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Re: Case 13-W-0295 – United Water Rates - 4/24/2014 Public Statement Hearing

**** Please note this is a Preliminary transcript, subject to later edits when reviewed by the parties and the Administrative Law Judges assigned to the case.**

Public Statement Hearing - Vol. II
April 24, 2014

STATE OF NEW YORK
PUBLIC SERVICE Commission

-----X
Case No. 13-W-0295, Proceeding on Motion
of the Commission as to the Rates, Charges,
Rules and Regulations of United Water New
York Inc. for Water Service.

-----X
Public Statement Hearing
Town of Ramapo
Town Hall Council Room
237 Route 59
Suffern, New York 10901

April 24, 2014
7:00 p.m.

PRESIDING:

RAFAEL EPSTEIN, ESQ.

Administrative Law Judge

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Email: stenokat@verizon.net

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2 P R O C E E D I N G S

3 ALJ EPSTEIN: Thank you, Mr. St.
4 Lawrence.

5 My name is Rafael Epstein. I'm an
6 administrative law judge. I am employed by
7 the New York State Public Service Commission.
8 And my latest assignment has been to work on
9 this case, 13-W-0295, the United Water rate
10 application. I'm working on it with one
11 other administrative law judge, who also is
12 an employee of the Public Service Commission.

13 At this stage of the case what's
14 going on is, as you undoubtedly know, the
15 company filed for a rate increase. They
16 filed for it last summer and it's under
17 review since then. When it came in, the
18 trial staff of the Department of Public
19 Service, which is the entity within the
20 Public Service department that is assigned to
21 present a pro consumer case, then the trial
22 staff examined the filing. The trial staff
23 consists of experts in various technical
24 areas such as engineering, environment,
25 finance, accounting, and they all examined it

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2 from their point of view. They looked at the
3 testimony and the exhibits that the company
4 had put in with its rate application. And
5 they prepared their own testimony and
6 exhibits, presenting the opposing view points
7 and reasons why the various elements of the
8 company's rate request were not valid
9 according to the trial staff. That testimony
10 was filed.

11 In addition to those two parties,
12 the trial staff and the company, other
13 parties in this particular case were the
14 Utility Intervention Unit or UIU within the
15 New York State Department of State, also
16 assigned to present a consumer advocates
17 case. And the Municipal Coalition, which is
18 a group that was assembled for purposes of
19 this particular case, which consists of local
20 municipal governments and governmental
21 officials, fire department officials, and
22 they were a fourth party.

23 We had hearings, we had trial type
24 evidentiary hearings, which we finished
25 earlier this spring. And at the conclusion

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2 of that, all the parties put in initial
3 briefs and replies to the initial briefs.
4 All that went to the administrative law
5 judges who presided over these hearings. And
6 we wrote a Recommended Decision, as it's
7 called, which was issued on April 9th. And
8 it represents our, the two judges'
9 recommendations to the PSC.

10 Now, there's going to be another
11 round of briefs that are due Monday, where
12 any of the parties who disagree with the
13 Recommended Decision can present their
14 arguments to the Commission. And then the
15 Commission will be studying all that and
16 thinking it over for at least a month. And
17 at the conclusion of that process they'll be
18 ready to vote on the rate application that
19 the legal deadline for that as things now
20 stand, unless the deadline changes for any
21 reason, but the current legal deadline for a
22 decision in this rate case is June 30th. And
23 the Commission's last regularly scheduled
24 session before that is June 26th. So if
25 there's no Commission decision before then,

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2 there needs to be a vote on June 26th anyway.
3 It's in that context that we're
4 having this hearing here tonight. The reason
5 we are having it is because, aside from
6 hearing from all these parties, the four
7 parties that I just mentioned, and their
8 lawyers and their briefs, the Commission
9 needs to hear from you directly. If you are
10 concerned enough and if you have the
11 inclination and the time in your busy lives
12 to come out here and make comments yourself
13 individually, either on your own behalf as
14 individuals, or very likely some of you may
15 be representing organizations in the
16 community, if you come out to a hearing like
17 this and take the microphone and make a
18 statement, it will be transcribed by the
19 court reporter if you speak clearly and
20 slowly enough, and that transcript will
21 appear on the Department of Public Services
22 Web site. The address of that Web site is on
23 these handouts. And it's DPS as in
24 Department of Public Service, dot NY as in
25 New York, dot g-o-v as in government. And

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2 the reason I'm making a point of mentioning
3 that is that if you go there and you punch in
4 this case number that I just mentioned, which
5 is this rate case 13-W-0295, which also
6 appears on the larger handout, you can see
7 just about everything in this case. You can
8 see the testimony that was filed by these
9 four parties. You can see their briefs. You
10 can see the transcript of the hearings where
11 their witnesses got up and underwent cross
12 examination. You can see the briefs that
13 came in after those hearings. And you can
14 see the transcript of tonight's session and
15 also the three sessions that were held just
16 before this. We were here this afternoon,
17 and yesterday we were at the Festa Middle
18 School in West Nyack, we had an afternoon
19 session and an evening session. And not only
20 you can see it but those comments, those
21 transcripts are one of the things that the
22 Commission is going to be looking at. So
23 it's very helpful that you are here to
24 participate in this part of the process.

25 You probably also pretty well know

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2 this, but there are two other proceedings
3 going on before the PSC involving United
4 Water at this time. One of them is the,
5 using the shorthand, it's the surcharge case,
6 the case involving the company's request to
7 charge you a surcharge for the costs of the
8 Haverstraw desalination or desal plant. And
9 there is also a related case going on about
10 the company's strategy for addressing the
11 long term supply, water supply needs of
12 Rockland County. Technically those matters
13 are not on the table here tonight because
14 what the Commission is going to vote on in
15 this case is the rate request. The surcharge
16 request is in the other case. So in voting
17 on the rates, the Commission is not going to
18 vote on the surcharge. That's why it's
19 called a surcharge, because it's over and
20 above the basic periodic rates that people
21 are charged.

22 But I recognize -- I recognize --
23 I've been hearing this case from the
24 beginning, and I recognize that there are a
25 lot of contexts in which the desal plant

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2 comes up. There have been arguments about
3 the company shouldn't be working on the desal
4 plant. If the company -- the allegation is
5 made that if the company were managing its
6 affairs differently, they wouldn't have
7 needed this desal plant. The argument has
8 been made that there's no further need for
9 long term supply. So I'm aware of all those
10 arguments.

11 If you choose to spend your time
12 here tonight commenting on those things, I
13 just have to point out that the Commission
14 might look at those comments and say well,
15 that's the desal plant or that's the need
16 proceeding. We're not looking at that now,
17 we don't want to vote on it, we are not going
18 to vote on it now, so -- but I can understand
19 that if you feel that it's relevant in your
20 individual judgment you may want to bring it
21 up.

22 And I mention that because we're
23 operating with a limited amount of time here.
24 Judging from the number of people I see here,
25 we could be here for a while. I don't impose

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2 time limits on speakers unless it looks like
3 we're going to be here all night and that's
4 the only way to avoid it, because I know not
5 everybody can stay here until the bitter end,
6 and people get tired, people have other
7 important things that they have to get home
8 to. So at this point all I would say about
9 the time limit is if you -- again, I'm not
10 sure you want to spend time talking about
11 desal or long term need strategies. And
12 also, if you would just bear in mind that
13 everybody behind you is waiting their turn.
14 So if you could limit your remarks maybe to
15 five minutes, maybe to ten minutes, or just
16 think about limiting your remarks, that would
17 be just appreciated probably by everybody
18 who's waiting their turn. Although I can
19 stay here all night, I can stay here longer
20 than anybody, but people do need to get out.

21 Now, I think I mentioned that --
22 yes, on the Web site you can really get an
23 in-depth education about what everybody in
24 this case has said. If you search for that
25 case, the case number on that Web address, it

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2 will bring up all the documents. You can
3 become, you know, one of the world's leading
4 experts on this case. There's plenty to read
5 there.

6 (Laughter)

7 ALJ EPSTEIN: I think the only
8 other thing that I need to cover here is that
9 as a matter of logistics what we are going to
10 do is if you wanted to speak, you've been
11 asked to sign one of the little cards up
12 there if you wanted to speak, and that will
13 help us identify your name for the reporter
14 and the transcript, and it will also help us
15 make sure that it's first come, first served,
16 and that everybody who -- that nobody who
17 signed up gets overlooked and everybody gets
18 called on.

19 And some of you may have written
20 remarks that you're reading from. If you do
21 have written remarks, it would be helpful to
22 the reporter, when she's putting the
23 finishing touches on the transcript, it would
24 be helpful to her if you would hand her a
25 copy of that. If you don't have written

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2 remarks, though, that's fine. And if you're
3 speaking totally extemporaneously, that's
4 fine also. Just remember what I suggested
5 about five or ten minutes.

6 And I believe that's it as far as
7 logistics are concerned. Then as an initial
8 matter before we take the first speaker, I
9 want to explain that at the end of today,
10 this afternoon's session, right after we
11 pulled the plug on the cable television and
12 the reporter's equipment over here, we got a
13 visit from County Legislator Toney Earl, who
14 had made every effort to get here so that he
15 could make a statement, and he could not be
16 here at this time. So I agreed to read his
17 statement because he pointed out to me that
18 it's rather short anyway. I'm also going to
19 post it on the department's Web site.

20 And in addition to anything that
21 you might hand to the reporter, if you have
22 written statements that you want to have
23 posted as exhibits from tonight's session,
24 you can hand such a thing to me.

25 Also, the large flier in the back

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2 explains that if you don't like to speak in
3 this kind of a setting, or if you'd like to
4 speak but you'd also like to put something in
5 writing, there are different options. You
6 can write a letter, you can mail a letter to
7 the Commission, you can send them an email.
8 You can call up a telephone line, which will
9 record a statement that you make there if you
10 want to make a statement orally. And you can
11 do any and all of those things. Doing one
12 doesn't preclude you from doing another.

13 Mr. Earl's statement was as
14 follows.

15 (Reading:) He said, Good evening,
16 my name is Toney Earl. I'm a County
17 Legislator representing District 8, which
18 includes parts of Spring Valley, Hillcrest,
19 New Hempstead and unincorporated Ramapo.
20 Tonight I want to join so many others in
21 opposing the outrageous rate hike for United
22 Water customers.

23 The district I represent includes
24 diverse, underprivileged families and low
25 income residents in this town who struggle to

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2 pay their utility bills even as they are now.
3 In my district there are so many people who
4 are out of work and are now left with close
5 to nothing, or are forced to rely on meager
6 social services to get by. My constituents
7 simply cannot afford yet another utility rate
8 increase.

