

P.S.C. No. 1 – Water  
United Water New York Inc.  
Initial Effective Date: March 1, 2011

Statement Type: WBC  
Statement No. 3

**WATER BILL CREDIT**  
**MTBE PROCEEDS REFUND**

Pursuant to the Commission Order in Case No. 08-W-1139 issued and effective September 24, 2009 the net proceeds received as settlement in litigation to recover damages for water pollution caused by Methyl Tertiary Butyl Ether (MTBE) were to be deferred and to be considered in the company's next general rate proceeding. In accordance with Case No. 09-W-0731 issued and effective July 20, 2010, the proceeds of the MTBE settlement of \$3,541,059 shall be utilized as a rate moderator in Rate Years One and Two as defined below for the benefit of the customers:

	Effective <u>08/31/10</u>	Effective <u>08/31/11</u>	Effective <u>08/31/12</u>
MTBE Proceeds	(1.90%)	(3.40%)	0.00%

The credit on the customers' bills will continue on a bills rendered basis until such time as the entire MTBE amount is completely refunded, which is expected to occur by July 31, 2012.

Filed in compliance with Commission Order in Case 09-W-0731, issued July 20, 2010.