

*Warwick Water Corp.
60 Dutch Hill Road
Suite 11
Orangeburg, New York 10902*

September 21, 2007

Hon. Jaclyn A. Brillling
Secretary
New York State Public
Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case No. 07-W- _____ - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Warwick Water Corp. for Water Service

Dear Secretary Brillling:

In conformance with the Rules and Regulations of the Public Service Commission (Commission), Warwick Water Corp. (Warwick) hereby submits for filing with the Commission the original and fifteen copies of the following revised tariff leaves:

- A. P.S.C. No. 2 – Water, Leaf 12, Revision 1,
superseding P.S.C. No. 2 – Water, Leaf 12.

It is respectfully requested that Staff effectuate the electronic filing of this tariff leaf.

The proposed changes and reasons therefore are set forth below.

P.S.C. No. 2 – Water, Leaf 12, Revision 1 as proposed reflects the rates necessary to produce an increase in operating revenues of \$125,625 over that projected at present rates for the rate year.

The above proposed revisions will affect the bills and reviews for the applicable service classification as follows:

Service Classification No. 1

1.	Estimated number of customers increased	355
2.	Estimated number of customers decreased	0
3.	Estimated number of customers not affected	0
4.	Estimated gross increase in annual review	\$125,625
5.	Estimated gross decrease in annual revenue	0

The notice to the public of the proposed revisions will be effectuated by mailing a notice of the proposed revisions to each customer of Warwick.

The Company has found it necessary to seek additional revenues at this time in order to meet increased costs associated with its operating expenses and to provide a level of return to its investors which is consistent with current costs of capital.

In its direct presentation, the Company will sponsor a total of nine (9) exhibits which will be supported by the direct testimony of one witness. Transmitted herewith are fifteen copies of the exhibits and the prepared direct testimony of the witness.

Warwick's rate case filing relies upon the operating results for the base year ending December 31, 2006. Warwick is a small water works corporation serving 355 customers in the in the Town of Warwick, New York. Our fiscal year ends on December 31, and is the time period over which our financial statistics and operations are compiled and measured. Thus, use of the fiscal year as the test year is the most efficient and reliable methodology to establish a base period reflecting actual water operations. Further, in view of the relatively small scale of our operations and the infrequent nature of our rate case filings --- this is Warwick's first rate filing since rates were set in 1980 --- the use of the fiscal year as the test year is cost-effective, and eliminates unnecessary depletion of resources. The data reflected in this period remains relevant as the scope and nature of water operations do not change significantly over short periods of time. In view of the foregoing, the Commission should permit the use of the year ending December 31, 2006 as the base year in this proceeding.

Please forward all correspondence and inquiries concerning this matter to:

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The original and three (3) copies of the SAPA notice and the Short Environmental Assessment Form are also enclosed.

Please acknowledge receipt of the enclosed filing by date stamping the enclosed copy of this letter, inserting the assigned case number and returning it in the enclosed self-addressed envelope.

Respectfully submitted,

Helene D. Birns, President

Enc.

Cc: Ms. Julia Brzezinska w/ enc.