October 10, 2006

The Honorable Jaclyn A. Brilling Secretary to the Commission NYS Public Service Commission Three Empire State Plaza Albany, NY 12223-1350

Re: Aquarion Water Company of Sea Cliff, Inc.
Property Tax Refund Statement No. 1

Dear Secretary Brilling:

Attached is the Property Tax Refund Statement No. 1 issued in compliance with the Commission Order in Case 06-W-0641.

P.S.C. No. 1 – Water Statement No. 1

Property Tax Refund Statement (PTRS)

Effective Date: December 1, 2006

Sincerely,

Linda M. Discepolo Director of Rates and Regulation

Attachment