

**SUEZ WATER NEW YORK INC.**

**Long Range Strategic Plan**

**Case 94-W-0066**

**For the Years 2020-2029**

# LONG RANGE STRATEGIC PLAN

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LONG RANGE STRATEGIC PLAN  
FOR THE YEARS 2020-2029**

**EXECUTIVE SUMMARY**

Over this ten year planning period we are projecting that in the most likely case, rate base will grow by approximately fifty percent (50%). The revenue deficiencies and the associated percentage increases below are displayed to reflect the magnitude of the increase required based on the assumptions in this document and do not attempt to predict when rate relief would be sought and to what degree. Therefore, the increases shown are cumulative through the reporting period covered and are presented in millions of dollars.

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Additional Revenue	\$0	\$13	\$23.7	\$33.8	\$41.2	\$44.5	\$46.6	\$48.5	\$50.4	\$52.8
% Increase	0%	13%	23%	22%	40%	43%	45%	46%	48%	50%

The major factors driving these significant revenue needs are:

- A) Lake Deforest Treatment Plant Improvements
- B) Underground Infrastructure Replacement Plan (UIRP)
- C) Dam Improvement Projects
- D) Sludge Handling
- E) Storage Tank Construction
- F) PFAS
- G) SCADA Master Plan

These factors are explained in more detail below.

**Assumptions:**

- ◆ Revenues throughout this planning period are based upon normalized water sold. Growth in customers was projected to increase 0.3% each year.
- ◆ The operating and maintenance expenses rose as a result of increased customer growth, higher water demand costs, and the inclusion of a two and a half percent (2.5%) inflation rate for the purpose of the most likely case for the years one through ten.
- ◆ Taxes Other Than Income Taxes increased over the years as a result of inflation. The tax rates applied were the rates in effect for each year presented. Payroll taxes were appropriately adjusted in line with the payroll increase of 3%. The adjustments to Property taxes were based upon our best projections utilizing the last three years of increases. Property and franchise tax projections include estimates from a tax certiorari review and economic obsolescence filings made through the NYS Office of Real Property Tax Services.

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**Assumptions – continued:**

- ◆ Income tax: Deferred taxes were provided for the excess of tax depreciation over book depreciation. A tax rate of twenty-one percent (21%) was utilized for Federal Income Taxes and a rate of 8.41% was used for State Income Taxes.
  
- ◆ Debt Service was based on the 2019 Rate Case filing

**Significant Events:**

There are significant events in the most likely case that are projected to affect capital investments, water supply reliability and rates.

**A) Lake DeForest Treatment Plant Improvements**

SUEZ Water New York (“SWNY” or “Company”) is investigating the existing water treatment facilities at Lake DeForest Treatment Plant to determine if there is a potential to improve the process and ensure compliance throughout the system. A pilot study was conducted to simulate existing treatment processes and supplemental treatment processes under various conditions. The results of this study are planned upgrades to the LDF WTP in order to improve removal of turbidity, cyanotoxins, and compounds resulting in taste and odor as well as to reduce the potential for DBP formation. The upgrades will include the addition of PAC and pre-ozone to the treatment train. PAC will be used on an as needed basis and added prior to the DAF. Algae and other organics will adsorb to the PAC where it will be removed in the DAF and filters. This will improve the effectiveness of the LDF WTP handling for contaminants such as cyanotoxins. Pre-ozone will aid the treatment process, improving the effectiveness of the DAF to achieve compliance with existing primary drinking water regulations.

**Underground Infrastructure Replacement Plan (UIRP)**

The Company owns and maintains over 1,000 miles of transmission and distribution water mains. Like the rest of the water utility industry, the Company faces the challenge of planning for significant asset replacement investments over the next 30 to 40 years. SWNY has a long term plan to increase the distribution system replacement rate. A more aggressive program of targeted infrastructure replacement will help to reduce real losses. This will promote sustainability of efficient water loss levels once achieved and contribute toward NRW reduction efforts. SWNY’s below-ground infrastructure is relatively young, with a current average asset age of only 50 years. An infrastructure replacement program based largely on asset age would likely not deliver the maximum value per dollar of investment, especially considering that many of the Company’s best performing assets are among the oldest. As a result, the Company has implemented an industry leading capital planning and infrastructure replacement tool called InfoMaster to improve the sophistication of such evaluations and allow for additional metrics such as pipe failure rate and water loss profiles to be considered within the analysis. Establishment of District Metered Areas (DMAs) was the first step taken to identify and target the areas with the highest water losses. After there is sufficient data to establish trends in each DMA, the data will be compared to Advanced Meter Infrastructure (AMI) data and utilized to identify and target the areas with the highest losses. This analysis will facilitate acceleration of the underground infrastructure replacement programs.

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The proposed target for accelerating the Company’s infrastructure renewal rate is to achieve an overall replacement rate of 1% of the pipe network annually by the year 2020.

**B) Dam Improvement Projects**

SWNY fully owns and operates five dams and partially owns two additional dams. The current regulations require an engineering assessment (EA) to have been completed to ensure the dams meet the current standards. The EA was completed and submitted for further assessment to the New York State Department of Environmental Conservation (DEC or Dam Safety). Based on the initial analysis, it is projected that the DEC will require capital improvements be made to the Lake DeForest Dam and Indian Kill Dams to meet the revised DEC Regulations. SWNY is working with the DEC to determine if upgrades are required at the dams and to the extent of the work to be completed.

**C) Sludge Handling**

The sludge handling facilities at the Lake DeForest Water Treatment Plant include two sludge lagoons and a sludge drying bed that handles all residuals produced in the Dissolved Air Floatation Basins and the Filters. Changing water quality and the latest water quality regulations result in the generation of quantities of residuals that are at the limit of the sludge handling facilities’ capacity. As a result, a project may be required to reduce the loading to the lagoons.

**D) Storage Tank Construction**

Other planned projects include the planned construction and replacement of treated water storage tanks in Warwick, Ramapo, Stony Point and Haverstraw, which will increase storage capacity by approximately five (5) million gallons. These new storage facilities will enable the Company to meet its growth demands and at the same time, meet average day storage requirement goals and fire protection storage goals.

**E) PFAS**

In July 2019 the State of New York proposed standards for Perfluorooctane sulfonic acid (“PFOS”), and Perfluorooctanoic acid (“PFOA”) of 10 parts per trillion and 1,4-dioxane of 1 part per billion. These standards are anticipated to be adopted in July of 2020. The current EPA guidance for PFOA and PFOS is 70 parts per trillion. While the standards have been proposed by the State of New York, a public comment period is required prior to amending the State’s drinking water regulations. After the public comment period, the proposed regulation will either be revised or submitted for adoption and the final standards could be higher or lower than the proposed standards. Significant capital will be required to treat multiple sites that will be over the 10 ppt limit moving forward.

