

ATTACHMENT 1

PUBLIC NOTICE

PROPOSED CHANGE IN RATES

On April 29, 2011, Long Island Water Corporation d/b/a Long Island American Water filed an application with the New York Public Service Commission (PSC) for an overall rate increase of \$9.56 million. The increase in rates by service classification is as follows:

Service Classification	Service	Percent Increase in Rates
1	General Water Service	19.51%
2	Private Fire Hydrant Service	19.51%
3	Lawn Sprinklers	19.51%
4	Public Fire Hydrant Service	19.51%
5	Miscellaneous Water Revenue	19.51%
6	Private Fire Sprinkler Service	19.51%

If approved as proposed, the annual bill for the average residential customer using 72,000 gallons of water a year and serviced with a 5/8-inch meter would increase by \$72.04 (averages out to \$0.1974 per day). The annual bill for the average commercial customer using 200,000 gallons of water a year and serviced by a one-inch meter would increase \$180.87 (averages out to \$0.4955 per day).

As part of the rate request process, the PSC will conduct a thorough review, including public hearings, before a decision is made. The PSC may approve, modify or reject any or all of the proposed tariff changes for all rate classifications. For more information or to view a copy of the proposed tariff, please call Long Island American Water at 1-877-426-6999 or Jaclyn Brillling, Secretary to the PSC, at (518) 474-6530.

PSC No. 1 - WATER
COMPANY: LONG ISLAND WATER CORPORATION d/b/a
LONG ISLAND AMERICAN WATER
INITIAL EFFECTIVE DATE: MAY 31, 2011

LEAF NO.: 60
REVISION: 3
SUPERSEDING REVISION: 2
ISSUED: APRIL 29, 2011

SERVICE CLASSIFICATION NO. 1

Applicable to the Use of Service for: General Water Service – Residential
Character of Service: Continuous

Rates:	<u>Meters Read and Billed Monthly</u>	
<u>Summer</u>		
May 1 through September 30	First 5,000 gal.	\$4.1883 per 1000 gal.
	Over 5,000 gal.	5.2391 per 1000 gal.
<u>Winter</u>		
October 1 through April 30	All consumption	\$4.1883 per 1000 gal.

The allowed water quantities in the first block will be prorated on a daily basis.

<u>Meter Size</u>	<u>Customer Service Charge</u> <u>Monthly</u>
5/8"	\$11.22
3/4"	12.81
1"	15.25
1 1/2"	29.67
2"	33.31

The customer service charge applies to both seasons, will be included in each bill and will be charged on a daily basis if meter reading is outside of the billing window.

Terms of Payment: Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

The above rates are subject to the state and applicable local gross revenue taxes as set forth in the current tax statements with this Schedule.

Issued in compliance with the Commission Order in Case 11-W- dated

Issued by: William M. Varley, President, 733 Sunrise Highway, Lynbrook, NY

PSC No. 1 - WATER
COMPANY: LONG ISLAND WATER CORPORATION d/b/a
LONG ISLAND AMERICAN WATER
INITIAL EFFECTIVE DATE: MAY 31, 2011

LEAF NO.: 61
REVISION: 3
SUPERSEDING REVISION: 2
ISSUED: APRIL 29, 2011

SERVICE CLASSIFICATION NO. 1A

Applicable to the Use of Service for: General Water Service – Commercial & Industrial
 Character of Service: Continuous

Rates:	<u>Meters Read and Billed Monthly</u>	
<u>Summer</u>		
May 1 through September 30	First 34,000 gal.	\$5.2391 per 1000 gal.
	Over 34,000 gal.	4.1883 per 1000 gal.
<u>Winter</u>		
October 1 through April 30	First 34,000 gal.	\$4.1883 per 1000 gal.
	Over 34,000 gal.	3.4922 per 1000 gal.

Customer Service Charge	
<u>Meter Size</u>	<u>Monthly</u>
5/8"	\$11.22
3/4"	12.81
1"	15.25
1 1/2"	29.67
2"	33.31
3"	72.69
Compound 3"	114.20
Compound 4"	130.10
Compound 6"	129.75
Compound 8"	175.39
5/8" & 2"	35.05
1" & 1 1/2"	36.34
1 1/2" & 1 1/2"	44.95
1 1/2" & 2"	48.58
2" & 2"	52.21
3" & 3"	202.77
4" & 4"	234.51

The customer service charge applies to both seasons, will be included in each bill and will be charged on a daily basis if meter reading is outside of the billing window.

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PSC No. 1 - WATER
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LEAF NO.: 62
REVISION: 3
SUPERSEDING REVISION: 2
ISSUED: APRIL 29, 2011

SERVICE CLASSIFICATION NO. 1A (Continued)

Terms of Payment: Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Service may be discontinued on 48 hours notice to the Corporation.

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LEAF NO.: 63
REVISION: 3
SUPERSEDING REVISION: 2
ISSUED: APRIL 29, 2011

SERVICE CLASSIFICATION NO. 2

Applicable to the Use of Service for:

Private Fire Hydrant Service when the existing facilities (mains, etc.) of the Company are adequate for supply, and where the hydrant is to be used for fire purposes only.

Character of Service:

Continuous

Rate: \$784.44 per hydrant per year

Terms of Payment:

Upon acceptance of customer's application for service, a sum of \$784.44 is to be paid covering the first year of service, and thereafter \$784.44 is to be paid annually in advance.

A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term:

Five years minimum, thereafter until cancelled by 60 days written notice.

