

UTILITY WORKERS UNION OF AMERICA

Local 1-2, Affiliated with AFL-CIO

5 West 37th Street, 7th Floor, New York, NY 10018
(212) 575-4400 Fax: (212) 575-3852

HARRY J. FARRELL
PRESIDENT

ANDREW O CONNELL
VICE PRESIDENT

LUCIA E. PAGANO
SECRETARY-TREASURER

JOHN CAPRA

SENIOR BUSINESS AGENTS
ROBERT FARRELL

JAMES SLEVIN

July 7, 2010

Hon. Jaclyn A. Brillling, Secretary
New York State Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

Hon. Eleanor Stein, Administrative Law Judge
New York State Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350

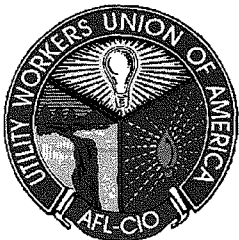
Mr. Tom Dvorsky, Director
Office of Electric, Gas and Water
New York State Department of Public Service
3 Empire State Plaza
Albany, NY 12223-1350

**Re: Case No. 09-W-0842 - United Water New Rochelle, Inc.
- Rate Case**

Dear Secretary Brillling, Judge Stein and Mr. Dvorsky:

As you are aware, this Union is the collective bargaining representative of the nonsupervisory employees of United Water New Rochelle, Inc. ("UWNR"). We recently received the summary of the Joint Proposal in the above-captioned rate case and are concerned about the reference, at the end of the Joint Proposal summary, to assumed rates of wage increases for our members in the collective bargaining agreement which would become effective on May 1, 2011.

UWUA Local 1-2 wants to make it very clear that we do not and will not feel constrained by the percentage increases mentioned in the summary of the Joint Proposal. If UWNR believes that Local 1-2 and its members would settle for such limited wage increases and attempts to incorporate them into the eventual collective bargaining agreement, that position will likely result in a job action and possible shutdown of UWNR's facilities. We believe such an outcome would be contrary to the best interests of the ratepayers.



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Under federal statutes, the parties to labor negotiations must enter into those discussions in good faith and with open minds. Preconditions, such as the extremely low increases stated in the summary of the Joint Proposal, are not only unlawful but also are anathema to good labor relations and to meaningful collective bargaining. Negotiations should reflect the economic realities of the parties at the time bargaining takes place and not some artificial number imposed by an agreement between one party and a State agency, in which the other party to the negotiations - in this case, Local 1-2 - has been excluded altogether.

In sum, the Commission should not inject itself into the collective bargaining process by even suggesting approved wage rate increases, which UWNR can try to use as leverage in its dealings with the Union. We can only believe that UWNR suggested those low numbers for that very purpose. Given the huge rate increases which would be approved under the Joint Proposal, we cannot fathom why anyone would think for a moment that UWNR's employees would accept the paltry wage increases suggested at the end of the summary. UWUA Local 1-2 accordingly requests the Commission to remove any reference to suggested, approved or assumed wage increases from any final document which it issues in this proceeding.

Thank you for this opportunity to comment. Please contact me if you have any questions regarding the issues discussed herein.

Very truly yours,

A handwritten signature in cursive script that reads "Harry J. Farrell".

Harry J. Farrell
Local 1-2 President

cc: Michael Pointing, UWNR V.P.
John A. Polk, UWNR Labor Relations Director
Mindy Ohren, UWNR HR Representative
Andrew O'Connell, UWUA Local 1-2 V.P.
Robert Farrell, UWUA Local 1-2 Sr. Business Agent
Bruce Farina, UWUA Local 1-2 Business Agent
Richard Koda, UWUA Local 1-2 Consultant
Sidney H. Kalban, UWUA Local 1-2 General Counsel