9 I am here tonight to represent
10 their concerns, and I hope that the New York
11 State Public Service Commission will
12 represent all the people to be affected by
13 this increase, whether they're in my district
14 or my county, and do the right thing and
15 reject this proposed rate increase. Thank
16 you, Toney Earl.

17 Okay. And with that, the first
18 actual physically present speaker looks like
19 Mr. Arin.

20 MR. ARIN: Do you want a copy of
21 the speech or -- I gave one to the recording
22 secretary. Do you want a copy?

23 ALJ EPSTEIN: If you have just one
24 copy I think the stenographer is the best --
25 the one who can make the best out of it.

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2 MR. ARIN: Okay.

3 ALJ EPSTEIN: If you have another
4 copy that you want me to post on the Web site
5 I can do that, or you can mail it in. I'm
6 just not a hundred percent sure I'm going to
7 get back what goes to the stenographer.

8 MR. ARIN: Okay. Here you go.

9 ALJ EPSTEIN: Okay. So this will
10 be for the --

11 MR. ARIN: I gave her one.

12 ALJ EPSTEIN: Oh, you gave her
13 one. This is for the Web site.

14 MR. ARIN: It's for you.

15 ALJ EPSTEIN: Okay. Thank you.

16 MR. ARIN: My name is Ted Arin. I
17 live at 11 Imperial Lane, Spring Valley, New
18 York. I've been in the county approximately
19 forty some odd years. And I'm now the
20 president of the local Rockland County AARP
21 chapter. I speak for 165 chapter members.
22 After this meeting today we have fifteen more
23 members, so we have 180 members and so forth.
24 Anyway, I speak for the chapter members plus
25 the thousands of other senior citizens who

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2 live in Rockland County on fixed incomes, and
3 will be financially hurt if the water rates
4 are increased.

5 According to settled law, water
6 utilities are permitted to charge rates that
7 have the potential to generate a return that
8 is sufficient to attract capital at a
9 reasonable rate. The company is not
10 guaranteed any return. Whether it earns an
11 allowed return depends on how efficiently the
12 company is run and/or whether the PSC allows
13 recovery of reasonable operating expenses and
14 other factors. There's no regulatory
15 guarantee that a poorly run company will earn
16 its allowed rate of return.

17 Based upon United Water's own
18 data, they lose 21 percent of the treated
19 water through leaky pipes in the distribution
20 system. That means that 21 percent of the
21 water, for whose treatment the citizens of
22 Rockland County have already paid for, is
23 being lost.

24 And then there is a little -- then
25 there is the excess treated water that

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2 between 1991 and 2007 more than seven million
3 gallons daily were sent to New Jersey. Does
4 this represent an efficiently run company?
5 Does this represent a company that should be
6 allowed a 28.9 percent increase in their
7 rates?

8 If a poorly run store lost 21
9 percent of its salable goods, it would be out
10 of business. Obviously, the store owner
11 needs to manage his merchandise more
12 carefully. It's the same situation with
13 United Water. It needs to better manage its
14 water distribution system, so there wouldn't
15 be a need for a 28.9 percent increase to the
16 ratepayers.

17 The irony of this mismanagement is
18 that over the past five years, United Water
19 has never even filed a report, as required by
20 PSC, to disclose that its average water
21 leakage of 21 percent was above the 18
22 percent maximum threshold. To top it all
23 off, United Water never provided an action
24 plan to remediate the problem.

25 For the year 2004 -- 2014, people

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2 on Social Security received a small 1.5
3 percent cost of living increase. United
4 Water wants a 28.9 percent increase in their
5 water rates. It will be very difficult and
6 perhaps impossible for seniors on fixed
7 incomes to compensate for this huge increase.
8 As far as we are concerned, AARP, United
9 Water, with its shoddy management of our
10 precious resource, water, should get no rate
11 increase. But if you're inclined to give
12 them a token increase, well, let's give them
13 a 1.5 percent increase as the hard working
14 seniors received in their Social Security
15 payments.

16 Thank you.

17 (Applause)

18 ALJ EPSTEIN: Thank you, Mr. Arin.

19 Ms. Vericker, I believe it is.

20 MS. VERICKER: My name is Carol
21 Vericker. I live in Wesley Hills. I've been
22 a Ramapo resident for 32 years. And the
23 first thing I want to say is I agree with
24 every point made by the previous speaker.
25 Thank you, you did a great job.

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2 MR. ARIN: Thank you.

3 (Applause)

4 MS. VERICKER: I agree that not
5 only is the 28 percent proposed increase
6 ridiculous, but so is the part that the RD of
7 11 percent is still ridiculous, and way more
8 than the 1.5 percent that was recommended by
9 the previous speaker.

10 As somebody who's been following
11 this issue for a few years now, I've been
12 extremely upset that I just feel like nobody
13 is paying attention to the needs of the
14 residents of Rockland County and to our
15 rights. And I know that we're supposed to
16 address only the rate increase this evening,
17 but I, please, I ask you to take a look at
18 the whole picture. It's very frustrating for
19 those of us who live in the county to have to
20 come to one hearing that addresses only the
21 desal plant and long term water plans,
22 another hearing that addresses only the
23 proposed rate increase, and then another one
24 coming up that will be just for the money
25 that's already been spent on the desal plant,

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2 trying to recover that. So I ask you,
3 please, is there any way that you can put all
4 this together in one package so we're looking
5 at just the whole picture. And looking at
6 how well United Water manages the company,
7 whether or not they're justified in getting
8 any increase at all, and looking at what are
9 the long term needs for Rockland County,
10 because we believe we have enough water, and
11 if it's properly taken care of, we'll be able
12 to do it without huge increases in our water
13 rates.

14 Thank you.

15 (Applause)

16 ALJ EPSTEIN: Thank you.

17 Mr. Granier.

18 MR. GRANIER: Thank you, your
19 Honor. Good evening. I'm here on behalf of
20 the West Branch Conservation Association,
21 which was founded in 1940, and is probably
22 the oldest conservation organization in
23 Rockland County. We've been involved in
24 water allocation issues since the early
25 1970s. And a lot of the questions I'm

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2 hearing discussed tonight were live questions
3 in the 1970s, particularly the one of
4 unaccounted-for water. It's an old question.
5 We're constantly told there's nothing wrong
6 with 17, 18 percent loss of product. And
7 I'll have something to say about that in a
8 minute.

9 But what we were discussing
10 earlier yesterday too was the rate change
11 that you judges and maybe the Commission were
12 considering an increase of, what was it, 12
13 percent of the rates, the water rates, 15,
14 I'm trying to remember.

15 ALJ EPSTEIN: You're being too
16 kind. It's 15.

17 MR. GRANIER: Fifteen. And you
18 explained your method, which was more
19 interesting to me than the actual number.
20 You took each item that the water company
21 claimed justified an increase, and you
22 evaluated it item by item. And the ones that
23 you honored were ones you were willing to
24 credit for a rate increase.

25 I'm here to ask you to look at a

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2 slightly larger version of the same question.
3 If, for instance, the economic obsolescence
4 adjustment was not taken by the water
5 company, you know perfectly well the reason
6 is that they can make more money out of the
7 value that they would otherwise amortize by
8 treating it as part of their basis for a rate
9 increase. The rate of return on the
10 un-amortized water would be -- or
11 equipment -- would be a lot higher than if
12 you knocked off the value of the old stuff
13 from the value of the company.

14 What I wanted to suggest is that
15 in your viewing of these items, you took a
16 slightly larger view and looked at the impact
17 not only on the rate but on the rates that
18 would increase to the consumers. If we the
19 ratepayers end up paying, I think it was \$3
20 million more than it would otherwise have had
21 to pay over the last few years if the
22 obsolescence adjustment had been taken, take
23 that into account and reduce the increase so
24 that we would come out the same way in what
25 we pay for water as if the obsolescence

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2 adjustment had been taken. Because
3 otherwise, as things stand, you make it more
4 profitable not to try to save the consumers
5 money, and I think that would be unjust.

6 Likewise, this business of
7 unaccounted for water leaks cost us money.
8 And quite aside from whether it wastes a
9 natural resource, it's money out of our
10 pockets. Take that into account when you
11 make your rate adjustment. If the water
12 company doesn't see fit to repair its pipes
13 at a greater rate, I mean we're still looking
14 at the same rate of lost water more than I
15 saw in the early seventies. The problem
16 hasn't gotten better, it's gotten worse, and
17 it's profitable for it to get worse unless
18 you adjust the rates accordingly. I think
19 you have the power as regulators to demand a
20 better maintenance of the plant.

21 I think if you look at the rest of
22 your items you'll see some of them are also
23 subject to the same kind of adjustments that
24 I'm talking about. Look at the way your rate
25 increase will affect the rates that consumers

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2 pay, and see which ones can be justifiably
3 reduced.

4 Thank you.

5 ALJ EPSTEIN: Thank you,
6 Mr. Granier.

7 (Applause)

8 ALJ EPSTEIN: Jeffrey -- you have
9 to help me.

10 MR. GENSER: Genser.

11 ALJ EPSTEIN: Genser, okay.

12 MR. GENSER: Hard G. Jeffrey
13 Genser.

14 ALJ EPSTEIN: Sorry.

15 MR. GENSER: 32 First Street,
16 Suffern, New York.

17 Although I'm not a United Water
18 customer because I live in the village of
19 Suffern, we have our own water system, United
20 Water tried to buy it -- I should say United
21 Water Suez attempted to buy our water system
22 a number of years back, and the citizens did
23 not want to sell it to them, thankfully.

24 However, I am a county resident. And
25 Rockland County buys water from United Water,

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2 so I feel like I have a fair enough standing
3 to make some comments.

4 I want to just bring up a little
5 bit about the history of the company we're
6 talking about, United Water Suez. I'm not
7 going to go too far back, I'll start in the
8 1990s. United Water Suez decided to do
9 business in countries such as India, Bolivia,
10 Chile, Mexico, Argentina, Nigeria, Malaysia
11 and the Philippines, to name a few. In
12 Chile, for instance, in the early nineties,
13 they had an agreement with the World Bank,
14 and the World Bank guaranteed them a 33
15 percent return on investment. But that
16 wasn't enough for United Water. They wanted
17 35 percent. The only true water wars to date
18 were fought against Suez, the parent company
19 of United Water.

20 In Bolivia, in a town called
21 Cochabamba, they call it the Cochabamba Water
22 War. Their subsidiary, Aguas del Illimani,
23 was attempting to charge exorbitant rates to
24 people who had very little money. And
25 basically, to make a long story short, they

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2 were violently extricated from Bolivia by
3 these peasants and left the country.

4 A similar situation took place in
5 Johannesburg, South Africa. The company had
6 projections of making, in the year 2000-2001,
7 440,000 euros per year. They projected to
8 increase those revenues by 2008-2009, just
9 really a short period of time, to 366 million
10 euros, in a period of seven years.

