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PSC No: 1 – Water UNITED WATER NEW ROCHELLE INC.

Initial Effective Date: November 1, 2010

Statement Type: PWAS
Statement No. 7

PURCHASED WATER ADJUSTMENT SURCHARGE STATEMENT

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, 2010 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 dollars per hundred cubic feet (Ccf) carried to four (4) decimal places, applied to the total Ccf billed and subject to all revenue based taxes.

Formula:

 $PWA = (NNYCWB - CNYCWB)/(1-LUFW)/1337^{1}$

 $0.00 = (0.00 - 0.00) / (1-18\%) / 1337^1$

Where:

PWA = Purchased Water Adjustment Surcharge, expressed in dollars per

hundred cubic feet (\$/Ccf)

NNYCWB = New NYCWB rate, expressed in dollars per million gallons (\$/MG)

CNYCWB = NYCWB rate in effect July 1, 2010, expressed in dollars per million

gallons (\$/MG)

LUFW = Lost and Unaccounted for water at 18% or actual, whichever is less,

express as a percentage (%)

¹1337 hundred cubic feet (Ccf) is equivalent to 1 million gallons (MG)

Issued in compliance with the Commission Order in Case 09-W-0824 dated October 15, 2010

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