**F) SCADA Master Plan:**

The Company has started a plan to replace outdated SCADA components and implement a new technology within our SCADA system to improve cybersecurity and overall operation of the system. This SCADA Master Plan will be rolled out over the next few years to all the sites in the system.

**Other Potential Events:**

SWNY currently complies with all requirements in the Safe Drinking Water Act and plans on continued compliance through 2029. SWNY is anticipating that revisions to the lead and copper rule will bring changes to monitoring, compliance and potentially require removal of lead service lines which could impact capital and operational costs. A requirement of full service line replacement from tap to customer premise would increase the capital cost requirement for service line

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replacements due to the additional length of service line and restoration requirements on customer (private) property. Changes in monitoring requirements for lead and copper could impact operational costs to maintain compliance with these parameters. The revisions are currently anticipated to be issued proposed in 2020. In addition, revisions could be issued to the Revised Total Coliform Rule to require inspections and cleaning of water storage tanks every 5 years.

**Outreach and Education:**

The Company will continue its outreach and education efforts using a variety of tools to provide customers with up-to-date information on water quality, conservation, emergencies, system operations, rates and other timely topics. These tools include an annual Customer Information Guide, the Annual Water Quality Report (CCR) , bill inserts, bill messages, press releases, print and television ads and direct mail. The Company's website, [mysuezwater.com](http://mysuezwater.com), provides information to help the customer understand timely topics while also offering a robust self-service section. The Company is also using social media tools in order to reach customers and provide accurate and up-to-date information.

SUEZ participates in numerous community events and has launched innovative company-sponsored events including environmental cleanups, Lake DeForest Day and SUEZ Tour Day. Lake DeForest Day is an annual day that allows customers to kayak or canoe on the reservoir while Tour Day offers residents tours of the company's treatment facilities. Customers can also apply for a Watershed Recreation permit so they can fish, bird or hike on the Lake DeForest Reservoir and learn about the importance of protecting drinking water supplies. We also have a strong presence in Rockland schools where we visit and educate 4,000 children annually about the importance of water and water conservation as part of the Project Wet curriculum, which is endorsed by the NYDEC.

The Company will continue with its Customer Advisory Panel that encourages representative customers to engage in direct conversation with the company and provide valuable feedback.

SWNY has partnered with Orange and Rockland Utilities, along with consultation with the Commission and diverse stakeholders, to develop a comprehensive customer conservation program featuring substantial monetary rebates for the purchase of standard water-saving household appliances. (Visit [www.SuezConserve.com](http://www.SuezConserve.com).) Continued implementation of these innovative measures will reduce water consumption by SWNY customers by as much as a total of 1 MGD over a 10-year period. This estimate accounts for declining trends in per capita residential consumption, as well as anticipated population growth over that same time period.

The following are the key goals and components of the conservation plan:

Goals

- Data-driven approach;
- Be inclusive of all customer classes;
- Prioritize highest potential water savings;
- Customer surveys and usage profiles/trends

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- Communicating with our customers to emphasize the importance and benefits of conservation, which requires a long-term approach

Program elements

- Rebates offered on indoor and outdoor water-saving products. Third-party accreditation for water-saving products through EPA WaterSense and ENERGY STAR programs
- Collaboration with Orange & Rockland Utilities to engage mutual customers for both water and energy savings.
- Complementary water-efficiency audits for commercial customers, who use large amounts of water, to identify behaviors and fixture replacements to generate water savings. This includes schools, condominium complexes, etc.
- Rebates offered include a \$100 rebate on washing machines (1 per residential customer), \$100 on toilets (3 per residential customer) and \$15 on showerheads (3 per residential customer). Commercial customers can request rebates on additional quantities.
- Lowe's partnership: Secured an innovative partnership with Lowe's that allows customers to redeem rebates instantly in-store on their cellphones.
- A comprehensive promotional program that includes all customer touch points along with a wide range of traditional and creative advertising tactics.
- An emphasis on expanding digital engagement with customers and providing all customers with information and tools to make informed decisions regarding their water use
- Setting appropriate rates structures to incentivize customers to conserve
- Providing expert advice to non-residential customers through water efficiency assessments and making recommendations for cost-effective efficiency upgrades

Promote conservation awareness:

- The program is promoted through every existing SWNY customer touch point including bill inserts, vehicle decals and employee email signatures
- Tabling at community events and presentations at senior citizen clubs
- An innovative promotional program with the Rockland Boulders, the county's minor league baseball franchise. The program included in-stadium signage, tabling, video messages and giveaways (shower timers)
- Conservation workshops with Cornell Cooperative Extension, Solid Waste Management Authority and Rain Bird
- Targeted presentations for elected officials, local groups, and trade groups that intersect with our program (facility directors, plumbers, irrigation contractors, general contractors, etc.)
- Conservation curriculum for K-6 school children

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- Information is included in our annual Customer Information Guide which is sent to our customers, as well as our Annual Water Quality Report.

The Company maintains board of trustee or advisory board positions in 12 memberships on community-based organizations in Rockland County including Venture, Jawonio, United Way, Salvation Army, Rockland ARC, St. Thomas Aquinas College, Rockland Community Foundation and the Mental Health Association of Rockland.

SWNY's philanthropic support helps local non-profit organizations provide important community services. These include, Meals on Wheels, Boy Scouts/Hudson Valley Council, Keep Rockland Beautiful, West Nyack Volunteer Fire Department and Hackensack Riverkeeper.

SUEZ Cares provides grants to pay the water bills of households in need due to unforeseen circumstances such as job loss or illness. In New York, SUEZ Cares has provided financial assistance to more than 600 families since its inception.

The company is also active in business organizations that help support the local economy including the Rockland Business Association, Leadership Rockland and the Rockland Economic Development Corporation.

**Overall Conclusion:**

The most likely plan addresses important water supply and availability issues, water quality, and infrastructure improvements. The plan addresses growth, capital spending requirements and operating expenses in a realistic systematic manner. It also points out significant events on a worst case basis, in addition to addressing the Company's plan for Outreach and Education.

# **CHAPTER I**

## **ASSESSMENT OF CURRENT SITUATION**

## **CHAPTER I**

### **ASSESSMENT OF CURRENT SITUATION**

The following checklist identifies components of the plan being submitted. These provide a current “baseline” upon which the projections are built:

Map of Current Service Area (information is available for inspection at the Companies offices)

Population and Water Demand

Map of Current Sources of Supply (information is available for inspection at the Companies offices)

Current Transmission and Distribution Facilities Schematic

List of Services Currently Provided to Customers

Identification of Affiliate Relationship.

