Office of Town Supervisor
Town of Ramapo
237 Route 59
Suffern New York
(845) 357-5100
Fax: (845) 357-3877

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Christopher P. St. Lawrence
Supervisor

Town Board:
Councilwoman Frances M. Hunter
Councilman Yitchok Ullman
Councilman Patrick J. Withers
Councilman Daniel Friedman

April 30, 2010

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

Re: Case 09-W-0731 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of United Water New York, Inc for Water Services

Dear Secretary Brilling:

Please accept this letter as my statement in opposition to the Joint Proposal, signed by Joseph Dowling of the Department of Public Service and Dennis Ciemnecki, United Water of New York, Inc. on April 20, 2010.

When we examine the resources of the water supply in Rockland County, we see that United Water is releasing approximately seven and one-half million gallons of water every day to New Jersey. This number is coincidentally quite close to the millions of gallons they expect to be generated daily if United Water is permitted to build a desalinization plant. The joint proposal, p 9, states "it is in the customers' best interest and in the public interest for the Company to continue its development of new sources of water supply." To this statement I pose the question, at what cost and whose best interest? The proposed desalinization is not a safe and reliable water supply. This new water supply from the plant poses safety risks to consumers, environmental impacts on wildlife and unnecessary financial burden on Rockland Consumers. At the outset, the cost of building and maintaining a desalinization plant is exorbitant. The Company is then asking the ratepayers to drink desalinization water which studies have shown contains carcinogens such as tritium, strontium 90 and other radioactive nuclides. The Company has failed to address these water quality safety concerns. The company expects the ratepayers to drink this carcinogen filled water while our pure, clean, pristine water of Lake DeForest is sent to New Jersey. The residents and businesses of Rockland County already pay taxes and utility costs far in excess of most other communities and are now being asked to pay tens of millions of

dollars, if not more, for the construction of a plant which cannot produce safe and reliable water. It does not make sense and I cannot stand for this.

I am opposed to the creation of the desalinization plant for health and safety reasons and I want the Company and Public Service Commission to offer witnesses in answering the health and safety concerns of quality of water, and the environmental impacts on wildlife and in support of their proposition.

The "Statement of the New York State Department of Public Service Staff in Support of the Joint Proposal" alleges it has addressed the ratepayers' concerns raised at the public hearing of April 22, 2010. However, the Staff's response to the health and safety concerns raised at the public hearing is in direct contradiction to their own mission statement. The Staff writes "[s]uch concerns are outside the scope of the rate case and should be addressed by the DEC review of the project." The mission statement of the New York State Department of Public Service is as follows,

> to ensure **safe, secure and reliable** access to . . .water services for New York State's residential and business consumers, at just and reasonable Rates. The Department seeks to stimulate innovation, strategic infrastructure investment, consumer awareness, competitive markets where feasible, and the use of resources in an efficient and **environmentally sound matter**. (emphasis added)

I am opposed to the staff's dereliction of their own mission statement and I want the Staff to offer witnesses in support of the proposition that safety concerns, environmental concerns are outside the scope of their duties and thus ignoring their own mission statement.

I am opposed to the creation of the desalinization plant from a cost effectiveness analysis of this long term water supply as opposed to the development of alternative water sources, such as Ambrey Pond, and I want the Company to offer witnesses in support of that proposition.

I am opposed to the creation of the desalinization plant from a cost effectiveness standpoint, in that the Company's position that the desalinization plant is a more cost effective long term water supply than other alternatives, such as improving and rectifying the system water losses, as they exist, so as to lower the infrastructure's leakage index. I want the Company to offer witnesses in support of their proposition.

I am opposed to the release of 7 ½ millions of gallons of water to New Jersey. I want the Company to offer witnesses in support of their need for a desalinization plant rather than re-negotiating the agreement on Lake DeForest and charging New Jersey for the Lake Deforest water supply.

Across this state and across this county we have moratoriums on development and job freezes. People wake up each day thankful if they still have their jobs; yet, the joint proposal allows a company to increase our consumers' rates so United Water can hire 6 new employees. It doesn't make sense and I cannot stand for this.

I am opposed to the hiring of 6 new employees and I want the Company and the Public Service Commission to offer witnesses in support of that proposition.

Where in United Water is their fiduciary responsibility to preserve the capital of their company? What is the incentive for United Water to protect the capital of the company? I submit there is none when after all, if they make a bad investments, their capital goes down and they cannot meet the deferred pension plan of their employees, this joint proposal forces ratepayers to cover the company's losses. United Water is using the consumers as their safety net and it must stop. This does not make sense and I cannot stand for this.

I am opposed to the practice of relying upon the Commission's statement of "Policy and Order concerning the Accounting and Ratemaking treatment for Pension and Postretirement Benefits other than pensions." How the staff can reconcile this practice with the Commission's May 2009 Austerity Directive? I want the Company and the Public Service Commission to offer witnesses in support of their proposal.

I am opposed to the 21% base increase without the implementation of any austerity measures and I want the Company and the Commission to offer witnesses demonstrating where they have implemented an Austerity Adjustment into the joint proposal.

By approving this joint proposal, the Public Service Commission is not only failing to ensure the delivery of "safe" water, but they are failing at their mission statement. This joint proposal does not ensure the ratepayers of Rockland County are receiving their water at a "just and reasonable rate." In today's economy, if a 21% increase in rates is "reasonable and just", the Commission must reexamine their standards.

On behalf of the people of the Town of Ramapo, for the reasons stated above and in my previously filed testimony and prior statements at the Public Hearing, I strenuously oppose the Joint Proposal of April 20, 2010.

Very truly yours,

Christopher P. St. Lawrence
Town Supervisor

cc: Judge William Bouteiller
Active Parties List