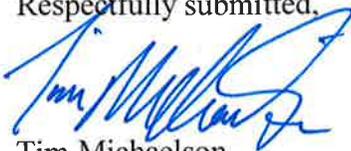
Notice of this filing will be published in newspapers in accordance with the Commission's requirements set forth in 16 NYCRR § 720-8.1. Proof of publication of the notice will be filed upon completion.

State Administrative Procedure Act

A proposed form Notice of Proposed Rulemaking for publication in the State Register pursuant to the State Administrative Procedure Act is enclosed.

Please do not hesitate to contact me at 201-750-3406 if you have any questions regarding this filing.

Respectfully submitted,



Tim Michaelson
Director - Regulatory Business

Enclosures

cc: Active Party Service Lists from Cases:
13-W0539, 13-W-0564, 16-W-0130 and 17-W-0528 (via e-mail).

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

Petition of SUEZ Water New York Inc., SUEZ	:	
Water Westchester Inc. and SUEZ Water Owego-	:	Case 19-W-_____
Nichols Inc. for a Waiver of the 150-Day	:	
Provision in the Statement of Policy on Test	:	
Periods for Major Rate Proceedings	:	

**PETITION OF SUEZ WATER NEW YORK INC., SUEZ WATER WESTCHESTER INC.
AND SUEZ WATER OWEGO-NICHOLS INC. FOR A WAIVER OF THE 150-DAY
PROVISION IN THE STATEMENT OF POLICY ON TEST PERIODS
IN MAJOR RATE PROCEEDINGS**

Brian T. FitzGerald
Gregory G. Nickson
Cullen and Dykman LLP
99 Washington Avenue, Suite 2020
Albany, New York 12210
Tel: (518) 788-9440
bfitzgerald@cullenanddykman.com
gnickson@cullenanddykman.com

Attorneys For SUEZ Water New York Inc.,
SUEZ Water Westchester Inc. and SUEZ
Water Owego-Nichols Inc.

Dated: March 4, 2019

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

Petition of SUEZ Water New York Inc., SUEZ
Water Westchester Inc. and SUEZ Water Owego-
Nichols Inc. for a Waiver of the 150-Day
Provision in the Statement of Policy on Test
Periods for Major Rate Proceedings

Case 19-W-_____

**PETITION OF SUEZ WATER NEW YORK INC., SUEZ WATER WESTCHESTER INC.
AND SUEZ WATER OWEGO-NICHOLS INC. FOR A WAIVER OF THE 150-DAY
PROVISION IN THE STATEMENT OF POLICY ON TEST PERIODS
IN MAJOR RATE PROCEEDINGS**

I. INTRODUCTION

Pursuant to Section 3.3 of the New York State Public Service Commission's ("Commission") Rules and Regulations, 16 NYCRR § 3.3, SUEZ Water New York Inc. ("SWNY"), SUEZ Water Westchester Inc. ("SWWC") and SUEZ Water Owego-Nichols Inc. ("SWON" and collectively, the "Companies") hereby request a five (5) day waiver from and/or extension of the Commission's Statement of Policy on Test Periods in Major Rate Proceedings' requirement that a rate case filing must consist of operating results from a twelve-month period expiring at the end of a calendar quarter no earlier than 150 days before the date of filing.¹

The Companies have prepared a rate case, which is being filed on this day, based on operating results for the twelve-month period ending September 30, 2018, which by the terms of the Policy Statement was to be filed by February 27, 2019. The Companies will also be filing shortly a petition with the Commission seeking authorization to merge SWWC and SWON with

¹ Case 26821, Statement of Policy on Test Periods in Major Rate Proceedings, 17 NY PSC 25-R (Nov. 23, 1977) ("Policy Statement"). The Policy Statement was subsequently modified to allow operating results, with normalizing adjustments, for the most recent complete fiscal year ending no earlier in time than eight months before the filing date. See Case 92-M-1145 - Proceeding on Motion of the Commission to Investigate and Develop Rate-Setting Process Encompassing Long-Term Planning Goals, Rate Strategies, and Resource Utilization, Opinion No. 96-3, Opinion and Order Adopting Recommended Decision at 18, 34-35, and Appendix B at 20 (Jan 25, 1996).

and into SWNY, with SWNY at the surviving corporate entity. The rate case filed today is premised upon the merger of the Companies and includes a total revenue requirement for the combined company. While the Companies diligently prepared their rate case filing, for the reasons set forth below, they were unable to make the filing by February 27, 2019. Accordingly, the Companies respectfully request that the Commission grant on an expedited basis a five (5) day extension of the Policy Statement's 150-day link-period.

