STATE OF NEW YORK

Public Service Commission

Garry A. Brown, Chairman

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13051/13-W-0303

STUDY OF ROCKLAND COUNTY'S WATER NEEDS GETS UNDERWAY

— Commission Proceeding to Examine Development of New Water Supply Sources —

Albany, NY—07/18/13—The New York State Public Service Commission (Commission) today instituted a proceeding to examine the continuing need for United Water New York's (UWNY) proposed development of a new water supply source to satisfy Rockland County's long-term water supply requirements.

"The Commission is responsible to oversee UWNY's efforts to ensure adequacy of water supply and long-term planning for development of new water sources," said Commission Chairman Garry Brown. "In light of recent requests to update our assessment of need, this investigation should provide assurances relating to Rockland County's future water supply needs. Our investigation will allow us to account for new information or changed circumstances, and to determine whether continuance of safe and adequate water service in Rockland County requires the development of a major new water supply source."

The water utility has proposed construction of a new long-term water supply source in Haverstraw, Rockland County, to obtain sufficient capacity to supply the county's projected future peak demand for water required for public health and safety. The company filed its proposal to construct the Haverstraw Project in compliance with an order issued by this Commission in 2006, requiring UWNY to develop a plan for meeting long-term demand, projected to exceed supply by the end of 2015. The order approved today institutes a proceeding to examine the continuing need for and public interest in development of a new water supply

source. In instituting this proceeding, the Commission will require UWNY to provide a report of the most current information relating to the need for a new water supply source.

UWNY is a private investor-owned water company that provides drinking water and water for fire protection to the residents and businesses in Rockland County, excluding the Villages of Suffern, Nyack and South Nyack. UWNY serves a small portion of Orange County in parts of the Towns of Tuxedo, Warwick and Monroe. The company supplies water service to 73,000 customers of record in Rockland County; it serves approximately 87 percent of the county residents.

The company's proposed Haverstraw project involves the construction and operation of a new water intake, intake pumping station and water treatment facility in the Town of Haverstraw. The facility would collect and treat water from the Hudson River and deliver up to 7.5 million gallons a day of potable water for the use of Rockland County customers. UWNY intends to build the project in stages, as needed to satisfy the pace of future water demands. The Department of Environmental Conservation is conducting an extensive review of UWNY's application for permits.

To initiate the investigation, the Commission directed UWNY to file within 30 days of the order, a report containing the most recent information relating to projected demand and need to secure a new water supply source in Rockland County, responding to concerns and issues raised by public officials and organizations, and presenting any other information UWNY deems relevant. The Commission will provide an opportunity for a public comment period and conduct public statement hearings regarding projected demand and supplies to satisfy Rockland County's needs.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 13-W-0303 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission orders may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release. -30-