11 What I'm trying to emphasize is
12 they have a history of being very greedy and
13 unethical and immoral when it comes to a
14 commodity such as water, which I personally
15 think is a human right to have. I don't
16 think that any company should be in a
17 situation where they can profit from water.
18 I think that personally, you know, call me a
19 socialist, call me whatever you want, but I
20 think that water should be provided at the
21 cost it takes to get it out of the ground and
22 distribute it to the customers, period, no
23 profit whatsoever.

24 (Applause)

25 MR. GENSER: It's a human right.

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2 (Applause)

3 MR. GENSER: I know that we're not
4 supposed to talk about anything related to
5 desal, but it falls into what I'm talking
6 about. And I'm just going to briefly mention
7 that along with what some of the other
8 speakers said, and I agree with pretty much
9 everything they did say. Anybody who
10 understands what's happening in Rockland
11 County knows for sure we do not need a desal
12 plant at all. If United Water will admit to
13 21 percent loss, you can pretty much bet your
14 bottom dollar it's double that. They don't
15 do anything to take care of the
16 infrastructure. And when I say anything, if
17 there's a water main break, yeah, they'll go
18 out and fix it if they can find the pipe.
19 And this is the biggest problem I see.

20 And also, if they spent a fraction
21 of the money it would cost to build a desal
22 plant in educating people to conservation, in
23 perhaps purchasing low flush toilets and
24 handing them out to residents and things
25 along that line, we wouldn't even be talking

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2 about a desal plant. I think it's pertinent
3 to this conversation. I don't think you can
4 separate these issues. They're so
5 intertwined that it's unreasonable to
6 separate them.

7 (Applause)

8 MR. GENSER: They were thrown out
9 of the city of Atlanta. To shock everybody
10 here, a French company, thrown out of the
11 city of Paris. Paris, France extricated
12 Suez, threw them out because they were doing
13 the wrong thing to the Parisians. This is
14 all fact. You can check me out.

15 So any rate increase in my opinion
16 is ridiculous, should be completely
17 laughed -- if this wasn't such a serious
18 situation, we'd all be laughing about it,
19 quite frankly. It's too serious to laugh
20 about. So I think it's right out of the
21 theater of the absurd.

22 And I'm making my comments a
23 little briefer than I was going to make them.
24 But I will like to just add one thing as I
25 close. I feel that this meeting should have

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2 been held in a different venue. I feel the
3 meeting would have been more appropriately
4 held at either Rockland Community College,
5 Ramapo High School, Spring Valley High School
6 or Suffern High School. I don't think it
7 should have been held here in Ramapo Town
8 Hall. I have some really bad memories of
9 things that have occurred here in Ramapo Town
10 Hall. I feel that the connection between
11 past events that have taken place here and
12 this meeting should have not -- for that --
13 for those reasons should never have been held
14 here. And I'm going to leave my comments at
15 that. Anybody can read into them what they'd
16 like. I'm not going to say what I was going
17 to say, I changed my mind.

18 But I would implore the Commission
19 to reevaluate any kind of a 15 percent
20 increase, take into consideration what I just
21 said. If they admit a 21 percent loss, you
22 can double that. Conservation is the way to
23 go. And thank you very much for your time.

24 (Applause)

25 ALJ EPSTEIN: Thank you.

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2 Forgive me, I think there's one
3 person who changed their mind about speaking,
4 but I'm not sure who. Sona Mason, do you
5 want to speak?

6 MS. MASON: It's okay.

7 ALJ EPSTEIN: No?

8 Is it Mr. Friedman, Daniel
9 Friedman?

10 MR. FRIEDMAN: Yes, it's Daniel
11 Friedman.

12 ALJ EPSTEIN: Okay.

13 MR. FRIEDMAN: 91 Edison Court in
14 Monsey.

15 Thank you, Judge, members of the
16 Public Service Commission. We've had many
17 hearings of the Public Service Commission in
18 the past to discuss proposed utility rate
19 hikes, both by United Water and by Orange &
20 Rockland. And tonight we're here once again
21 to discuss United Water's proposed 28.9
22 percent increase.

23 Now, this Commission has heard and
24 it will hear again the many reasons as to why
25 this proposed increase is ludicrous. Some

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2 will talk about its inherent unfairness. And
3 others will discuss the unsustainable nature
4 of these increases and their incredible
5 negative impact on our families. And some
6 will talk about the increases in the relation
7 to the desalination plant. And I know that
8 we are not here to talk about that, so we're
9 not going to expand on that part.

10 The numbers thrown around about
11 this rate hike have been anywhere from 15
12 percent to 28.9 percent. And the New York
13 State Public Service Commission, a state
14 governmental agency, is charged with
15 determining what the final increase will be.

16 Now, as a councilman here in
17 Ramapo, my colleagues and I are subject to a
18 limitation on how much we can increase taxes
19 in order to meet the ever increasing rise in
20 government service costs in a wide variety of
21 areas. Now, this limit, the tax cap, was
22 instituted by the state of New York and was
23 initially set at two percent. And today that
24 figure has been reduced to 1.66 percent,
25 which is a very minor increase.

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2 I find it interesting that local
3 governments like ours are given an incredibly
4 burdensome restriction by the state of New
5 York on increasing our revenues. But the
6 same state government that regulates
7 utilities rates, provides utilities like Suez
8 United Water a virtually unlimited ceiling in
9 which to increase their revenues on the very
10 same people.

11 Now, certainly many governments,
12 including this one, need to exceed the tax
13 cap at times to prevent cuts in vital
14 services. An increase of exceeding the cap
15 of about three times isn't unheard of.
16 However, the proposed 28.9 percent increase
17 that this Commission is considering is over
18 17 times that present tax cap limit.

19 Now, many will argue, correctly,
20 that water companies are not governments.
21 And certainly they are different. And water
22 is essential. But while this utility
23 provides one service, this government
24 provides police protection, road services,
25 including plowing and paving, as we learned

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2 from this season usually in that order,
3 garbage pickup, municipal court assessment
4 and tax services, building inspections and
5 permitting, birth and death certificates, and
6 of course dog licenses, engineering services,
7 many summer camps, a golf course, three
8 pools, a recreation center, numerous park
9 facilities, and even the Challenger, just
10 next to this building we're in, the
11 Challenger Center where you can actually
12 practice going into outer space. This
13 government also oversees programs for youths
14 and seniors, as well as the sewer fund, the
15 public works department, and you can even get
16 married right here in this room by our town
17 clerk or me.

18 And yes, there are differences in
19 the services that a government and a utility
20 provide. Most importantly, while we are here
21 to serve taxpayers, utilities serve those
22 fortunate enough to be shareholders. I ask
23 you to consider that. And to consider the
24 spirit in which that legislation limiting tax
25 increases on governments was written. In

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2 your position as officials in the same state
3 government that authored that law, ask
4 yourselves why you should not apply that same
5 spirit and standard to the utilities that you
6 oversee.

7 Thank you.

8 (Applause)

9 ALJ EPSTEIN: Thank you,
10 Mr. Friedman. And for the record, since you
11 made some reference to this, you're a member
12 of the Ramapo Town Council; is that correct?

13 MR. FRIEDMAN: Yes.

14 ALJ EPSTEIN: And you were
15 speaking as such?

16 MR. FRIEDMAN: Yes.

17 ALJ EPSTEIN: Okay. Thank you
18 very much.

19 MR. FRIEDMAN: Okay.

20 ALJ EPSTEIN: Coletta Burak?

21 (No response)

22 ALJ EPSTEIN: If I'm reading it
23 correctly, is there a Coletta, Coletta Burak?

24 (No response)

25 ALJ EPSTEIN: No.

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2 Rita Louie? Rita Louie?

3 MS. LOUIE: Good evening. Thank
4 you very much for holding these hearings. We
5 do really appreciate it. As much as we don't
6 like being out month after month at these
7 hearings, we appreciate our voices get heard.

8 You have mentioned in your opening
9 statements that there are three cases going
10 on. At the beginning of the surcharge case,
11 13-0246, one of the parties requested
12 consolidation of all the three cases, that
13 one, this one and the need case. The reason
14 being is that they're all intertwined, as you
15 have alluded to. United Water objected to
16 this. A discussion of prudence in the cases
17 was also convened. Which United Water also
18 objected to.

19 Of course United Water wants this
20 to be a cut and dry case about accounting.
21 It is to their advantage. Judge Casutto
22 sided with United Water on the consolidation,
23 and most likely on the prudence, stating that
24 case 13-0246 was a matter of accounting.

25 This case, it appears, is also

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2 becoming a matter of just accounting in your
3 eyes, the way you've described how you went
4 through the line items. Just as United Water
5 wants it. It has become abundantly clear,
6 listening to what's going on, that United
7 Water runs this show. They are playing you
8 and the vast resources, and using their vast
9 resources from the huge, well-staffed law
10 firms to high paid, well-connected lobbyists
11 who have the ear of the governor to do so.

12 (Applause)

13 MS. LOUIE: With all due respect,
14 United Water knew that they had an uphill
15 battle to recover the surcharge costs when
16 the project had not even been started yet.
17 The order from your office, the Public
18 Service Commission, clearly stated that they
19 couldn't recoup the money for that project
20 after substantial construction had started.
21 So they knew they were not going to get that
22 money at this point. So they filed this rate
23 case increase to supplement what they knew
24 they would not get in case 13-0246, since
25 construction had not started.

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2 You stated that your decision was
3 based on documents in accounting, your 15
4 percent decision submitted by United Water.
5 That you went through it line by line.
6 Documents submitted by the company, prepared
7 by the company, and argued for by the
8 company. That has an enormous amount of
9 resources at its disposal. When the
10 opposition, even the consortium that came and
11 filed testimony -- we're just people, we're
12 taxpayers paying a couple of attorneys to
13 represent us against this enormous wealth of
14 resources. So it shocks me that you cite
15 that United Water's own documentation was
16 used as the basis for making your
17 recommendation.

18 We as the ratepayers, we do not
19 have a staff of hundreds filing briefs and
20 reviewing documents at thousands of dollars
21 per hour. Which, by the way, we pay. The
22 attorneys are here tonight, chances are we'll
23 pay for that, that will come up in a future
24 rate case, it will be charged back to us.
25 When we -- if United Water wants a rate

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2 increase and we come out against it, and they
3 have to send their attorneys to fight in
4 favor for it, we pay. If United Water wants
5 to build a desal plant and they send their
6 attorneys to town hall to argue for permits
7 or zoning changes, we pay. We pay coming, we
8 pay going. Either way we pay.