Current Water Rates, including Summer/Winter Differentials and/or Volume Block Pricing

Last Two Years Financial Statements, including Balance Sheet, Income Statement, and Cash Flow Statement

Current Human Resource Organization Chart, down to the Department level.

- 
- **SERVICE TERRITORY** = Information is available for inspection at the Companies offices
-

# Suez Water New York

## Long Range Water Demand Forecast

<u>Year</u>	Production Average (mgd)	Max Day (mgd)	Metered Customers	Estimated Population
2020	28.15	39.59	74,678	295,391
2021	27.90	39.24	74,761	296,962
2022	27.64	38.87	75,009	298,532
2023	27.39	38.51	75,256	300,102
2024	27.13	38.15	75,502	301,673
2025	26.88	37.80	75,747	303,243
2026	26.79	37.67	75,945	304,614
2027	26.69	37.53	76,142	305,987
2028	26.59	37.40	76,338	307,355
2029	26.50	37.26	76,534	308,726

- 
- MAJOR FEATURES - Information is available for inspection at the Companies offices
-

- 
- SOUTH\_COUNTY - Information is available for inspection at the Companies offices
-

- 
- SOUTH\_COUNTY\_FACILITIES - Information is available for inspection at the Companies offices
-

- 
- **WATER\_DISTRIBUTION\_SYSTEM** = Information is available for inspection at the Companies offices
-

**CHAPTER I**  
**SUEZ WATER NEW YORK**  
**LONG RANGE STRATEGIC PLAN**  
**2020-2029**

**A. List of Services Currently Provided to Customers:**

SUEZ Water New York Inc. (SWNY) is in the Water Services business and provides no other type of service to its customers

**B. Identification of Affiliate Relationship:**

SWNY is a subsidiary of SUEZ Water New Jersey Inc. (SWNJ) which in turn is a subsidiary of SUEZ Water Resources LLC (SWR), which in turn is a subsidiary of SUEZ Utility Holdings Inc. (SUHI), which is 80% owned by SUEZ Water Inc. (SWI) and 20% owned by Stichting Pensioenfonds Zorg en Welzijn (PGGM). SWNY relies upon assistance provided by the employees of SWNJ and SUEZ Water Management and Services Inc., a subsidiary of SWI. Included in the broad range of goods and services provided to SWNY are engineering, general accounting, executive, insurance, water treatment, human resources, meter maintenance, materials and supplies, customer service, administrative support, real estate, internal audit, treasury, information systems, purchasing, public information, rates, legal, research and development, risk management, finance, tax, budgets, environmental research and development. SWNY charges SWNJ for its share of the administration and operation of the Lake DeForest Reservoir. SWNY and SUEZ Water Westchester (SWWC) maintain sector agreements that provide for sharing of their respective qualified employees to each other and each shall utilize, as needed, general management and operational services upon the terms and conditions set forth in the agreement as filed with the Public Service Commission.

GENERAL INFORMATION

FAILURE TO COMPLY WITH AGREEMENT

If you fail to comply with the terms of this agreement, United Water New York Inc. will take steps to terminate service to the address listed above.

CHANGE IN FINANCIAL CIRCUMSTANCES

If you cannot make payments as required under this Agreement due to a significant change in financial circumstances beyond your control, the Company will amend the terms of the Agreement to reflect such change. If a significant change in your financial circumstances does occur, you must notify the Company prior to the next date when payment is due. To notify the Company, please call us at 845-623-1500 or visit our office at 360 West Nyack Road, West Nyack, New York.

ACCEPTANCE OF AGREEMENT

If this agreement form is not signed and returned to us with the downpayment by \_\_\_\_\_, this agreement will not be binding on the Company, and United Water New York Inc. may take steps to terminate service.

This Payment Agreement covers only amounts in arrears. All current bills for service must be paid on time.

I accept this agreement.

Customer's Signature \_\_\_\_\_

\_\_\_\_\_  
Name (typed or printed)

Date \_\_\_\_\_

Company's Signature \_\_\_\_\_

\_\_\_\_\_  
Name (typed or printed)

\_\_\_\_\_  
Title

Issued in compliance with the Commission Order 06-W-0131 dated December 14, 2006.

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 360 West Nyack Road, West Nyack, NY 10994

**SERVICE CLASSIFICATION NO. 1**

Applicable to Use of Service for:

Residential Service to single family homes and all other individual dwelling units that are separately metered and billed.

Character of Service:

Continuous except as limited by "Standard Terms & Conditions."

Rate per Month:

Facility Charge:

Meter Size Per month	Effective <u>07/01/14</u>	Effective <u>06/01/15</u>
5/8"	\$ 10.99	\$ 11.57
3/4"	\$ 12.09	\$ 12.73
1"	\$ 13.19	\$ 13.89
1 1/2"	\$ 18.68	\$ 19.67
2"	\$ 21.98	\$ 23.14
3"	\$ 71.44	\$ 75.22
4"	\$ 107.70	\$ 113.40
6"	\$ 180.24	\$ 189.78
8"	\$ 278.05	\$ 292.76

Consumption Charges

Per Hundred Cubic Feet (ccf)

	Effective <u>07/01/14</u>		Effective <u>06/01/15</u>	
	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>
First 3 ccf	\$4.0710	\$6.1410	\$4.2860	\$6.4660
Over 3 ccf	\$4.7710	\$7.1530	\$5.0240	\$7.5320

Per Thousand Gallons (mgl)

	Effective <u>07/01/14</u>		Effective <u>06/01/15</u>	
	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>
First 2 mgl	\$6.1065	\$9.2115	\$6.4290	\$9.6990
Over 2 mgl	\$6.3954	\$9.5885	\$6.7346	\$10.0965

P.S.C. No. 1 – Water  
United Water New York Inc.  
Initial Effective Date: **July 4, 2014**

Leaf No. **89.1**  
Revision: 2  
Superseding Revision: 1

**SERVICE CLASSIFICATION NO. 1**  
**(Continued)**

\*Definition of Summer Rate Period

May 1 through August 31, inclusive. Bills will be prorated based on the number of days during which the Summer Rates are in effect.

Terms Of Payment:

Bills are due and payable when rendered. If the bill is not paid within twenty days after presentation, service may be discontinued after proper notice as required by law.

A late payment charge to be computed at the rate of 1.5% per month, compounded monthly, may be applied to all unpaid balances no sooner than 23 days from the mailing of the bill.

Bills rendered at the above rates are subject to surcharges, credits and adjustment clauses as contained elsewhere in this tariff.