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SERVICE CLASSIFICATION NO. 3

- Applicable to the Use of Service for: Lawn Sprinkler Service
- A. Lawn Sprinkler Systems supplied by an existing service line installed prior to March 15, 1947 which supplies both lawn sprinkling systems and general service.
 - B. Lawn Sprinkler Systems installed on or after March 15, 1947.

Character of Service: Seasonal (May 1st through October 31st)
See Section VII for Lawn Sprinkler responsibility and details.
For all quantities used in each season, the following rate applies: \$5.2391 per 1,000 gallons.

<u>Customer Service Charge</u> <u>Season: May 1st to October</u> <u>31st</u> <u>Meter Size</u>	<u>Per Season</u>
1"	\$165.92
1½"	293.52
2"	337.15

TERMS OF PAYMENT:

New Service: Service construction costs, inspection fee and non-refundable Customer Service Charge are payable upon acceptance of Application for Service. If a new service is installed during the season, the Customer Service Charge will be applied on a prorated basis. Thereafter, the Customer Service Charge is payable in advance before service is connected for the season.

Existing Services: A Customer Service Charge is payable in advance before service is connected for the season. The Customer Service Charge shall be prorated for customers not taking lawn sprinkler service for the entire season. Whenever a customer has been found to have activated their lawn sprinkler service without having paid the appropriate Customer Service Charge in advance, the Customer Service Charge will be retroactive to May 1st.

Charge for water consumed is payable upon presentation of bill. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Meters may be read monthly, quarterly or seasonally at the option of the Corporation. The above rates are subject to the state and applicable local gross revenue taxes as set forth in the current tax statements with this Schedule.

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SERVICE CLASSIFICATION NO. 4

Applicable to the Use of Service for:

Public Fire Protection

Character of Service:

Continuous

Rate:

Public Fire Hydrants \$784.44 per hydrant per year

Minimum Charge:

None

Terms of Payment:

In arrears, monthly or quarterly, at the option of the Corporation. If hydrants are installed within the billing period, the charges will be prorated. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term:

One year and to continue from year to year thereafter, unless terminated by thirty days notice.

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SERVICE CLASSIFICATION NO. 5

Applicable to the Use of Service for:

Construction and other purposes when the supply of water is not metered.

Character of service: Continuous

1 - Water used in constructing one or two story dwellings:

<u>Frame</u>	Unit	Rate
	Each Structure	\$86.90
Frame and half stucco	Each Structure	115.85
All stucco, cement or cinder block, hollow tile, brick veneer or various combinations	Each Structure	\$144.82
Brick	Each Structure	173.77

2 - Structures other than dwellings

Concrete, stone, terra cotta	Per cu. yd. of masonry	\$0.98
Other masonry		
Brick	Per 1,000 bricks	1.84

3 - Road Construction

Concrete, macadam or other roads	Per 100 sq. ft.	\$3.38
Sidewalk	Per 100 sq. ft.	3.38
Curbing	Per 100 sq. ft.	3.61

4 - Flooding Ditches

Ditch 2 ft by 3 ft - \$18.19 per 100 lineal feet
(Proportionate charges for excess of above)

5 - Jetting Planks

Minimum rate - \$19.17 for four or less planks
First four planks \$19.17, thereafter \$1.35

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SERVICE CLASSIFICATION NO. 5 (Continued)

6 - Jetting Spiles

Minimum rate \$19.17 four or less spiles
First four spiles \$19.17, thereafter \$2.89

7 - Water drawn from hydrants for the purposes other than fire protection
and for purposes other than specified above.

Rate: \$4.76 per 1,000 gallons

Minimum charge of \$95.21 payable in advance for which the customer will be entitled to use 20,000 gallons of water in the period stated in the permit. Water in excess of such allowances will be billed at the rate above stated, at the expiration of the permit, and the bill thereof will be due and payable when rendered. The quantities of water used will be estimated.

Hydrant Permits

(In addition to above charges)

Per hydrant	\$19.17 per day
For services of Inspector (when required by Company)	144.82 per day

Terms of Payment:

Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: None

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SERVICE CLASSIFICATION NO. 6

Applicable to the Use of Service for:
Private Fire Protection – Risers for hose connections and/or sprinkler heads.
Character of Service: Continuous

Rate: Flat

Through 2” fire service connection or less	\$ 47.40 per quarter
Through 3” fire service connection or less	\$ 118.48 per quarter
Through 4” fire service connection or less	\$ 237.00 per quarter
Through 6” fire service connection or less	\$ 474.01 per quarter
Through 8” fire service connection or less	\$ 947.94 per quarter
Through 10” fire service connection or less	\$ 1,896.00 per quarter
Through 12” fire service connection or less	\$ 3,792.00 per quarter
Through 16” fire service connection or less	\$ 7,584.00 per quarter

Minimum Charge: As above

Terms of Payment: Quarterly in advance. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Agreement effective for a term of not less than one year. Service may be discontinued after one year upon ten (10) days prior notice to the Corporation.

Special Provisions:

- (a) Each fire service installation is to be used solely and exclusively for fire protection. Water for any other purpose shall not be drawn from a private fire service connection, except that the Corporation will permit the use of water for test purposes upon three (3) days prior notification to the Corporation. The use of water in violation of the terms of this provision shall result in cancellation of service under this classification, whereupon the customer shall be rendered service under General Water Service Classification No. 1 and shall pay the rates set forth therein.
- (b) The Corporation reserves the right to install a meter at any time.

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ISSUED: APRIL 29, 2011

SERVICE CLASSIFICATION NO. 6 (Continued)

- (c) The above rates are subject to the state and applicable local gross revenue taxes as set forth in the current tax statements with this Schedule.

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