Received: 06/26/2007 Status: CANCELLED Effective Date: 07/01/2007

PSC No: 1 – Water Statement Type: PWAS UNITED WATER NEW ROCHELLE INC. Statement No. 2

Initial Effective Date: July 1, 2007

PURCHASED WATER ADJUSTMENT SURCHARGE STATEMENT

(Statement No. 1 has been superseded and can now be viewed in the "Cancelled Section" of the ETS tariff.)

Applicable to all Metered Customers

I. General Description

Purpose: To recover any increases in the cost of water from the New York City Water Board (NYCWB) beyond the approved July 1, 2005 rate.

II. Computation of the Purchased Water Adjustment Surcharge

Calculation: As early as possible after notification of an increase in the NYCWB rate, the Company shall make a compliance filing to be effective on the same date of the NYCWB rate increase.

Surcharge Amount: The charge will be expressed in cents per CCF carried to four (4) decimal places, applied to the total CCF billed and subject to all revenue based taxes.

Formula:

PWA = (NNYCWB - CNYCWB)/((1- LUFW%)/CCF per MG)

\$0.1649 = (798.62 - 617.79) / [(1-18%) / 1337]

Where:

NNYCWB = New NYCWB rate

CNYCWB = NYCWB rate in effect July, 2005.

LUFW = Lost and Unaccounted for water at 18% or

actual, whichever is less.

CCF = Hundred Cubic Feet

MG = Million Gallons

Issued in compliance with the Commission Order in Case 04-W-1221 dated August 24, 2005.

Issued by: M.J. Pointing, V.P.& Gen. Mgr., 225 Palmer Ave., New Rochelle, NY 10801