9 (Applause)

10 MS. LOUIE: We are in Rockland
11 County simple, hard working people trying by
12 the skin of our teeth to keep our heads above
13 water -- pun intended --

14 (Laughter)

15 MS. LOUIE: -- on a daily basis.
16 Yet, we find ourselves here month after
17 month, fighting for the rights of the working
18 people who cannot take a single penny more
19 out of their paychecks to pay for simple
20 necessities of life like water. We pay here
21 in Rockland County, from what I've read, the
22 fourth highest water rates in the country.
23 And seeing as we pay very high water rates in
24 the United States, we probably pay the fourth
25 highest water rates in the world that means.

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2 But that's not enough for United Water. They
3 want more. They've increased the dividends
4 to their shareholders by 50 percent last
5 year, and increased the fees to ratepayers by
6 15 percent plus over the past few years.

7 When they come to the Public
8 Service Commission and ask for an increase,
9 you always say okay. You go line by line,
10 because that's how they want it. They want
11 you to go oh, yeah, well, this item, yeah,
12 that's okay, that's only a half a percent,
13 we'll give them that. And this item, oh,
14 that's only a quarter percent, yeah, we'll
15 give them that. Oh, we won't give them this
16 one. And it turns out they get exactly what
17 they wanted. They probably only wanted a
18 five percent increase so they asked for 28
19 percent. And now you're recommending 15.

20 So what I'm saying is this is not
21 an accounting case. It's a smoke and mirrors
22 case. They're playing you. And that is why
23 the cases have been separated and why they
24 made sure that these cases stayed separated,
25 so you cannot legally connect the dots and

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2 get the whole picture. And you can't -- and
3 there's different judges, there's different
4 hearings. You can't put it together legally,
5 and I understand that. That's how they
6 wanted it.

7 Now, I know that the Public
8 Service Commission has a little bit of egg on
9 their faces because in the 2006 mandate they
10 issued that we needed more water in Rockland
11 County. But I really believe they issued
12 that mandate with faulty information. It's
13 not your fault. The ratepayers are counting
14 on you to have their back and to do the right
15 thing.

16 Don't be afraid to admit you made
17 a mistake. You made a mistake on the
18 mandate, you made a mistake on not
19 consolidating the cases, you made a mistake
20 playing right into the company's hands and
21 recommending a 15 percent rate increase.
22 It's okay, we'll forgive you and support you
23 as you correct the errors and find on the
24 side of the people and rule that not only
25 does United Water not deserve a rate

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2 increase, as recommended by the UIU, they
3 need to be audited with a forensic audit.

4 The cases need to be considered --
5 the cases need to consider prudence on every
6 level, because that's an important factor.
7 As you've heard last night and this afternoon
8 about mismanagement, leaky pipes and
9 infrastructure that has not been fixed, that
10 is a very important issue. And United Water
11 should be held in contempt for misleading the
12 Commission on any issues that you find out of
13 line in that audit.

14 In addition, the ratepayers should
15 get a refund for any and all over-charges
16 that they have incurred over the past five
17 years while the company was spending like a
18 drunken sailor and salivating over the huge
19 dividends they were looking at for their
20 shareholders from the construction of the
21 misguided and unnecessary desal plant.

22 Thank you.

23 (Applause)

24 ALJ EPSTEIN: Thank you, Ms.

25 Louie.

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2 Mr. Warren, Peter Warren?

3 MR. WARREN: Hello. I don't think
4 I can follow that.

5 (Laughter)

6 MR. WARREN: And if you had more
7 to say, I would gladly yield my time to you,
8 because you were eloquent, it was wonderful.
9 I stand with pretty much everything that's
10 been said here tonight. Seriously, I can't
11 add to it.

12 Just one observation that another
13 gentleman made. To me it's a great irony
14 that this hearing is being -- this session is
15 being held here in the presence of someone
16 who has done so much to undermine the
17 democratic process in the Town of Ramapo.
18 And I would like to see it held in a
19 different location in the future.

20 Thank you.

21 (Applause)

22 ALJ EPSTEIN: I'm sorry, I'm not
23 doing too well with the handwriting, but
24 there's a last name of Parry, I believe, and
25 I'm not sure what the first name is.

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2 Mr. Parry, is that you? Oh, Dwaine Parry, is
3 that --

4 MR. PARRY: Absolutely correct,
5 Dwaine C. Parry.

6 ALJ EPSTEIN: Sorry.

7 MR. PARRY: I'm the chief of the
8 local native people here, the Lenape people.
9 And we view water as a sustainable and life
10 giving resource for the last ten thousand or
11 so years. And indeed, because of the
12 necessity to sustain life, we look at it as a
13 holy, in a very sacred kind of way, it's the
14 blood of our grandmother the earth. Without
15 water there's no life.

16 Having said that, I'd also like to
17 add that I live in the village of Hillburn,
18 which is one of the sole source aquifers in
19 the United States of America. Some thirty
20 years ago, over three hundred people voted
21 against allowing United Water to lease and
22 take over the water. That's virtually a lock
23 on the vote in Hillburn, where the vote tends
24 to be three hundred in total all the time,
25 pros and cons. Miraculously, we ended up

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2 leasing the water rights to United Water,
3 even though -- I think at the time it was
4 Spring Valley Water -- even though three
5 hundred people came out and voted against it.
6 So that goes back more than thirty years ago.
7 I think your own records will reflect that.

8 So having said that, I would like
9 to say that we have allowed United Water to
10 turn a life giving resource into a commodity.
11 Who indeed hold a monopoly of choice. There
12 is no option with water, there is no option
13 to go to. You either have water or you die.
14 There is no choice in ways you're going to go
15 about water. So what I'm asking for, very
16 simply, and I've heard it suggested by a
17 number of people far more eloquently, is that
18 we set a cap on profitability to assure
19 diligent management and the time to ensure
20 the care of the water be returned to the
21 people and out of the hands of we can gouge
22 you when we want. Please, I ask,
23 Commissioners.

24 (Applause)

25 MR. PARRY: Thank you.

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2 ALJ EPSTEIN: Thank you.

3 Sarah Hatkoff.

4 MS. HATKOFF: Hi. I'm from Nyack,
5 New York. I was born and raised here in
6 Rockland County, and I represent the youth of
7 the future.

8 So I want to read a definition
9 called, "The Right to Water." This is an
10 article about the right to water as a human
11 right under international law.

12 There is now a formal
13 international human rights law, an
14 acknowledged human right to water and
15 sanitation. In July 2020 -- July 28th, 2010,
16 following many years and discussions and
17 debates and negotiations, 122 countries
18 formally acknowledged the right to water in a
19 General Assembly Resolution A-64/292, based
20 on draft resolution A-64-L.63-REV.1. Two
21 months later, on September 24th, 2010, the
22 United Nations Human Rights Council adopted a
23 binding resolution, recognizing that the
24 human right to water and sanitation are part
25 of the right to an adequate standard of

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2 living.

3 Well now recognized in
4 international law, the human right to water
5 is not enforceable at national level until
6 incorporated into national legislation and
7 local levels. That resolution in part
8 affirms that the right, human right to safe
9 drinking water and sanitation, is derived
10 from the right to an adequate standard of
11 living, and inextricably relates to the right
12 to the highest attainable standard of
13 physical and mental health, as well as the
14 right to life and human dignity. The human
15 right to water places certain
16 responsibilities upon governments to ensure
17 that people can enjoy sufficient, safe,
18 accessible and affordable water without
19 discrimination. Most especially, governments
20 are expected to take responsible steps to
21 avoid a contaminated water supply and to
22 ensure that there are no water access
23 distinctions among citizens.

24 Thank you.

25 (Applause)

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2 ALJ EPSTEIN: Thank you very much.

3 Laurie Seeman.

4 MS. SEEMAN: Good evening, Judge
5 Epstein. Thank you very much for giving us
6 tonight to come out and speak with you in
7 person.

8 Like I said at the PSC hearing in
9 October, it's really important to have the
10 opportunity to have United Water, the
11 citizens and the Public Service Commission
12 all in one room together. It's a situation
13 that should have occurred many times and more
14 often before now. There's a certain amount
15 of access that United Water has to the Public
16 Service Commission, to the governor, to the
17 DEC, that the people do not have. Because
18 sending emails is not the same thing.
19 Tonight we have an opportunity to speak with
20 you.

21 But not as many people could be
22 here as who would want to be here. You heard
23 about the phenomenal turnout in October, I'm
24 sure. And just to keep in mind that, I
25 brought a photo for you. It's a compilation

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2 of images that the Rockland Water Coalition
3 put together to reflect that energy of our
4 community. I'm going to give this as an
5 exhibit. You can look at that picture, right
6 there.

7 ALJ EPSTEIN: Thank you.

8 MS. SEEMAN: One of those images
9 shows the entire auditorium filled with
10 people. And I would just like to impress
11 that all those people are really here with us
12 in spirit tonight as well. We have a
13 tremendous network of people. Emails, the
14 press is behind us, our elected officials are
15 behind us. What more does the Public Service
16 Commission need to hear from.

17 (Applause)

18 MS. SEEMAN: The reason more
19 people aren't here tonight is because this is
20 a complex case, it's technical. Those people
21 are all working, they're taking care of their
22 children, running their businesses. They are
23 doing their part to make Rockland County
24 work. Those of us who are citizen actionists
25 and electeds, we're doing our part. And

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2 we're sincerely asking the Public Service
3 Commission to please do your part.

4 Right now I can speak with you as
5 a person who's been following this issue for
6 six years. I'm a member of the Rockland
7 Water Coalition. And I look at this case, I
8 was thinking tonight how I've been following
9 it the way I follow water. Where did this
10 problem come from, and where is it going to.
11 And I do want to say, respectfully, the
12 Public Service Commission has a part in both
13 of those answers.

14 I'm with Rita Louie. I think
15 mistakes have been made. I don't think
16 anyone is at fault here. I don't think
17 United Water is at fault. I think United
18 Water has been doing what they've been
19 allowed to do. I think the Public Service
20 Commission is making decisions with a picture
21 that hasn't been fully put together. But
22 after the October hearings and tonight, and
23 all of the comments that were submitted on
24 case 0303, which I would like to ask that you
25 refer to all of those comments related to

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2 this case, there's a volume of information in
3 there related to this case, after all of
4 this, it's perfectly clear what the picture
5 is. There's a remedial action that needs to
6 be taken. The water flowing downstream needs
7 people at this point in the stream to take
8 responsibility so that the problem does not
9 continue.

10 I'm also the chairperson of the
11 Sparkill Creek Watershed Alliance. It's a
12 citizen action group here in Rockland County
13 that's doing remarkable work on outreach and
14 education. We won the Hudson River Watershed
15 Alliance Award, and we are breaking ground on
16 citizen science and government partnerships
17 for managing watersheds. This is a growing
18 phenomenon, citizen science.

