

Edgewood Lakes, Inc.
3 California Avenue
Liberty, NY 12754
845 295-9545

February 12, 2009

Jaclyn A. Brillong, Secretary
State of New York Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

Re: Edgewood Lakes Inc. - Application to Increase Rates and to increase the surcharge related to its Escrow Account.

Dear Secretary Brillong:

The enclosed amendments, submitted by Water Rates Staff, on behalf of Edgewood Lakes, Inc, are transmitted electronically for filing in compliance with the requirements of the Public Service Commission of the State of New York.

P.S.C. No. 4- Water
Leaf No. 12 Revision 3

Escrow Account Statement No.3

Effective date: May 1, 2009

The company's last rate increase went into effect September 1, 2005. Because the company lost three of its customers and there was an increase in the operating and maintenance expenses; the company proposes to increase its annual flat rate from \$629 to \$1,279 or approximately 103.35%. Edgewood Lakes' annual revenues will increase to \$21,744.

The Sullivan County Department of Health is requiring the company to address certain deficiencies it discovered as a result of its December 4, 2008 inspection, and in December 27, 2008 the company had to replace the hydro-pneumatic tank that failed; short of funds until now, the company didn't pay for the replacement and to continue the repairs, Edgewood Lakes is requesting an increase in its quarterly escrow surcharge from \$40 to \$100.

The rate increase is designed to allow us the opportunity to recoup increased operating costs (attached is a copy of a proposed income statement, proposed Leaf 12, Revision 3 and, proposed Escrow statement No 4).

We are also requesting waiver of the requirement of newspaper publication of the proposed changes since we will notify our customers of the proposed changes individually by mail.

Sincerely,

Evelyn Haas, President
Edgewood Lakes, Inc.

Edgewood Lakes 2009 Rate Request

	Latest 12 Months	Company's A djustments	Company Pro-Forma (a)
Operating Revenue	\$10,693	\$11,051	\$21,744
Water Revenues			
Other Income	Previous annual rate/ cust.\$629		
Total Operating Revenues			
Operating Revenue Deductions			
Operation & Maintenance (O&M)			
Officer Salaries	\$1,000	\$250	\$1,250
Supervision & Labor		\$1,256	\$1,256
Operator Salary	\$4,700	\$4,300	\$9,000
Materials & Supplies		\$0	
Office Expense	\$120	\$30	\$150
Rent	\$600	\$0	\$600
Purchased Power	\$3,071	\$279	\$3,350
Purification	\$200	\$0	\$200
Transportation		\$0	
Billing/Meter Reading		\$0	
Insurance		\$1,925	\$1,925
Repairs	\$495	\$200	\$695
Accounting	\$325	\$25	\$350
Professional Fees		\$0	
Water Testing		\$300	\$300
Rate Case		\$0	
Miscellaneous		\$659	\$659
Subtotal O & M Expenses	\$10,511	\$9,224	\$19,735
Depreciation & Amortization			
Operating Taxes			
Property Taxes			
Revenue Taxes			
Other Taxes	\$209	\$0	\$209
Subtotal Operating Taxes			\$209
Total Oper. Revenue Deductions	\$10,720	\$9,224	\$19,944
Utility Operating Income	(\$27)	\$1,827	\$1,800
Rate Base			\$0
Rate per customer	\$1,279		
% Increase	103.35%		