P.S.C. No. 1 – Water  
United Water New York Inc.  
Initial Effective Date: July 4, 2014

Leaf No. 90  
Revision: 4  
Superseding Revision: 3

**SERVICE CLASSIFICATION NO. 2**

Applicable to Use of Service for: Building and Construction Purposes

Character of Service: Continuous except as limited by "Standard Terms & Conditions."

Rate:

METERED

Consumption Charges

Same as in Service Classification No. 7

UNMETERED calculated on a monthly basis:

Building Purposes

New Frame Buildings

Effective 07/01/14

<u>Frontage</u>	<u>Number of Stories</u>			
	<u>1</u>	<u>1-1/2</u>	<u>2</u>	<u>2-1/2</u>
Less than 25 feet	<b>\$ 85.76</b>	<b>\$ 92.27</b>	<b>\$ 98.02</b>	<b>\$110.66</b>
25 feet & under 40 feet	<b>98.02</b>	<b>104.65</b>	<b>110.66</b>	<b>116.89</b>
40 feet & under 50 feet	<b>104.65</b>	<b>110.66</b>	<b>117.85</b>	<b>125.06</b>

Add **\$20.90** for each 10 feet or less of additional building frontage in excess of 50 feet.

Effective 06/01/15

<u>Frontage</u>	<u>Number of Stories</u>			
	<u>1</u>	<u>1-1/2</u>	<u>2</u>	<u>2-1/2</u>
Less than 25 feet	<b>\$ 93.56</b>	<b>\$100.66</b>	<b>\$106.94</b>	<b>\$120.73</b>
25 feet & under 40 feet	<b>106.94</b>	<b>114.18</b>	<b>120.73</b>	<b>127.52</b>
40 feet & under 50 feet	<b>114.18</b>	<b>120.73</b>	<b>128.58</b>	<b>136.44</b>

Add **\$22.80** for each 10 feet or less of additional building frontage in excess of 50 feet.

Brick, concrete stone or stucco buildings will be charged for at double the above rates. These rates include water supplied for foundations, cellars, sidewalks and temporary unmetered testing.

P.S.C. No. 1 – Water  
United Water New York Inc.  
Initial Effective Date: August 31, 2010

Leaf No. 91  
Revision: 2  
Superseding Revision: 0

**SERVICE CLASSIFICATION No. 2  
(Continued)**

Terms Of Payment:

METERED

Bills are due and payable when rendered. If the bill is not paid within twenty days after presentation, service may be discontinued after proper notice as required by law.

A late payment charge to be computed at the rate of 1.5% per month, compounded monthly, may be applied to all unpaid balances no sooner than 23 days from the mailing of the bill.

UNMETERED:

Net cash in advance

Bills rendered at the above rates are subject to surcharges, credits and adjustment clauses as contained elsewhere in this tariff.

Filed in compliance with Commission Order in Case 09-W-0731, issued July 20, 2010.

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 360 West Nyack Road, West Nyack, NY 10994

**SERVICE CLASSIFICATION NO. 3**

Applicable to Use of Service for:

Private Fire Protection

Character of Service:

Continuous except as limited by "Standard Terms & Conditions."

Rate Per Month:

(a) PRIVATE FIRE LINES, with or without hoses or hydrants connected to them.

<u>Size of Service</u>	<u>Effective</u> <u>07/01/14</u>	<u>Effective</u> <u>06/01/15</u>
Up to 1 inch	\$ 5.20	\$ 5.54
1 inch	\$ 6.94	\$ 7.38
1-1/2 inch	\$ 13.88	\$ 14.76
2 inch	\$ 20.32	\$ 21.62
3 inch	\$ 50.75	\$ 53.97
4 inch	\$101.40	\$107.83
6 inch	\$202.98	\$215.85
8 inch	\$405.80	\$431.54
10 inch	\$811.77	\$863.27

No additional charge will be made for water used in tests or for fire protection purposes.

(b) PRIVATE FIRE HYDRANTS

	<u>Effective</u> <u>07/01/14</u>	<u>Effective</u> <u>06/01/15</u>
Per Hydrant	\$92.62	\$98.41

(c) SPRINKLER CHARGES FOR COMMERCIAL AND INDUSTRIAL USE  
(For the Village of Sloatsburg and the former Service Territory of Pothat Water Company)

	<u>Effective</u> <u>07/01/14</u>	<u>Effective</u> <u>06/01/15</u>
Per Sprinkler Head	\$15.21	\$16.60

Minimum Charge: None

Terms Of Payment:

Bills are due and payable when rendered. If the bill is not paid within twenty days after presentation, service may be discontinued after proper notice as required by law.

A late payment charge to be computed at the rate of 1.5% per month, compounded monthly, may be applied to all unpaid balances no sooner than 23 days from the mailing of the bill.

Bills rendered at the above rates are subject to surcharges, surcredits and adjustment clauses as contained elsewhere in this tariff.

Filed in compliance with Commission Order in Case 13-W-0295, issued June 26, 2014

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 360 West Nyack Road, West Nyack, NY 10994

P.S.C. No. 1 – Water  
United Water New York Inc.  
Initial Effective Date: **July 4, 2014**

Leaf No. 93  
Revision: 4  
Superseding Revision: **3**

#### **SERVICE CLASSIFICATION NO. 4**

Applicable to Use of Service for:

Public Fire Protection

Character of Service:

Continuous except as limited by "Standard Terms & Conditions."

Rate per Month:

	Effective <b><u>07/01/14</u></b>	Effective <b><u>06/01/15</u></b>
Per Hydrant	<b>\$92.62</b>	<b>\$98.41</b>

Minimum Charge: None

Special Provisions:

See General Information Paragraphs 6.1, 6.2, 6.3, Leaf Nos. 30 and 31.

Where hydrants are installed pursuant to an agreement, the term will be as set forth in the agreement.

Terms Of Payment:

Bills are due and payable when rendered. If the bill is not paid within twenty days after presentation, service may be discontinued after proper notice as required by law.

A late payment charge to be computed at the rate of 1.5% per month, compounded monthly, may be applied to all unpaid balances no sooner than 23 days from the mailing of the bill.

Bills rendered at the above rates are subject to surcharges, surcredits and adjustment clauses as contained elsewhere in this tariff.

Filed in compliance with Commission Order in Case 13-W-0295, issued June 26, 2014

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 360 West Nyack Road, West Nyack, NY 10994

P.S.C. No. 1 – Water  
United Water New York Inc.  
Initial Effective Date: March 1, 2008

Leaf No. 94  
Revision: 0  
Superseding Revision: 0

**SERVICE CLASSIFICATION No. 5**

THIS SPACE INTENTIONALLY LEFT BLANK

CUSTOMERS PREVIOUSLY BILLED UNDER THIS SERVICE CLASSIFICATION ARE  
NOW BILLED UNDER SERVICE CLASSIFICATION NO. 7

Issued in compliance with the Commission Order 06-W-0131 dated December 14, 2006.