19 And lastly and most important to
20 me is the work that I do as the director of
21 Strawtown Studio. I'm an outdoor educator
22 here in Rockland County, and I specialize in
23 waterway education. I go out to the streams,
24 I take the children to the river, we go seine
25 netting. I'm at the creeks, I'm in the

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2 Minisceongo Creek, I'm at the Sparkill Creek.
3 I see Rockland County's plentiful water
4 system. We have an unbelievable water system
5 here. It's beautiful, and it's still intact,
6 most of it.

7 And I really need to urge the
8 Public Service Commission, please get to know
9 our county more individually. United Water
10 has come here in a very opportunistic way,
11 path, and unless the Public Service
12 Commission steps in, this will continue.

13 The work that I do with young
14 people is the reason that I have gotten so
15 involved over the last six years. As I'm
16 educating young people, some of them have
17 gone on to college for environmental
18 sciences. Thousands of children in America
19 have gone on to environmental sciences right
20 now. I consider myself a bridge builder. We
21 need to create decisions now, make decisions
22 now, so when those kids get out of school
23 with their new thinking, the world is
24 changed. We have got to start now. It is
25 just unconscionable to continue into the

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2 future like this is the 1950s with
3 engineering solutions, when everybody in
4 school will tell you, if you have any
5 children in your life or neighbors or
6 anybody, ask the kids about the world. We've
7 got to start relating to the world. And we
8 have to start thinking in circles.

9 And United Water has been
10 depleting our resources. Resources they have
11 been desourcing. And I would like to refer
12 to that when they were stealing water and
13 sending it to New Jersey, this is a
14 well-known case in New York state. This is a
15 monumental crime. It went on for a very long
16 time. They said the gauge wasn't working.
17 Okay. They say that. But the water went to
18 New Jersey. They manage the water in New
19 Jersey. So therein, we know that they knew
20 more water was coming to New Jersey. So they
21 knew.

22 But one of the things that is so
23 troubling is the DEC gave them a \$10,000
24 fine. I believe this is when a lot of this
25 really went wrong. That should have been a

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2 \$500,000 fine. That was a monumental crime.
3 It led to many problems and perceptions. It
4 led to people thinking that United Water is
5 out of control and no one's controlling them.
6 Taking that water from Rockland County
7 knowingly and wittingly, and then showing
8 pictures of the bottom of the reservoir and
9 starting a fear campaign, and, you know, fear
10 campaigns, great leaders of all time have
11 used them, the fear was out of the barn and
12 Rockland County was like oh, my God. And
13 when we found out what happened, the leaders
14 were now thinking well, okay, so now we know
15 but we never want that to happen, so we're
16 going to have to take executive decisions for
17 the future so we never have to experience
18 that. And it just became such a complex,
19 psychological trauma in this county. That is
20 a huge crime for all of the future. And
21 again, I am here and doing the work that I do
22 for the generations of young people who come
23 behind us.

24 And I do believe that when all the
25 information is submitted, I won't go into the

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2 technical things, but Dan Duffy and the UIU
3 and all of the scientists who have commented,
4 I just don't know what more could be needed.

5 I am going to call for the
6 forensic investigation. The stonewalling
7 that we have seen and the responses by United
8 Water is characteristic of their behavior in
9 all of the hearings we have had here.

10 I'm going to call that the three
11 cases be put together. This is one case. It
12 is impossible to make a determination unless
13 you look at the entire picture.

14 I heard someone tonight talk about
15 the global situation with United Water. And
16 we sometimes do joke, but it isn't funny.
17 But it's like a James bond story. You have
18 global takeover of water, piracy over state
19 lines, nuclear radioactivity in the water.
20 Espionage, they come to our Sierra Club
21 meetings with false names when they sign in.
22 This is how they conduct themselves here.
23 We're asking for help. This has got to get
24 straightened out. We are about to put the
25 county task force together.

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2 United Water has done zero for
3 outreach in education. And as a person who
4 does water outreach in education where I
5 live, and if they have the budget -- it just
6 makes me incredibly frustrated. I'm going to
7 ask, as Peg Kurtz did last night, that you
8 allocate the outreach in education budget and
9 direct it towards the task force, making sure
10 United Water is on the seat of that task
11 force so that going forward this county can
12 pull forward and become a resilient county.
13 That is the new word, resiliency. We need
14 that money so that our citizens can be
15 educated.

16 And with that, I would like to
17 just close by saying, I keep hearing that
18 they need more money. And you've heard
19 everybody is talking about they don't need
20 more money. But no matter how you look at
21 the numbers, if one family has to pay thirty
22 dollars more a month, what about every family
23 in Rockland County, how much money does that
24 pull out of our economic spending stream,
25 that our county really needs to pull forward

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2 in economic times. That's a big ticket item
3 if you look at it that way. And you know
4 Rockland County is pulling back from having
5 -- really being on the rocks. And this
6 cannot continue, because if you make that
7 decision now and allow that now, what will it
8 be next, and then what will it be next?
9 Where is there to go if we start with 15
10 percent right now when they haven't earned
11 it?

12 I ask you, Judge, please have your
13 Commission talk to United Water and tell them
14 you are lucky to have a job. You have work
15 in Rockland County. Do the work. Your work
16 order has been clearly laid out in these
17 hearings. You know what you need to do. Fix
18 the pipes, you know, and take care of
19 business. I'm not going to go on the list
20 again. But you know what the work is. It
21 has been detailed perfectly. And it's
22 very -- there's just no way around this. We
23 are going to have to all work together. We
24 have got to clear the deck. We've got to say
25 okay, where are we now. And it's up to the

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2 Public Service Commission at this time.

3 And I thank you very much. I'm
4 going to give you a photograph right now.
5 This is my signature photograph that really
6 explains very perfectly the preciousness of
7 our Rockland County water. And I'm going to
8 give this as an exhibit to the PSC.

9 Thank you very much.

10 (Applause)

11 ALJ EPSTEIN: Thank you,
12 Ms. Seeman.

13 Mr. Buckley.

14 MR. BUCKLEY: Hi. My name is Tom
15 Buckley. I'm a lifetime resident of Rockland
16 County in Sloatsburg. I'm here as a Village
17 Trustee for the Village of Sloatsburg, and a
18 37 year fireman, Sloatsburg Fire Department.

19 The first thing, as Councilman
20 Friedman said, there's a two percent tax cap
21 that's been reduced. Besides us trying to
22 meet that, in order for anybody here to get
23 the rebate that the governor promises, we all
24 have to be under that tax cap. So it's going
25 to kill that.

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2 Now, besides your water bills, and
3 part of the reason I'm here is the fire
4 hydrants. Every fire hydrant you see out
5 there costs you about a thousand dollars a
6 year to pay United Water. That's on top of
7 everything. In the little village of
8 Sloatsburg it's the largest part of the fire
9 department budget. It's \$149,000 before the
10 increase.

11 Now, Mr. Pointing says after the
12 last rate increase, they spent \$4 million in
13 new pipes in Sloatsburg. Well, in 2010 we
14 had a fire in Sloatsburg. Out of the new
15 eight inch main off of Route 17, we got about
16 four hundred gallons a minute. That's not a
17 lot of water. Our pumpers push out fifteen
18 hundred gallons, two thousand gallons a
19 minute. We didn't have enough water for the
20 fire.

21 In 2006, Chief John Johnston did
22 some testing on the hydrants on Route 17.
23 Now, the fire was off Park Avenue, which is
24 right off 17. And he said -- here's a copy
25 of his things that he sent to United Water --

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2 too hard to open, too low to the ground, no
3 pressure at all, poor pressure, poor flow,
4 poor pressure, poor flow. This was faxed to
5 United Water.

6 All these improvements were made,
7 supposedly \$4 million worth. We don't -- we
8 have no proof there's any better flows. In
9 the area off of Park Avenue, the last time
10 OSA came in, the flows were better. So \$4
11 million and no performance increase. You
12 have to have performance. You have to get
13 things done with the money that's given to
14 them.

15 Since 2010 -- and the day of the
16 fire we asked a United Water rep to come to
17 the fire and he did come. We said fix this
18 problem. You know, this is not the first
19 fire we've had in Sloatsburg where we haven't
20 had enough water. We had one on Richard
21 Street a few years before. As of this date
22 we don't know why, under the new eight inch
23 main, we're only getting four hundred some
24 gallons a minute. There isn't an answer yet.
25 And I don't know whether there's ever been an

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2 answer about all the mains that the chief
3 talked about on Route 17.

4 But if you're going to pay all
5 this money and we're all going to pay the
6 money, then let's get the work done. A
7 simple flow test on Park Avenue, when they
8 put the main in, would show you whether it
9 worked or not. And we've constantly asked
10 United Water as part of your performance in
11 showing us that the work you're paying for or
12 the residents are paying for, works, do
13 simple flow tests. Show us that there's
14 water there. Show us that the improvements
15 work. We had one problem with a valve that
16 was closed for months. And we had to get a
17 PE there to make sure that we had water.
18 Show us that it works. I think you should
19 give them no increase until they do the
20 improvements and show you that the
21 improvements work.

22 We're paying for hydrants, we're
23 paying a thousand dollars a year, and a lot
24 of these hydrants don't even meet the minimum
25 ISO requirements. If -- if we are going to

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2 pay for the hydrants, give us the flows we
3 need. And there could be -- unfortunately,
4 all the fire trucks right now going by are
5 going to a house fire in Suffern, and I hope
6 they have enough water.

7 Thank you.

8 (Applause)

9 ALJ EPSTEIN: Thank you,
10 Mr. Buckley.

11 Mr. St. Lawrence.

12 SUPERVISOR ST. LAWRENCE: Thank
13 you, your Honor. And thank you for having
14 the Public Service Commission here. We've
15 had many cases here, on water, on gas, on
16 electric charges. And we've learned a lot
17 over the last decade and a half of fighting
18 the utility companies at the Public Service
19 Commission table.

20 I am so proud of the people that
21 have gotten up to speak. I think they've all
22 been right on the mark. I think the people
23 in Rockland County are educated, are aware,
24 and are tired of being ripped off by United
25 Water. And it's that simple.

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2 (Applause)

3 SUPERVISOR ST. LAWRENCE: United
4 Water's arrogance and deceitfulness, and I
5 think Rita Louie made a reference to this, I
6 can imagine them in their boardroom saying,
7 well, we want to get ten, 15 percent, ask for
8 30. Go to the Public Service -- even if
9 there's somebody there to intervene, they'll
10 just cut it down in half and on we'll go.
11 The increase in this rate case should be
12 zero. We can talk about the 56.8 million --

13 (Applause)

14 SUPERVISOR ST. LAWRENCE: -- in
15 the next case, we can talk about the fact
16 that should be zero. And we can talk about
17 the fact there shouldn't be a desal plant.
18 But in this case it should be zero.

