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PSC No. 1 - WATER

COMPANY: LONG ISLAND WATER CORPORATION d/b/a

STATEMENT TYPE: TSAS

STATEMENT No.: 3

LONG ISLAND AMERICAN WATER INITIAL EFFECTIVE DATE: AUGUST 4, 2011

GENERAL INFORMATION

TEMPORARY STATE ASSESSMENT SURCHARGE

The Commission Order in Case 09-M-0311 ("Order"), dated June 19, 2009, directed that electric, gas, steam, and water utilities and jurisdictional municipal corporations, collect a Temporary State Assessment (TSA), effective from April 1, 2009 through March 31, 2014. (PSL §18-a(6)). The TSA imposes a charge of two percent of the gross operating revenues from intrastate utility operations, less the amounts assessed for Department of Public Service costs and expenses (General Assessment) that are authorized in the annual State Budget, and including carrying charges calculated at the Company's authorized pretax rate of return. Based upon the requirements within the Order, the Company is subject to a TSA of 1.69%. In accordance with the Order, the TSA will be subject to an annual reconciliation, including appropriate adjustments for over- or under-recoveries, as necessary.

Effective August 4, 2011, the Company will recover the TSA through a surcharge equal to 1.69%.

The revenue based TSA will be shown as a surcharge on each customer's bill. This surcharge will be applied to all bills rendered in every service classification.

Issued in compliance with the Commission Order in Case 09-M-0311 dated June 19, 2009.

Issued by: William M. Varley, President, 733 Sunrise Highway, Lynbrook, NY