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 360 West Nyack Road, West Nyack, NY 10994

P.S.C. No. 1 – Water  
 United Water New York Inc.  
 Initial Effective Date: July 4, 2014

Leaf No. 95  
 Revision: 5  
 Superseding Revision: 4

**SERVICE CLASSIFICATION NO. 6**

Applicable to Use of Service for:

Multi-Family Residential Service to those apartment, co-operative or condominium developments, two-family dwellings, multiple dwellings or similar developments or dwellings, where each individual dwelling unit is not separately metered and billed.

Character of Service:

Continuous except as limited by "Standard Terms & Conditions."

Rate per Month:

Facility Charge:

Meter Size Per month	Effective <b>07/01/14</b>	Effective <b>06/01/15</b>
5/8"	\$ 10.99	\$ 11.57
3/4"	\$ 12.09	\$ 12.73
1"	\$ 13.19	\$ 13.89
1 1/2"	\$ 18.68	\$ 19.67
2"	\$ 21.98	\$ 23.14
3"	\$ 71.44	\$ 75.22
4"	\$ 107.70	\$ 113.40
6"	\$ 180.24	\$ 189.78
8"	\$ 278.05	\$ 292.76

Consumption Charges

Per Hundred Cubic Feet (ccf)

	Effective <b>07/01/14</b>		Effective <b>06/01/15</b>	
	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>
First 3 ccf	\$3.3010	\$4.9620	\$3.4940	\$5.2500
Over 3 ccf	\$3.8650	\$5.8070	\$4.0910	\$6.1460

Per Thousand Gallons (mgl)

	Effective <b>07/01/14</b>		Effective <b>06/01/15</b>	
	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>
First 2 mgl	\$4.9515	\$7.4430	\$5.2410	\$7.8750
Over 2 mgl	\$5.1671	\$7.7634	\$5.4693	\$7.2166

Filed in compliance with Commission Order in Case 13-W-0295, issued June 26, 2014

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 360 West Nyack Road, West Nyack, NY 10994

P.S.C. No. 1 – Water  
United Water New York Inc.  
Initial Effective Date: July 4, 2014

Leaf No. 95.1  
Revision: 2  
Superseding Revision: 1

**SERVICE CLASSIFICATION NO. 6  
(Continued)**

\* Definition of Summer Rate Period

May 1 through August 31, inclusive. Bills will be prorated based on the number of days during which the Summer Rates are in effect.

Terms Of Payment:

Bills are due and payable when rendered. If the bill is not paid within twenty days after presentation, service may be discontinued after proper notice as required by law.

A late payment charge to be computed at the rate of 1.5% per month, compounded monthly, may be applied to all unpaid balances no sooner than 23 days from the mailing of the bill.

Bills rendered at the above rates are subject to surcharges, surcredits and adjustment clauses as contained elsewhere in this tariff.

P.S.C. No. 1 – Water  
 United Water New York Inc.  
 Initial Effective Date: **July 4, 2014**

Leaf No. 96  
 Revision: **5**  
 Superseding Revision: **4**

**SERVICE CLASSIFICATION NO. 7**

Applicable to Use of Service for:

All Non-Residential Customers

Character of Service:

Continuous except as limited by "Standard Terms & Conditions."

Rate per Month:

Facility Charge

<u>Meter Size</u> <u>Per Month</u>	<u>Effective</u> <u>07/01/14</u>	<u>Effective</u> <u>06/01/15</u>
5/8"	\$ 10.99	\$ 11.57
3/4"	\$ 12.09	\$ 12.73
1"	\$ 13.19	\$ 13.89
1 1/2"	\$ 18.68	\$ 19.67
2"	\$ 21.98	\$ 23.14
3"	\$ 71.44	\$ 75.22
4"	\$ 107.70	\$ 113.40
6"	\$ 180.24	\$ 189.78
8"	\$ 278.05	\$ 292.76

Consumption Charges

Per Hundred Cubic Feet (ccf)

	<u>Effective</u> <u>07/01/14</u>		<u>Effective</u> <u>06/01/15</u>	
	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>
First 3 ccf	\$3.4910	\$5.2340	\$3.5500	\$5.3220
Next 897ccf	\$4.1150	\$6.1690	\$4.1950	\$6.2890
Over 900 ccf	\$3.5940	\$5.3870	\$4.1950	\$6.2890

Per Thousand Gallons (mgl)

	<u>Effective</u> <u>07/01/14</u>		<u>Effective</u> <u>06/01/15</u>	
	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>
First 2 mgl	\$5.2365	\$7.8510	\$5.3250	\$7.9830
Next 671 mgl	\$5.5013	\$8.2473	\$5.6083	\$8.4078
Over 673 mgl	\$4.8048	\$7.2019	\$5.6083	\$8.4078

Filed in compliance with Commission Order in Case 13-W-0295, issued June 26, 2014..

Issued by: M.J. Pointing, V.P. & Gen. Mgr., 360 West Nyack Road, West Nyack, NY 10994

**SERVICE CLASSIFICATION NO. 7  
(Continued)**

\* Definition of Summer Rate Period

May 1 through August 31, inclusive. Bills will be prorated based on the number of days during which the Summer Rates are in effect.

Terms Of Payment:

Bills are due and payable when rendered. If the bill is not paid within twenty days after presentation, service may be discontinued after proper notice as required by law.

A late payment charge to be computed at the rate of 1.5% per month, compounded monthly, may be applied to all unpaid balances no sooner than 23 days from the mailing of the bill.

Bills rendered at the above rates are subject to surcharges, surcredits and adjustment clauses as contained elsewhere in this tariff.