II. DISCUSSION

The Policy Statement requires, in relevant part, that a rate filing include operating results, with normalizing adjustments, for a 12-month period expiring at the end of a calendar quarter no earlier than 150 days before the filing.² The Policy Statement also requires a utility to provide projected results for the 12-month rate period and a verifiable link between the two periods.

The Companies initially targeted filing their rate case by February 27, 2019, utilizing a test period ending September 30, 2018. Despite devoting substantial resources to its preparation effort, the Companies were unable to make their rate case filing until today. The Companies' request for a five (5) day waiver/extension relating to the proposed test period ending September 30, 2018, is for good cause and should be granted.

The additional five (5) days that the Companies needed to prepare their rate filing was necessary due to complexities involving the rate design for the combined company. Specifically, while the Companies initially intended to have a single consolidated tariff with one rate district that would apply to all customers of the combined company, this was not possible due to the unacceptable rate impacts that some customers would experience. Ultimately, as detailed in the rate case filing, the Companies determined that three rate districts were necessary. The

² Id.

Companies needed the additional five (5) days to develop the optimal rate design for each district.

Even after the grant of the requested five (5) day waiver/extension, the test year remains fully representative and will not have become stale in any meaningful fashion. The Companies have invested substantial time and effort in preparing the rate filing based on a test period ending September 30, 2018, and, if not permitted to use that year as the test period, the Companies would have to duplicate much of the effort they have already devoted to analyzing and normalizing data for that year.

The availability of slightly greater time to prepare a more complete rate case also will yield a clearer and more reviewable filing that benefits the Companies, Staff and all interested parties, and no party will be prejudiced by the waiver request. The Companies' burden of proof will not be altered, and it remains the Companies' obligation in the rate proceeding to provide substantial evidence of a quantifiable link between the test year utilized and the forecasted rate year data. The Companies will provide the necessary link.

Significantly, the Commission has not fixed the content in advance for every rate case because utilities are allowed to present their rate case as they deem appropriate.³ The Commission has always afforded parties a significant degree of flexibility in determining the types and amount of data needed to support particular rate increase requests. As the introduction to the Commission's regulations governing rate proceedings states:

Proceedings involving the reasonableness of existing or proposed rates vary so greatly in character and scope that it is impossible to prescribe rules of universal application that are suited to all rate proceedings. . . . Because of these facts, no attempt is here made to specify the data that must be supplied in all rate proceedings. . . .⁴

³ See Policy Statement.

⁴ 16 NYCRR Part 61 Notes.

The purpose of maintaining a relatively close link-period between the test period and the filing date will not be materially impaired, if at all, by the Companies' five (5) day waiver/extension request. Finally, the Commission has granted similar waiver requests in the past.⁵

Accordingly, the Commission should follow its precedent and grant the Companies a five (5) day waiver/extension of the Policy Statement's 150-day requirement.

III. CONCLUSION

For the above-stated reasons, the Companies respectfully requests that the Commission grant them a five (5) day waiver/extension of the Policy Statement's requirement that their rate case filing utilize operating results from a twelve-month period expiring at the end of a calendar quarter no earlier than 150 days before the date of filing.

Dated March 4, 2019

Respectfully submitted,



 Brian T. FitzGerald
 Gregory G. Nickson
 Cullen and Dykman LLP
 99 Washington Avenue, Suite 2020
 Albany, New York 12210
 Tel: (518) 788-9440
bfitzgerald@cullenanddykman.com
gnickson@cullenanddykman.com

Attorneys For SUEZ Water New York Inc., SUEZ Water Westchester Inc. and SUEZ Water Owego-Nichols Inc.

⁵ Case 16-G-0325 – Petition of Corning Natural Gas Corporation for a Waiver of 150 Day Provision of Statement of Policy on Test Periods in Rate Proceedings, Order Granting Waiver of 150-Day Provision of the Commission's Statement of Policy on Test Periods (Sept. 21, 2016); Case 15-G-0313 – Petition of St. Lawrence Gas Company Inc. for a Waiver of the 150 Day Requirement for Filing a Rate Case, Order Approving Waiver of 150-Day Provision of the Commission's Statement on Test Periods in Rate Proceedings (Oct. 21, 2105); Case 13-E-0030 et al. – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, Order Approving Limited Waiver of the Commission's Policy Statement on Test Periods in Major Rate Proceedings (July 23, 2013); Case 08-G-1137 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Corning Natural Gas Corporation for Gas Service, Order Establishing Rate Plan, at 10 (Aug. 20, 2009).