19 Now, I understand that yourself,
20 Judge Epstein and Judge Van Ort, there's a
21 certain Solomon-esque process I think that
22 goes on as an administrative law judge and
23 you try to balance things out. There's no
24 balancing out when somebody is doing such a
25 terrible job. We said in our papers,

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2 specifically to Mr. Buckley's point, to Chief
3 Buckley, he was our fire chief here in the
4 Town of Ramapo, is that there should be no
5 increase until the fire flows are fixed. It
6 was kicking and screaming in previous rate
7 cases that we were able to get the
8 infrastructure in Hillcrest fixed by putting
9 a tower back in that they took out of
10 commission because they didn't want to pay
11 the electricity to pump the water up into
12 that tower. They look at every possible way
13 that they can to not deliver the services to
14 the people of Rockland County.

15 And, you know, Chief Parry is
16 right, Gloria Simmons is right. This water
17 is our water. This water belongs to us.

18 (Applause)

19 SUPERVISOR ST. LAWRENCE: It
20 belongs to the people in this county. But
21 somehow the water goes through these pipes,
22 these Orange & Rockland faulty pipes, and out
23 spins the highest cost that you could
24 possibly think of for that are being charged
25 to our residents. And they want a 29 percent

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2 increase. It is totally absurd.

3 Now, as we go through the rate
4 case and we look at things that were put in
5 and things that they asked for that the
6 administrative law judges are not
7 recommending, this case, United Water, asked
8 for incentive pay for their management,
9 because they're doing such a wonderful job.
10 You denied them that incentive pay.

11 (Applause)

12 SUPERVISOR ST. LAWRENCE: But,
13 giving them 15 percent is giving the entire
14 company an incentive to continue this
15 terrible performance. It has to stop now.

16 The Public Service Commission came
17 out with an austerity edict in 2012 that said
18 they had to change their direction and they
19 had to go out and protect the people. The
20 people are not being protected by having a
21 rate increase of 15 percent.

22 Even in your own recommendation to
23 the Public Service Commission, Judge, you
24 said that of the six thousand charges that
25 were presented by United Water to be paid for

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2 by the citizens of Rockland County, you took
3 a small sampling, 17 at random out of that,
4 and what did you find in those 17 charges
5 from United Water? You found that there were
6 charges for them to be buying alcohol. You
7 found out that there were charges for them to
8 pay for their wives to have breakfast. These
9 were 17 random samplings. And even in your
10 statement, Judge, you said it was astonishing
11 the inaccuracy, and that to have such a
12 discrepancy in such a small sample out of six
13 thousand that were taken.

14 Where is the incentive to give
15 this company 15 percent?

16 (Applause)

17 SUPERVISOR ST. LAWRENCE: Fix the
18 water. Fix the leaks. Fix the fire flows.
19 The average 21 percent we know is above the
20 18 percent. We've requested bring it to 18
21 percent, and then bring it down one percent a
22 year over the following three years. We were
23 denied that request. We reiterate that
24 request again.

25 This company doesn't get it that

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2 this is our water. They think that this is
3 water that they can send to their parent
4 company, United Water New Jersey, and then
5 send the profits to their shareholders and to
6 the Suez company.

7 They can't tell us that they're
8 pumping the wells in Montebello when they had
9 arsenic in them and say they didn't know.
10 They can't tell us that they were putting
11 water from Lake DeForest down into New Jersey
12 and oh, they didn't realize that the gauge
13 was stuck open or the pipe wasn't working for
14 18 months. They have continuously milked
15 this system, the Public Service system, and
16 it's time for the Public Service Commission
17 to stand up and to say there should be no
18 increase to this company. There should be no
19 incentive in any way for this company to
20 continue operating in this fashion.

21 (Applause)

22 SUPERVISOR ST. LAWRENCE: Rather
23 than giving --

24 (Applause)

25 SUPERVISOR ST. LAWRENCE: This

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2 company went out and spent \$56.8 million.
3 Instead of fixing the infrastructure, they
4 went off on the wild goose chase of having a
5 desal plant. We voted in this town board in
6 2009 against a desal plant. We understand
7 that what took place. We were a party of the
8 action that when we were told by the Public
9 Service Commission, by the county's numbers
10 as well, by Dan Duff -- Dan Miller that we
11 had a desperate, long term need. They were
12 wrong. Rita Louie hit it right on the mark.
13 They were wrong. United Water still tries to
14 pump these numbers out that we need this
15 plant and we need this plant. The United
16 States Geological Survey has shown us that
17 the recharge of our aquifers is much faster
18 than we anticipated, much faster than was
19 utilized in the numbers that came up with the
20 faulty numbers for this desal plant.

21 So in this case, in this rate case
22 they are asking for 10.85 percent guaranteed
23 rate of return. We thought it should have
24 been 7.93 percent. So did the UIU as well.
25 Well, is it a victory if it comes out at nine

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2 percent as you're recommending? No, it
3 isn't. It's once again these incremental
4 steps of just keep piling onto the ratepayers
5 here in Rockland County, and just adding in
6 and cherry picking the water.

7 What do they do for water? They
8 drop wells in deeper than the surrounding
9 wells. Well 106 in Viola, they went down and
10 they opened up this well, they were pumping a
11 million and a half gallons a day, they went
12 down six hundred feet, dried up all the wells
13 in the surrounding areas, from Cooperman
14 Court to Spook Rock Road, areas that didn't
15 even have service for public water. And when
16 we told them they had to stop, they said no,
17 if people's wells have dried up, they should
18 just come to us. That's modern day cattle
19 rustling. We went to the DEC, and we were
20 able to get them to stop in that case.

21 But this is what their modus is.
22 This is what they do. They don't care about
23 the 21 percent leakage rate. If they did,
24 they'd be doing something about it. If they
25 cared about it, they would have done the

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2 reporting when they hit 18 percent that
3 they're required to do, but they didn't do.
4 Did they care about filing for the economic
5 obsolescence seven percent tax that could
6 have been deducted and we could have had,
7 that this was actual money that could have
8 come in? They didn't care. Did they care
9 that they could so blatantly push down into
10 the Public Service Commission in this rate
11 case new fees from United Water of New Jersey
12 onto the ratepayers in Rockland County? They
13 don't care.

14 You are our only protection. And,
15 Judge, I appreciate your diligence and your
16 work, and Judge Van Ort as well. But the
17 Public Service Commission has to stand up.
18 The people in Rockland County know, the
19 Public Service Commission now needs to stand
20 up and do the right thing. They need to
21 follow their own austerity edict. They need
22 to not give an incentive pay of a 15 percent
23 increase to this company. They do not
24 deserve it.

25 And with that, Judge, I want to

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2 thank you very much for listening to me.
3 Thank you.

4 ALJ EPSTEIN: Thank you.

5 (Applause)

6 ALJ EPSTEIN: Thank you.

7 Fulvio Ortega.

8 MR. ORTEGA: Good evening, your
9 Honor. Okay, my name is Fluvio Ortega. I
10 own a martial arts company in Haverstraw, New
11 York. I am also a United States Army retired
12 staff sergeant, 32 years, and also a retired
13 New York City corrections officer. I've been
14 living in the village of Haverstraw since the
15 age of six. I'm not going to tell you my age
16 because I'm pretty old. Okay.

17 What I've been watching -- and I
18 also provided security for Ms. Loize
19 (phonetic) when she was running in
20 Haverstraw. And she was hitting the nail
21 right on the head when she was campaigning.
22 But the problem is, nobody was listening.
23 Rockland County, somebody has their hand in
24 the cookie jar really deep. Okay. And no
25 disrespect to the politicians and your Honor.

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2 But it's incredible that -- they saw Detroit,
3 how Detroit crumbled, and here we are in
4 Rockland County watching Rockland County
5 crumble. Our politicians, everybody, all our
6 politicians in charge of Rockland County are
7 just watching United Water sucking us dry.
8 And they're sitting getting raises.

9 And another thing I'd like to
10 know, why these meetings are held in small
11 little locations instead -- like the
12 gentleman just said -- and not held in a big
13 major location with bilingual translators so
14 the Hispanic people can understand what's
15 going on.

16 (Applause)

17 MR. ORTEGA: The people -- the
18 majority of the Hispanics in the village of
19 Haverstraw are so naive, they don't
20 understand the American system, okay, so they
21 don't really know what's going on. So by
22 holding these meetings, you're holding a
23 blind meeting, okay. You're getting into a
24 little group of people like we have here,
25 who I got to say, honorable people, God bless

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2 you, you're holding small little groups,
3 you're dividing us by section, and we're not
4 going to get nowhere.

5 United Water should never have
6 been allowed to do what they do. How can a
7 utility company, with all the politicians in
8 place, come in and dictate what they want to
9 do where we live and be allowed to do it and
10 our politicians are getting paid top dollar.
11 I'm one -- to be honest, I attack our
12 politicians every day. They don't like me.
13 They have targeted me and my family, and I
14 stand here in front of you saying I really
15 don't care. Because somebody has their hand
16 very deep in that cookie jar. And if we're
17 not careful, we're going to be the next
18 Detroit. Okay.

19 God bless us, that's all I got to
20 say. Because I'm being honest, my family and
21 I, we're putting everything together to sell
22 and move out of the country because there's
23 no way we're going to be able to survive
24 living in Rockland County. So with that I
25 say God bless us. But no matter what we do,

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2 United Water has paid very deeply under the
3 table to do what they want to do. And the
4 politicians, I said it.

5 Thank you.

6 (Applause)

7 ALJ EPSTEIN: Thank you,
8 Mr. Ortega.

9 And is there a Ms. Ortega?

10 MRS. ORTEGA: I don't want to
11 speak, Judge, thank you.

12 ALJ EPSTEIN: No?

13 MRS. ORTEGA: No, Judge, thank
14 you.

15 ALJ EPSTEIN: No? Okay.

16 Ms. Hiller.

17 MS. HILLER: Good evening. Thank
18 you so much for being here. I'm Rachel
19 Hiller, 53 South Madison Avenue, Spring
20 Valley, New York.

21 When I think of United Water's
22 behavior over the past few years, the word
23 that comes to mind is egregious. Our water
24 rates here in Rockland County were just
25 raised a couple of years ago. And United

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2 Water increased its dividends in 2013 by 50
3 percent, from \$4 million to \$6 million.
4 Apparently we have the fourth highest water
5 rate in the country. I am not surprised to
6 hear that. Our water rates are outrageous.
7 In light of these facts, how is it even
8 appropriate for them to request an increase
9 in our rates?

10 Today, our local paper, the
11 Journal News, reported that United Water's
12 spokesperson at the hearings last night said
13 that they're providing great water so we
14 should be paying them more for it. And I beg
15 to differ. In the past year we've had
16 reports of arsenic, copper sulfate pesticide,
17 and hazardous turbidity in our water. And we
18 usually find out about these issues after
19 we've been drinking the contaminated water
20 for extended periods because United Water
21 doesn't report these issues in a timely
22 manner.