<b>COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)</b>				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beg. of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Water Plant (101-107, 114, 116, 117, 118.1, 118.2)	200-201	\$504,699,502	\$543,878,545
3	(Less) Accum. Prov. for Depr. Amort. Depl. (108-113,115, 119.1, 119.2)	200-201	120,255,962	123,353,295
4	Net Utility Plant ( Total of line 2 less 3)	-	384,443,540	420,525,250
5	OTHER PROPERTY AND INVESTMENTS	-		
6	Nonutility Property (121)	211	0	0
7	(Less) Accum. Prov. for Depr. and Amort. (122)	-	0	0
8	Investments in Associated Companies (123)	210	0	0
9	Investment in Subsidiary Companies (123.1)	-		
10	Other Investments (124)	210	0	0
11	Sinking Funds (125)	212	0	0
12	Depreciation Funds (126)	212	0	0
13	Other Special Funds (128)	212	0	0
14	TOTAL Other Property and Investments (Total of lines 6 thru 13)	-	0	0
15	CURRENT AND ACCRUED ASSETS	-		
16	Cash (131)	-	3,719	3,719
17	Interest Special Deposits (132)	212	0	0
18	Dividend Special Deposits (133)	212	0	0
19	Other Special Deposits (134)	212	0	0
20	Working Fund (135)	-	750	750
21	Temporary Cash Investments (136)	-	0	0
22	Notes Receivable (141)	213	0	0
23	Customer Accounts Receivable (142)	213	7,567,118	6,221,200
24	Other Accounts Receivable (143)	213	39,968	25,474
25	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	213	1,595,637	868,787
26	Notes Receivable from Associated Companies (145)	214	0	0
27	Accounts Receivable from Assoc. Companies (146)	214	0	3,115,234
28	Materials and Supplies (150)	215	941,053	1,266,380
29	Prepayments (165)	215	8,043,599	8,092,487
30	Interest and Dividends Receivable (171)	-	0	0
31	Rents Receivable (172)	-	0	0
32	Accrued Utility Revenues (173)	-	4,335,160	5,059,301
33	Miscellaneous Current and Accrued Assets (174)	-	0	0
34	TOTAL Current and Accrued Assets (Enter Total of lines 16 thru 33)	-	19,335,731	22,915,758
35	DEFERRED DEBITS	-		
36	Unamortized Debt Expense (181)	-	1,413,081	1,274,613
37	Extraordinary Property Losses (182)	216	0	0
38	Preliminary Survey and Investigative Charges (183)	-	5,510,845	7,959,364
39	Clearing Accounts (184)	-	11,147	66,615
40	Temporary Facilities (185)	-	0	0
41	Miscellaneous Deferred Debits (186)	216	74,702,639	72,436,764
42	Investment in Research and Development (188)	352-353	0	0
43	Unamortized Loss on Reacquired Debt	-		
44	Accumulated Deferred Income Taxes (190)	217	4,431,005	5,131,935
45	TOTAL Deferred Debits (Enter Total of lines 36 thru 44)	-	86,068,717	86,869,290
46	TOTAL Assets and Other Debits (Enter Total of lines 4, 14, 34, and 45)	-	\$489,847,988	\$530,310,298

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<b>COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)</b>				
Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beg. of Year (c)	Balance at End of Year (d)
1	<b>PROPRIETARY CAPITAL</b>	-		
2	Common Stock Issued (201)	250-251	\$13,856,490	\$13,856,490
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	6,286,958	6,286,958
7	Other Paid-in Capital (208-211)	253	165,011,340	170,422,072
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock	-		
10	(Less) Capital Stock Expense (214)	254	0	0
11	Retained Earnings (215, 216)	120-121	96,827,209	115,039,780
12	(Less) Reacquired Capital Stock (217)	120-121	0	0
13	TOTAL Proprietary Capital ( Total of lines 2 thru 12)	-	281,981,997	305,605,300
14	<b>LONG-TERM DEBT</b>	-		
15	Bonds (221)	256-257	0	0
16	(Less) Reacquired Bonds (222)	256-257	0	0
17	Advances from Associated Companies (223)	256-257	0	0
18	Other Long-Term Debt (224)	256-257	82,000,000	82,000,000
19	Unamortized Premium on Long-Term Debt (225)	256-257	0	0
20	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	256-257	0	0
21	TOTAL Long-Term Debt ( Total of Lines 16 thru 20)	-	82,000,000	82,000,000
22	<b>OPERATING RESERVES</b>	-		
23	Obligations Under Capital Leases - Noncurrent	-		
24	Property Insurance Reserve (261)	-	387,869	587,186
25	Injuries and Damages Reserve (262)	-	12,163,508	13,804,880
26	Pensions and Benefits Reserve (263)	-	0	10,798,540
27	Misc Operating Reserves (265)	-		
28	TOTAL Operating Reserves (Total lines 23 thru 27)	-	12,551,376	25,190,605
29	<b>CURRENT AND ACCRUED LIABILITIES</b>	-		
30	Notes Payable (231)	255	0	0
31	Accounts Payable (232)	255	6,930,024	8,769,734
32	Notes Payable to Associated Companies (233)	255	0	0
33	Accounts Payable to Associated Companies (234)	255	0	0
34	Customer Deposits (235)	-	52,146	55,343
35	Taxes Accrued (236)	258-260	3,269,181	5,156,624
36	Interest Accrued (237)	-	1,286,066	1,286,440
37	Dividends Declared (238)	-	0	0
38	Matured Long-Term Debt (239)	-	0	0
39	Matured Interest (240)	-	0	0
40	Tax Collections Payable (241)	-	0	0
41	Miscellaneous Current and Accrued Liabilities (242)	-	2,968,831	4,005,772
42	Obligations Under Capital Leases - Current	-		
43	TOTAL Current and Accrued Liabilities ( Total of lines 30 thru 42)	-	14,506,248	19,273,913
44	<b>DEFERRED CREDITS</b>	-		
45	Customer Advances for Construction (252)	-	4,049,703	5,594,983
46	Other Deferred Credits (253)	261	41,862,913	38,734,731
47	Accumulated Deferred Investment Tax Credits (255)	262-263	443,422	417,466
48	Deferred Gains from Disposition of Utility Plant	-		
49	Unamortized Gain on Reacquired Debt	-		
50	Accumulated Deferred Income Taxes (281 - 283)	264-265	52,452,328	53,493,300
51	TOTAL Deferred Credits ( Total of lines 45 thru 50)	-	98,808,366	98,240,480
52	TOTAL Liabilities and Other Credits( Total of lines 13, 21, 28, 43 and 51)	-	\$489,847,988	\$530,310,298

## STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i, k, m, o) in a similar manner to a utility department. Spread the amount(s) over lines 02 thru 23 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
3. Use page 124-125 for important notes regarding the statement of income or any account thereof.

4. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to water purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to water purchases.
5. Give concise explanations concerning significant amount of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME	-		
2	Operating Revenues (400)	300	\$94,840,089	\$89,997,833
3	Operating Expenses	-		
4	Operation Expenses (401)	307-309	22,620,928	24,830,930
5	Maintenance Expenses (402)	307-309	4,630,687	4,418,900
6	Depreciation Expense (403)	311-312	12,284,880	11,708,752
7	Amort. Limited-term Water Plant (404)	311-312	40,093	38,331
8	Amort. of Other Water Plant (405)	311-312	3,392,813	3,578,531
9	Amort. of Water Plant Acquisition Adjustment (406)	-	0	0
10	Amort. of Property Losses (407)	-	0	0
11	Regulatory Debits	-	0	0
12	(Less) Regulatory Credits	-	0	0
13	Taxes Other Than Income Taxes (408.1)	258-260	18,996,516	18,833,617
14	Income Taxes -- Federal (409.1)	258-260	1,114,520	884,983
15	-- Other (409.1)	258-260	1,601,811	983,882
16	Provision for Deferred Income Taxes (410.1)	-	72,460	2,295,264
17	(Less) Provision for Deferred Income Taxes -Cr. (411.1)	-	0	0
18	Investment Tax Credit Adj. -- Net (411.4)	-	(25,956)	(25,956)
19	Misc. Adjustments of Income Taxes (411.8)	-	0	0
20	(Less) Gains from Disp. of Utility Plant	-	0	0
21	Losses from Disp. of Utility Plant	-	0	0
22	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 21)	-	64,728,752	67,547,234
23	Net Utility Operating Income (Enter Total of line 2 less 22) (Carry forward to page 118)	-	\$30,111,336	\$22,450,600

**STATEMENT OF INCOME FOR THE YEAR (Continued)**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for water purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

6. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on page 124-125.

8. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

7. Enter on page 124-125 a concise explanation of only those changes in accounting methods made during the year

Water Utility		Other Utility		Other Utility		Line No.
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
(e)	(f)	(g)	(h)	(i)	(j)	
						1
\$94,840,089	\$89,997,833					2
						3
\$22,620,928	24,830,930					4
\$4,630,687	4,418,900					5
\$12,284,880	11,708,752					6
\$40,093	38,331					7
\$3,392,813	3,578,531					8
						9
						10
						11
						12
\$18,996,516	18,833,617					13
\$1,114,520	884,983					14
\$1,601,811	983,882					15
\$72,460	2,295,264					16
						17
(\$25,956)	(25,956)					18
						19
						20
						21
\$64,728,752	67,547,234	0	0	0	0	22
\$30,111,336	\$22,450,600	\$0	\$0	\$0	\$0	23

STATEMENT OF INCOME FOR THE YEAR				
Line No.	Account (a) <input type="checkbox"/>	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
24	Net Utility Operating Income (Carried forward from page 116)	-	\$30,111,336	\$22,450,600
25	Other Income and Deductions	-		
26	Other Income	-		
27	Nonutility Operating Income	-		
28	Revenues From Merchandising, Jobbing and Contract Work (415)	315	(\$44,243)	(4,064)
29	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)	315	\$0	
30	Revenues From Nonutility Operations (417)	316	\$0	
31	(Less) Expenses of Nonutility Operations (417.1)	316	\$0	
32	Nonoperating Rental Income (418)	-	\$0	
33	Equity in Earnings of Subsidiary Companies	-		
34	Interest and Dividend Income (419)	-	\$127,263	307,694
35	Allowance for Other Funds Used During Construction (419.1)	207	\$206,752	85,203
36	Miscellaneous Nonoperating Income (421)	316	\$41,143	9,790
37	Gain in Disposition of Property (421.1)	317	\$0	0
38	TOTAL Other Income (Enter Total of lines 28 thru 37)	-	\$330,916	398,624
39	Other Income Deductions	-		
40	Loss on Disposition of Property (421.2)	317	\$0	0
41	Miscellaneous Amortization (425)	318-320	\$0	0
42	Miscellaneous Income Deductions (426)	318-320	\$2,723,405	1,172,138
43	TOTAL Other Income Deductions (Total of lines 40 thru 42)	-	\$2,723,405	1,172,138
44	Taxes Applic. to Other Income and Deductions	-		
45	Taxes Other Than Income Taxes (408.2)	258-260		
46	Income Taxes -- Federal (409.2)	258-260		
47	Income Taxes -- Other (409.2)	258-260		
48	Provision for Deferred Inc. Taxes (410.2)	-		
49	(Less) Provision for Deferred Income Taxes -- Cr. (411.2)	-		
50	Investment Tax Credit Adj. -- Net (411.5)	-		
51	(Less) Investment Tax Credits (420)	-		
52	TOTAL Taxes on Other Income and Deduct. (Total of 45 thru 51)	-	\$0	0
53	Net Other Income and Deductions (Enter Total of lines 38, 43, 52)	-	(\$2,392,490)	(773,514)
54	Interest Charges	-		
55	Interest on Long-Term Debt (427)	256-257	\$4,019,604	4,019,604
56	Amort. of Debt Disc. and Expense (428)	256-257	\$138,468	138,468
57	Amortization of Loss on Reacquired Debt	-		
58	(Less) Amort. of Premium on Debt-Credit (429)	256-257	\$0	
59	(Less) Amortization of Gain on Reacquired Debt-Credit	-		
60	Interest on Debt to Assoc. Companies (430)	318-320	\$3,762,453	3,903,342
61	Other Interest Expense (431)	318-320	\$1,585,751	1,602,940
62	(Less) Allowance for Borrowed Funds Used During Construction-Cr.	-		
63	Net Interest Charges (Enter Total of lines 55 thru 62)	-	\$9,506,276	9,664,354
64	Income Before Extraordinary Items (Total of lines 24, 53 and 63)	-	\$18,212,570	12,012,731
65	Extraordinary Items	-		
66	Extraordinary Income (434)	321		
67	(Less) Extraordinary Deductions (435)	321		
68	Net Extraordinary Items (Enter Total of line 66 less line 67)	-	\$0	0
69	Income Taxes -- Federal and Other (409.3)	-		
70	Extraordinary Items After Taxes (Enter Total of line 68 less line 69)	-	\$0	0
71	Net Income (Enter Total of lines 64 and 70)	-	\$18,212,570	\$12,012,731

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Annual Report of Suez Water New York, Inc.

Year Ended December 31, 2019

**STATEMENT OF RETAINED EARNINGS FOR THE YEAR**

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b).</p> <p>3. State the purpose and amount of each reservation or appropriation of retained earnings.</p> <p>4. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.</p> | <p>5. Show dividends for each class and series of capital stock.</p> <p>6. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.</p> <p>7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.</p> <p>8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 124-125.</p> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	<b>UNAPPROPRIATED RETAINED EARNINGS (Account 216)</b>		
1	Balance -- Beginning of Year		\$96,827,209
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Acct. 439) (Total of lines 4 thru 8)		0
10	Debit: Minimum Pension Liability Adjustment	263	
11	Debit: Adjustment to RE - Taxes (entry recorded for December 2006)		
12	Debit: Stock redemption		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Acct. 439) (Total of lines 10 thru 14)		0
16	Balance Transferred from Income (Account 433 less Account 418.1)		18,212,570
17	Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21			
22	TOTAL Appropriations to Retained Earnings (Acct. 436) (Total of lines 18 thru 21)		0
23	Dividends Declared -- Preferred Stock (Account 437)		
24			
25			
26			
27			
28			
29	TOTAL Dividends Declared -- Preferred Stock (Acct. 437) (Total of lines 24 thru 28)		0
30	Dividends Declared -- Common Stock (Account 438)		
31			
32			
33			
34			
35			
36	TOTAL Dividends Declared -- Common Stock (Acct. 438) (Total of lines 31 thru 35)		0
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		
38	Balance -- End of year (Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		\$ 115,039,780

Annual Report of Suez Water New York, Inc.

