Southside Water Inc.

C/O James V Lettiere 16115 Heaslip Ln Clayton NY 13624 Phone: (315) 686-4135

June 19, 2006

TO: Jaclyn A. Brilling, Secretary NYS Public Service Commission Three Empire State Plaza Albany, New York 12223

FROM: James V Lettiere Jr.

Re: PWAS #2

I am filing Purchased Water Adjustment Statement No. 2 in compliance with Commission Order 05-W-0696 to become effective July 1, 2006. This will surcharge each customer \$0.2376/Ccf to recover the 6% increase in the cost of water purchased from the City of Watertown.

You will find attached a copy of a letter I received from the City of Watertown stating the 6% increase in water cost.

You will also find attached a copy of the PWAS #2.

RESPECTFULLY

James V Lettiere Jr.

(Southside Water Inc.)



CITY OF WATERTOWN, NEW YORK WATER DEPARTMENT

245 WASHINGTON STREET – SUITE 202 WATERTOWN, NEW YORK 13601-3380 (315) 785-7757 FAX (315) 785-7818

June 1, 2006

Southside Water, Inc. c/o James Lettiere 16115 Heaslip Lane Clayton, NY 13624

Re:

Water Account 5488888220

Notification of Water Rate Increase

Dear Mr. Lettiere:

The City Council of the City of Watertown has approved the annual budget for fiscal year 2006-2007.

The budget has been approved with a 6% increase in water rates over the current rate structure, for both inside and outside water customers.

The rate increase will take effect on July 1, 2006. Your August 1, 2006 water bill will reflect the 6% increase.

If you have any further questions, please contact me at 785-7838.

Very truly yours,

Gary E. Pilon, Supt. of Water

cc: Mary Corriveau, City Manager

Julie Bailey, Principal Account Clerk, Water Business Office