

**The Chaffee Water Works Company
13419 Allen Road
Chaffee, NY 14030
(716) 496-2020**

August 3, 2009

NYS Department of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

Dear NYS Department of Public Service,

After speaking with a representative from the NYS Department of Public Service the Chaffee Water Works Co. Inc. has been instructed to request a postponement of our request for a water rate increase until January 2010. As of the date of this letter we have provided proof that the company has debt that exceeds the income. We would like to have the rate increase approved as soon as possible, but per your instructions we have been asked to provide you with a request for a postponement. By your September meeting we will be well into the construction phase due to our company hiring a new engineer and lawyer to keep thing on track and moving in an appropriate time frame.

If you have any questions, please feel free to contact me at the number listed above.

Very truly yours,
The Chaffee Water Works Co. Inc.

Rodney Franz
President