

PSC No. 2 – Water  
UNITED WATER WESTCHESTER INC.  
Initial Effective Date: **December 5, 2014**

Statement Type: TSA  
Statement No. 1

### TEMPORARY STATE ASSESSMENT SURCHARGE

Applicable to All Customers in RATE DISTRICT 1 (the former territory of United Water New Rochelle)

#### I. General Description

Purpose: To recover, as a separate surcharge, the revenues required for payment of the Temporary State Energy and Utility Service Conservation Assessment (Temporary State Assessment) (Public Service Law §18-a(6)), including carrying charges.

Effective Date: The TSA will become effective for bills rendered on and after July 1, 2014.

#### II. Computation of the TSA Surcharge

Calculation: The TSA will be updated annually to become effective on fifteen (15) days notice to reflect changes in revenues to be recovered from ratepayers to pay the Temporary State Assessment. Carrying charges of the corporation's authorized pre-tax rate of return will be applied to the net of tax un-recovered TSA payments.

TSA Surcharge Amount: The charge will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each Customer under the Company's otherwise applicable rates, charges and surcharges. The surcharge is subject to all revenue based taxes.

Formula:

Total Operating Revenues:	<i>Ann Rprt, pg 300</i>		\$50,591,295
Adjustments:			
Interstate Revenues	<i>Ann Rprt, pg 300</i>		0
Sales for Resale	<i>Ann Rprt, pg 300</i>		0
Uncollectibles	<i>Case 09-W-0824</i>	0.24%	(121,065)
Per 18 a			<u>(500,000)</u>
Total Adjustments:			(621,065)
Assessable Revenues:			49,970,230
Assessment Rate:			<u>1.63%</u>
Estimated Combined General Assessment and Temporary State Assessment Amount:			814,515
General Assessment in Base Rates:	<i>Case 09-W-0824</i>	0.33%	<u>167,204</u>
Estimated Temporary Assessment Surcharge Amount:			647,311
Prior Year Reconciliation			<u>(39,158)</u>
Total Surcharge			608,153
Surcharge as a % of 2013 Billed Revenues:	<i>\$50,388,992</i>		1.21%

Issued in compliance with the Commission Order in Case 13-W-0539, 13-W-0564, 14-W-0006 dated November 14, 2014  
Issued by: David Stanton, President, 2525 Palmer Ave., New Rochelle, NY 10801

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**TEMPORARY STATE ASSESSMENT SURCHARGE** (Continued)

Applicable to All Customers in RATE DISTRICT 1 (the former territory of United Water New Rochelle)

Effective with this statement, the surcharge is 1.21%.

I. Safeguards

Annual Reconciliation: The TSA will be subject to annual reconciliations to be completed when the assessments are revised at the end of each July to June cycle. Any over or under recoveries from the difference between the actual costs and actual collections shall be returned or charged to customers using the same method in which the TSA is collected.

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### TEMPORARY STATE ASSESSMENT SURCHARGE (Continued)

Applicable to All Customers in RATE DISTRICT 2 – (the former territory of United Water Westchester)

#### iii. General Description

Purpose: To recover, as a separate surcharge, the revenues required for payment of the Temporary State Energy and Utility Service Conservation Assessment (Temporary State Assessment) (Public Service Law §18-a(6)), including carrying charges.

Effective Date: The TSA will become effective for bills rendered on and after July 1, 2014.

#### iv. Computation of the TSA Surcharge

Calculation: The TSA will be updated annually to become effective on fifteen (15) days notice to reflect changes in revenues to be recovered from ratepayers to pay the Temporary State Assessment. Carrying charges of the corporation's authorized pre-tax rate of return will be applied to the net of tax un-recovered TSA payments.

TSA Surcharge Amount: The charge will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each Customer under the Company's otherwise applicable rates, charges and surcharges. The surcharge is subject to all revenue based taxes.

Formula:

Total Operating Revenues:	<i>Ann Rprt, pg 300</i>		\$14,390,107
Adjustments:			
Interstate Revenues	<i>Ann Rprt, pg 300</i>		0
Sales for Resale	<i>Ann Rprt, pg 300</i>		0
Uncollectibles		0.09%	(12,519)
Per 18-a			<u>(500,000)</u>
Total Adjustments:			(512,519)
Assessable Revenues:			13,877,588
Assessment Rate:			<u>1.63%</u>
Estimated Combined General Assessment and Temporary State Assessment Amount:			226,205
General Assessment in Base Rates:	<i>Case 09-W-0828</i>	0.33%	<u>47,487</u>
Estimated Temporary Assessment Surcharge Amount:			178,717
Prior Year Reconciliation			<u>(14,679)</u>
Total Surcharge			164,038
Surcharge as a % of 2013 Billed Revenues:	<i>\$14,085,790</i>		1.16%

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**TEMPORARY STATE ASSESSMENT SURCHARGE (Continued)**

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Effective with this statement, the surcharge is 1.16%.

I. Safeguards

Annual Reconciliation: The TSA will be subject to annual reconciliations to be completed when the assessments are revised at the end of each July to June cycle. Any over or under recoveries from the difference between the actual costs and actual collections shall be returned or charged to customers using the same method in which the TSA is collected.