

Kelly LoRusso
Rate Analyst

UNITED WATER

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Via Electronic Tariff System

December 20, 2010

The Honorable Jaclyn A. Brilling, Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

SUBJECT: United Water Owego-Nichols Inc.
Pension/OPEB Surcharge – Case No. 07-W-0639

Dear Secretary Brilling:

In accordance with Ordering Paragraph 2 of the Commission's Order Approving Pension and Other Post Retirement Benefits Deferral and Reserve Balances with Modifications (issued April 13, 2008) in the above-referenced proceeding, enclosed for filing via the electronic filing system, please find the following:

Statement No. 1, Statement Type: DPO, Deferred Pension and Post Retirement Benefits Other than Pensions

Effective January 1, 2011

This tariff filing implements the surcharge of 1.27%, which has been reviewed by staff per the attached letter dated December 7, 2010.

Very truly yours,

Kelly Lo Russo
Rate Analyst – Regulatory Business

Attachments

cc: J. Cagle (w/enc.)
K. Doherty (w/enc.)
C. Jersey (w/enc.)
M. Pointing (w/ enc.)
J. Paratore (w/ enc.)
A. Watkins (w/ enc.)
J. Evensen, NYSPSC (via FedEx w/enc.)
V.Oreifej, NYSPSC (via FedEx w/enc.)

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
90 CHURCH STREET, NEW YORK, NY 10007-2919
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Secretary

December 7, 2010

Mr. Thomas G. Lippai
Senior Regulatory Specialist
United Water
200 Old Hook Road,
Harrington Park, NJ 07640

RE: Case 07-W-0639 – United Water Owego-Nichols Inc. (UWON) –
Pension/OPEB Surcharge

Dear Mr. Lippai:

On November 8, 2010, UWON submitted its filing related to The Pension/OPEB Surcharge pursuant to the terms of the Order Approving Pension And Other Post Retirement Benefits Deferral And Reserve Balances With Modifications and pursuant to the terms of Section IX of the Joint Proposal approved by the Commission in Case 07-W-0639.

Staff from both, the Office of Accounting & Finance and the Office of Electric, Gas & Water, reviewed the company's filing surcharge calculation, including the revenue base used to compute the surcharge, and found that the calculation was properly done. As a result, the company may implement the 1.27% surcharge and file The Deferred Pension and Postretirement Benefits Other than Pensions Statement No. 1, effective January 1, 2011.

If you have any questions, please contact me at 212-417-2321.

Sincerely,

James Evensen
Chief, Water Rates Section
Office of Electric, Gas and Water

cc: J. Lochner, Chief, Office of Accounting & Finance
V. Oreifej, Utility Engineer II