23 United Water is doing a very poor
24 job. We heard tonight about there not being
25 enough pressure for fire hydrants. Good

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2 Lord, what are they doing? Also, this is the
3 company that's trying to push a super
4 expensive and a highly carbon intensive
5 desalination plant on us. And that plant is
6 intended to draw water from the only body of
7 water in Rockland county that's contaminated
8 with radioactive waste.

9 This is a company that does not
10 care about our health or our safety or our
11 water. All they care about are their
12 profits. And we here in Rockland County are
13 stuck because they have a monopoly on water
14 for most of us, and no one can do without
15 water.

16 And that's why you're here. We've
17 heard that members of the Public Service
18 Commission staff have suggested a slightly
19 lower increase in our rates, that that would
20 be more appropriate. No increase in our
21 rates is what is appropriate. A
22 comprehensive management and operations audit
23 for United Water is what is appropriate.
24 This is a company that doesn't care about it.
25 All they want to do is rip us off.

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2 (Applause)

3 MS. HILLER: And I apologize so
4 much for being annoyed. I've had to donate
5 tons of time just as a volunteer. There's
6 people talking about how United Water has
7 millions of dollars to pay for lawyers. The
8 people that are fighting against them
9 generally are just regular, normal citizens
10 chipping in our own money to protect our
11 water and our safety and health of our kids.
12 How is this appropriate? I don't understand.
13 It's egregious.

14 (Applause)

15 MS. HILLER: We shouldn't have to
16 be here with this. We should not have to be
17 here having to discuss this. It's wrong.
18 And we're counting on you to correct it.
19 Please, this is not right.

20 Thank you so much. Please do the
21 right thing.

22 ALJ EPSTEIN: Thank you.

23 (Applause)

24 ALJ EPSTEIN: Has anybody else
25 signed up to speak? Yes, somebody has signed

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2 up? And there may be people who want to
3 speak who have not signed up.

4 MR. GRAVAGNA: Thank you, your
5 Honor.

6 ALJ EPSTEIN: We just need you to
7 write your name somewhere so that --

8 MR. GRAVAGNA: Yeah, I gave a card
9 already.

10 ALJ EPSTEIN: Did you?

11 MR. GRAVAGNA: Yeah.

12 ALJ EPSTEIN: Okay, great.

13 MR. GRAVAGNA: It's someplace
14 floating around.

15 ALJ EPSTEIN: Okay. What's your
16 name, sir?

17 MR. GRAVAGNA: Joseph Gravagna. 2
18 Van Alstince Avenue, Suffern.

19 ALJ EPSTEIN: Okay. We might
20 have --

21 MR. GRAVAGNA: Did you skip me by
22 accident, sir?

23 ALJ EPSTEIN: We might have lost
24 the card, I'm not sure. But anyway --

25 MR. GRAVAGNA: I can fill one out

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2 after if you want, your Honor.

3 ALJ EPSTEIN: Here you are, I'm
4 sorry.

5 MR. GRAVAGNA: No problem.

6 ALJ EPSTEIN: Okay.

7 MR. GRAVAGNA: Thank you.

8 First of all, I say thank you for
9 having this hearing. I know it's a difficult
10 decision any time you're looking at a rate
11 increase, and there's never a good way to
12 handle it.

13 As you noticed, I'm dressed in
14 sweatpants and a warm-up jacket. Normally
15 I'd be in a suit. However, I'm running for
16 Ramapo Central School Board. And the reason
17 I mention that to your Honor is this is
18 addressing not just residents but also
19 addressing schools throughout the county.

20 I was at practice, observing a
21 practice, I should say, the other day in the
22 district. And one of the players asked me at
23 the high school, hey coach, if United Water's
24 rates go through, do we have water for our
25 match, can our schools afford this? I said

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2 probably not. Well, will we have to buy our
3 water, or are we going to have the budget cut
4 out -- is it going to get cut? And my
5 response to the young man, a very smart kid,
6 going -- preparing to go to college is, if we
7 keep this up, they're going to have no water
8 at the high schools for these games.

9 And this may sound like a very
10 small issue, honestly, your Honor, and I
11 completely understand that, but where do we
12 stop? Is it 15 percent this year, is it 30
13 percent in five years, is it another 30
14 percent in another ten? Where do we stop?
15 Where do we stop? Because eventually, your
16 Honor, not just residents are affected, as I
17 said, you have schools affected, kids, you
18 know, other things that are a bit smaller
19 issues in the grand scheme of things, but it
20 does add up. Because then schools have to
21 make a decision, do we have a teacher, do we
22 cut our teachers' salaries, or do we pay our
23 water bill this month. And that's when --
24 our schools are being taxed to death right
25 now throughout this county and throughout the

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2 state, for that matter. This is something
3 that is simple. We have to work within a
4 budget anytime you're on a school board or
5 government. They don't at United Water.
6 There's no rhyme or reason for working on a
7 budget. All they do is every couple of
8 years, five, ten, whatever it is, they say we
9 need more money. That doesn't cut it.

10 As I said, this is a young man
11 that asked me a very simple question. And he
12 also proceeded to ask me, I'm just curious,
13 coach, how come we have to work within
14 parameters and they don't, United Water. And
15 my answer to them was, take it -- tell that
16 to the judge. And I'm here on behalf, your
17 Honor, not just my household, I'm here on
18 behalf of the students of throughout Rockland
19 County that don't have a voice, that don't --
20 that maybe they can't get out to an event
21 like this. And that's why I come you before
22 you, your Honor. I'm going to ask you and
23 I'm going to ask the Public Service
24 Commission, when they do consider this rate,
25 ask this question. If your son or daughter

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2 was in a school district affected by this
3 rate hike and they had to get something cut,
4 maybe it would be a school teacher cut, maybe
5 it was a program cut, would you be happy with
6 that? If the answer is no, it's simple.
7 When you decide on your rate increase, you
8 say no. You go back to United Water and say
9 instead of having an increase of 15, five or
10 two percent, whatever they want this year, or
11 20, you say no. Go back to the
12 administration, give a proposal that's zero
13 or less than zero. Because if we don't start
14 looking at our costs, then the schools of
15 this county will be done. And when these
16 young men and women, just to take it back to
17 my initial comment, go to fill up their water
18 bottle for their game, it's going to be
19 empty.

20 Thank you for your time.

21 ALJ EPSTEIN: Thank you.

22 (Applause)

23 ALJ EPSTEIN: Coach? Coach, I see
24 you answer to coach, but we're still not sure
25 if we have your name here, so --

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2 MR. GRAVAGNA: It was provided on
3 the card, your Honor.

4 ALJ EPSTEIN: Can you spell it?

5 MR. GRAVAGNA: G-r-a-v as in
6 Victor a-g-n-a.

7 ALJ EPSTEIN: Thank you.

8 MR. GRAVAGNA: I left it there
9 somewhere.

10 ALJ EPSTEIN: Thank you very much.

11 MR. GRAVAGNA: Do you need me to
12 fill out another card?

13 ALJ EPSTEIN: No, the point was
14 that we need to get your name.

15 MR. GRAVAGNA: Thank you, your
16 Honor.

17 ALJ EPSTEIN: Thank you.

18 And now, other than Ms. Barclay,
19 is there anybody who had signed a card and
20 didn't get called on because we got mixed up
21 here?

22 (No response)

23 ALJ EPSTEIN: Okay, because I
24 know -- all right, Ms. Barclay has signed a
25 card so you would be next in line.

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2 MS. BARCLAY: Good evening. And
3 first I want to thank the Public Service
4 Commission for holding four public hearings
5 in Rockland County. It's extremely helpful
6 for residents to have options, so thank you.

7 And while it is useful to have
8 hearings on the proposed rate case,
9 nevertheless, as many others before me have
10 noted, the need case, the surcharge case and
11 the rate case are all intertwined and cannot
12 really be reviewed independently.

13 But I don't want to talk about
14 that tonight. What I want to talk about is
15 how public services are delivered. And
16 there's been a longstanding debate about how
17 they should be delivered. Whether government
18 is best suited to provide services or manage
19 our resources, or whether the private sector
20 can do a better job.

21 The argument for the private
22 sector goes something like this. The private
23 sector is more responsive to customers. It
24 often employs more cost effective measures.
25 It's more focused on the bottom line. It's

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2 more likely to embrace innovation. It's
3 probably less constrained by bureaucracy.
4 It's more able to adapt to change and to
5 adopt change. And it probably has easier
6 access to capital. So there are real
7 benefits to having the private sector play
8 this role. But it's a trade-off. The public
9 cedes control of this public service or
10 resource to a private company, and it loses a
11 degree of accountability.

12 So here in Rockland this is not an
13 academic question because we have this
14 arrangement obviously with United Water,
15 which is a subsidiary of Suez Environment
16 Company, a multinational corporation, that
17 provides our public drinking water.

18 So United Water's request for a
19 rate increase is a good time I think to ask
20 whether or not this is a beneficial
21 relationship. It should be noted that --

22 (Applause)

23 MS. BARCLAY: It should be noted
24 that United Water's first request, which
25 others have noted, was for a 28.9 percent

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2 increase, which is now down to 24.5. In this
3 economy, what company would dare ask for a 25
4 percent cost increase for their product, and
5 even worse, for exactly the same product
6 which has not been improved in any way.

7 (Applause)

8 MS. BARCLAY: United Water has
9 requested a 10.85 percent return on equity,
10 greater than that requested by Con Ed. Why
11 is United Water's risk to provide water to
12 Rockland's customer base of 275,000 people
13 greater than the risk that Con Ed has
14 providing gas, electric and steam to all of
15 New York City? How is it possible that
16 United Water deserves a higher percentage for
17 its return on equity?

18 Lack of transparency. Until a
19 month ago, United Water had not submitted a
20 detailed budget to the PSC for its proposed
21 desalination project. This indicates either
22 poor financial management or an unwillingness
23 to allow the public to see the real budget
24 for the proposed desal plant.

25 Others have properly cited United

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2 Water's failure to annually apply for the
3 economic obsolescence adjustments that all
4 other utilities apply for and receive. This
5 lack of effort on United Water's part shows a
6 total disdain for ratepayers as we are forced
7 to absorb this totally unnecessary cost
8 simply because they didn't bother to file.

9 (Applause)

10 MS. BARCLAY: United Water's
11 management company has increased their fees
12 by a whopping 13 to 15 percent over the last
13 two years. United Water does not see fit to
14 explain nor justify these increases.

15 And in their filing for the rate
16 increase, United Water explained that certain
17 costs beyond their control were the rationale
18 for this rate increase. And they cited real
19 estate taxes, labor costs, medical benefits,
20 and outside contractors' expenses. Granted,
21 United Water does not control property taxes,
22 although generally these have risen at a much
23 slower rate than in past years, in some cases
24 only two percent in many municipalities. The
25 other factors, labor costs, medical benefits,

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2 and outside contractors' expenses, are well
3 within the control of United Water. And
4 while it can be extremely difficult to
5 control these costs, it can be done. Just
6 ask any municipality or school district how
7 to do it.

8 (Applause)

9 MS. BARCLAY: So, the question
10 remains, does this arrangement benefit
11 Rockland ratepayers? Clearly not. United
12 Water exhibits insufficient interest in
13 managing the bottom line to keep rates low.
14 Although over the last several years the
15 public has been clamoring for more
16 conservation efforts, we have seen virtually
17 nothing in the way of innovation from United
18 Water in this area.

19 Finally, United Water seems to
20 show an inexplicable disregard for their
21 customers, we ratepayers, as shown by a 29
22 percent rate increase request.

23 Unfortunately, the arrangement we
24 have now, we have ceded control of our water
25 to United Water, and we have ceded oversight

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2 to you, the PSC. So we ask the PSC, please
3 do your job and hold United Water
4 accountable.

5 Thank you.

6 (Applause)

7 ALJ EPSTEIN: Thank you,
8 Ms. Barclay.

9 Is there anybody else that signed
10 up?

11 (No response)

12 ALJ EPSTEIN: Is there anybody
13 that did not sign up but would like to speak?

14 (No response)

15 ALJ EPSTEIN: Is there anybody --
16 okay. Yes, please.

17 MS. DECRESCENZO: My name is
18 Jocelyn DeCrescenzo. I live at 116 Sierra
19 Vista Lane in Valley Cottage, New York. I
20 did speak earlier. There were a couple of
21 things that I didn't think to say that I
22 wanted to say now.

23 First of all, thank you so much
24 for being here, both of you right now. We
25 really appreciate your presence and hope that

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2 you'll be able to help us.

3 It's incredible that United Water
4 would ask for the rate increase that they've
5 asked. As far as I'm concerned, it should be
6 below zero. They should be dipping into
7 their pockets to pay back what they've stolen
8 from the people.

9 And water is a sacred blessing for
10 everyone. It is not something to be
11 privatized by a megalithic international
12 company with billions of dollars at their
13 disposal. And I hope that -- I hope that
14 there is a forensic investigation, an audit,
15 an evaluation, and a final hearing on that.

16 I do think that these three cases
17 are intertwined, and there are even other
18 aspects that go beyond this for other
19 utilities. And I just wanted to say that it
20 seems that United Water has indulged in
21 criminal behavior, and they seem to think
22 that they should get a raise for that. And I
23 totally disagree with their position. And
24 they're scoundrels.

25 So thank you very much.

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2 ALJ EPSTEIN: Thank you.

3 (Applause)

4 MR. GENSER: May I, Judge, one
5 minute?

6 ALJ EPSTEIN: Okay.

7 MR. GENSER: The meeting is just
8 about over. Jeff Genser again, G-e-n-s-e-r,
9 come get me.

10 I want to just remind everybody in
11 this meeting that we are now all labeled
12 terrorists. I'll repeat that. We are all
13 now officially terrorists in the eyes of
14 United Water. They've done that since 1990.
15 Anyone who came up and spoke against them,
16 demonstrated against them, were marked as
17 terrorists. They have private security
18 companies, Z, Blackwater and then Z, they
19 have a new name now, working for them. They
20 are going to try to dig up dirt on anyone who
21 said anything in this meeting. I don't know
22 if there's anybody here from United Water,
23 but they should quit their job because
24 they're working for a bad company because
25 it's Suez who runs them. We're terrorists.

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2 Beware, be expecting funny things that could
3 happen, things that might be printed in the
4 paper. If you have any skeletons in your
5 closet like I do, I expect to hear about them
6 soon in the paper again. And I'm happy, I'm
7 a proud person.

8 And thank you very much, your
9 Honor.

10 (Applause)

11 ALJ EPSTEIN: Thank you.

12 Is there anybody else who wants to
13 speak? Is there any Coletta Burak or
14 Colletta Buradi? That's you?

15 MS. MILARD: No, but I did put my
16 card up.

17 ALJ EPSTEIN: I'm sorry. I'm
18 sorry. Okay.

19 MS. MILARD: It's -- my card is up
20 there -- Eve Milard.

21 Well, I really didn't prepare
22 anything, but I just wanted to come up as a
23 citizen. And I'm a mother of two teenage
24 daughters. I work full time. My husband
25 works full time, he owns a business. We, you

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2 know, we scrape together a good middle class
3 salaries. My salary has not gone up one cent
4 in the last five years. His has, but it's
5 been eaten up by taxes, income taxes every
6 time.

7 When we go through our household
8 bills every month, somehow we're always at a
9 deficit, even though we don't go out to
10 dinner, we don't have a housekeeper, we don't
11 have a gardener, we don't have a landscaper,
12 we don't have a handyman, we don't have a
13 mechanic. We do everything ourselves. We
14 live on a very modest budget. And we're
15 looking at putting two kids through college
16 soon. Although we don't qualify for a penny
17 of financial aid, even though we're at a
18 deficit every month. And that's just, you
19 know, that's life. That's life of commuting,
20 that's life of paying taxes, it's life of
21 going over the Tappan Zee Bridge for myself,
22 looking at rate increases there.

23 And so I guess when I look at this
24 whole United Water situation, first I say oh,
25 my goodness, another bill going up and how

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2 dare it go up 26 percent when, you know, I'm
3 not -- my salary is not going up anything and
4 we're, you know, there swimming, trying to
5 keep our heads above water every month like
6 so many families. And we're a normal family,
7 we're a completely normal family. Actually,
8 we're doing much better than many others.

9 And, you know, so, you know,
10 that's sort of -- there it's offensive
11 because we have to manage our household, and
12 what we do is we cut back. We figure out
13 ways to, you know, be more efficient. We
14 learn new ways to cook beans instead of
15 buying more meat. There's so many ways where
16 we have to, you know, economize. And then to
17 look at the company of United Water, driving
18 between, you know, New Jersey and New York as
19 our borders are close, you know, I see United
20 Water has -- we never impose water
21 restrictions really very rarely on New
22 Jersey. New Jersey's lawns are all watered
23 very well throughout the summers. And our
24 water -- our lawns, you know, I go through
25 many towns in Rockland and they're not

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2 perfectly green. People do conserve. You
3 see, you know, in so many ways, you know,
4 where, I guess where United Water really
5 could be conserving more, where we could
6 learn how to conserve more, where we could be
7 more efficient, where they could be better
8 managers of the water system, just like we
9 have to be better managers of our households.
10 And I find it offensive when I hear about
11 leaky pipes in our county, and then yet, you
12 know, we're struggling so hard to patch all
13 of our leaks in our own homes to make sure
14 that we are running the most efficient
15 households possible. And it just doesn't
16 seem fair --

17 (Applause)

18 MS. MILARD: -- that we have to
19 tighten up so much and they're allowed to put
20 rates up, you know, at random, and really not
21 be accountable for, you know, the amount of
22 money it's costing us.

23 Thank you.

24 ALJ EPSTEIN: Thank you.

25 (Applause)

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2 ALJ EPSTEIN: Is there anybody
3 else that wants to speak or anybody that
4 already spoke and has some further thoughts?
5 Mr. --

6 MR. PARRY: Parry.

7 Once again, I'd like to thank
8 everybody and, your Honor, for your patience.
9 But I just want to respond to a thought that
10 had been floated around through a number of
11 speakers, which is the for-profit margin
12 should be eliminated from a resource that's
13 vital to survival. There's no question. No
14 water, no life. And in response to that I
15 would like to say my father and eight uncles
16 served in World War II. One of the first
17 persons killed in an air drop in Korea was a
18 relative. I served in Cambodia during the
19 Vietnam police action. We've got relatives
20 right now in Iraq and Iran. And quite
21 frankly, I'm a member of a number of veterans
22 organizations. So what's the point? The
23 point is, I don't believe you can find one
24 veteran in this country that would say please
25 let our natural resource be sold to France

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2 and then use that to avoid and to kill
3 innocent people for a drop of water. So what
4 I'm saying is that this is a specious
5 argument that should be -- because behind it
6 I've also heard, well, you know, you might
7 not like the idea of nationalized water.
8 Maybe it's time to take the profit margin out
9 of the resource business.

10 (Applause)

11 ALJ EPSTEIN: Thank you.

12 Anybody else? Mr. Ortega?

13 MR. ORTEGA: Sir, I'd like to say
14 thank you for coming. Because in reality, I
15 think our county leaders should be here,
16 okay. But it's very honorable of you to at
17 least come and listen to our grievances and
18 our disagreement.

19 I'm going to speak on the Village
20 of Haverstraw, if I may. We just -- they
21 just passed a 6.1 percent tax hike. We went
22 to a meeting so-called to discuss it, but it
23 was already passed. Then we're looking at a
24 Mirant lawsuit, okay, we are going to be
25 paying out the ying-yang for that. The

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2 desalination plant, that's another issue.
3 Home and school taxes climbing up
4 tremendously. Now United Water. How thin
5 are you driving Rockland County? Or is it a
6 massive plan to completely bring Rockland
7 down for somebody to buy? It's, you know,
8 without understanding -- I can't understand
9 it.

10 But in reality I'd really like to
11 thank you, sir, for sitting there and taking
12 all the heat, okay, because I know it's
13 tough. But our leaders should have been
14 sitting up there taking the heat too so they
15 can hear how the taxpayers, how we feel.
16 Instead, our leaders are in the house having
17 dinner. And no matter if they watch TV, they
18 don't care. They should be here so they can
19 feel the heat, right?

20 Sir, with all due respect, thank
21 you.

22 ALJ EPSTEIN: Thank you very much.

23 (Applause)

24 ALJ EPSTEIN: And for what it's
25 worth, thanks go to everybody who did make

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2 the effort to come out here and to listen to
3 everybody else who spoke.

4 Is there anybody else who wants to
5 speak?

6 (No response)

7 ALJ EPSTEIN: Okay. Seeing none,
8 this hearing is -- give me a moment here
9 because -- oh, okay. I'm going to pursue
10 some things off the record. But this hearing
11 is adjourned. Thank you very much.

12 (Time noted: 9:05 p.m.)
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C E R T I F I C A T E

STATE OF NEW YORK)
) SS:
COUNTY OF ORANGE)

I, KARI L. REED, a Registered Professional Reporter (Stenotype) and Notary Public with and for the State of New York, do hereby certify:

I reported the proceedings in the within-entitled matter and that the within transcript is a true record of such proceedings.

I further certify that I am not related, by blood or marriage, to any of the parties in this matter and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of May, 2014.

KARI L. REED, RPR