Year Ended December 31, 2019

<b>STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)</b>			
Line No.	Item (a)	Amount (b)	
	<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>		
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.		
39		None	
40			
41			
42			
43			
44			
45	TOTAL Appropriated Retained Earnings (Account 215)	0	
<b>New York State Intrastate Revenues</b>			
<p>Show the amount of gross operating revenues derived from New York intrastate utility operations during the year. If these amounts differ from the corresponding revenue figures in the income statement, each such difference should be explained in sufficient detail to identify the amounts by detail revenue account. It is intended that the amounts shown here shall represent the revenues subject to assessment under Section 18a of the Public Service Law.</p>			
Line No.	Description of Account (a)	Revenues Intrastate (b)	Interstate (c)
1	Water Utility	\$84,975,872	
2			
3	Revenue Derived from United Water New Jersey for stream flow benefits in New Jersey		1,833,924
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17	TOTAL	\$84,975,872	\$1,833,924
	Water Utility	\$84,975,872	
	Revenue Derived from United Water New Jersey for stream flow benefits in New Jersey	1,833,924	
	Subtotal	\$86,809,796	
	Accounts 471 - 474	8,030,293	
	Total per Income Statement (see page 116, line 2)	\$94,840,089	

Annual Report of Suez Water New York, Inc.

Year Ended December 31, 2019

**STATEMENT OF CASH FLOWS**

1. If the notes to the cash flow statement in the respondents annual stockholders report are applicable to this statement, such notes should be included on pages 124-125. Information about noncash investing and financing activities should be provided on pages 124-125. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.

2. Under "Other" specify significant amounts and group others.

3. Operating Activities -- Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 124-125 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instructions for Explanations of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities:	
2	Net Income	18,212,570
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	12,324,973
5	Amortization of (Specify)	138,468
6	Impairment of Regulatory Assets	1,076,606
7		
8	Deferred Income Taxes (Net)	340,042
9	Investment Tax Credit Adjustment (Net)	(25,956)
10	Net (Increase) Decrease in Receivables	(3,205,812)
11	Net (Increase) Decrease in Inventory	(325,326)
12	Net Increase (Decrease) in Payables and Accrued Expenses	32,880,222
13	Net (Increase) Decrease in Other Regulatory Assets	
14	Net Increase (Decrease) in Other Regulatory Liabilities	
15	(Less) Allowance for Other Funds Used During Construction	206,752
16	(Less) Undistributed Earnings from Subsidiary Companies	
17	Other: Decrease (Increase) in Deferred Debits	(1,314,717)
18	(Decrease) Increase in Deferred Credits	(3,128,182)
19	Decrease (Increase) in Prepayments and Other, Net	12,590,341
20	(Decrease) Increase in Current Income Taxes and Other Taxes Payable	1,887,443
21	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 20)	71,243,921
22		
23	Cash Flows from Investment Activities:	
24	Construction and Acquisition of Plant (including Land):	
25	Gross Additions to Utility Plant	(48,406,684)
26	Gross Additions to Common Utility Plant	
27	Gross Additions to Nonutility Plant	
28	(Less) Allowance for Other Funds Used During Construction	206,752
29	Other:	
30		
31		
32	Cash Outflows for Plant (Total of lines 24 thru 31)	(48,199,932)
33		
34	Acquisition of Other Noncurrent Assets (d)	
35	Proceeds from Disposal of Noncurrent Assets (d)	
36		
37	Investments in and Advances to Assoc. and Subsidiary Companies	
38	Contributions and Advances from Assoc. and Subsidiary Companies	
39	Disposition and Investments in (and Advances to)	
40	Associated and Subsidiary Companies	
41		
42	Purchase of Investment Securities (a)	
43	Proceeds from Sales of Investment Securities (a)	

**STATEMENT OF CASH FLOWS (Continued)**

4. Investing Activities

Include at Other (line 29) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on pages 124-125.

5. Codes used:

- (a) Net proceeds or payments.
- (b) Bonds, debentures and other long-term debt.
- (c) Include commercial paper.
- (d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on pages 124-125 clarifications and explanations.

Line No.	Description (See Instruction No. 5 for Explanations of Codes) (a)	Amounts (b)
44	Loans Made or Purchased	
45	Collections on Loans	
46		
47	Net (Increase) Decrease in Receivables	
48	Net (Increase) Decrease in Inventory	
49	Net Increase (Decrease) in Payables and Accrued Expenses	
50	Other:	
51		
52		
53	Net Cash Provided by (Used in) Investing Activities	
54	(Total of lines 32 thru 52)	(48,199,932)
55		
56	Cash Flows from Financing Activities:	
57	Proceeds from Issuance of:	
58	Long-Term Debt (b)	
59	Preferred Stock	(30,000,000)
60	Common Stock	
61	Other: Cash Contribution from Parent	5,410,732
62	Other: Retained Earnings Adjustment	0
63	Net Increase in Short-Term Debt (c)	0
64	Other:	
65	Unamortized Debt Expense increase	0
66		
67	Cash Provided by Outside Sources (Total of lines 58 thru 66)	(24,589,268)
68		
69	Payments for Retirement of:	
70	Long-term Debt (b)	0
71	Preferred Stock	0
72	Common Stock	
73	Other: Customer Advances for Construction	1,545,280
74		
75	Net Decrease in Short-Term Debt (c)	
76		0
77	Dividends on Preferred Stock	0
78	Dividends on Common Stock	0
79	Net Cash Provided by (Used in) Financing Activities	
80	(Total of lines 67 thru 78)	(23,043,988)
81		
82	Net Increase (Decrease) in Cash and Cash Equivalents	
83	(Total of lines 21, 54 and 80)	0
84		
85	Cash and Cash Equivalents at Beginning of Year	4,469
86		
87	Cash and Cash Equivalents at End of Year	4,469

**NOTES TO FINANCIAL STATEMENTS**

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.

2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.

3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and

plan of disposition contemplated, giving reference to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.

4. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.

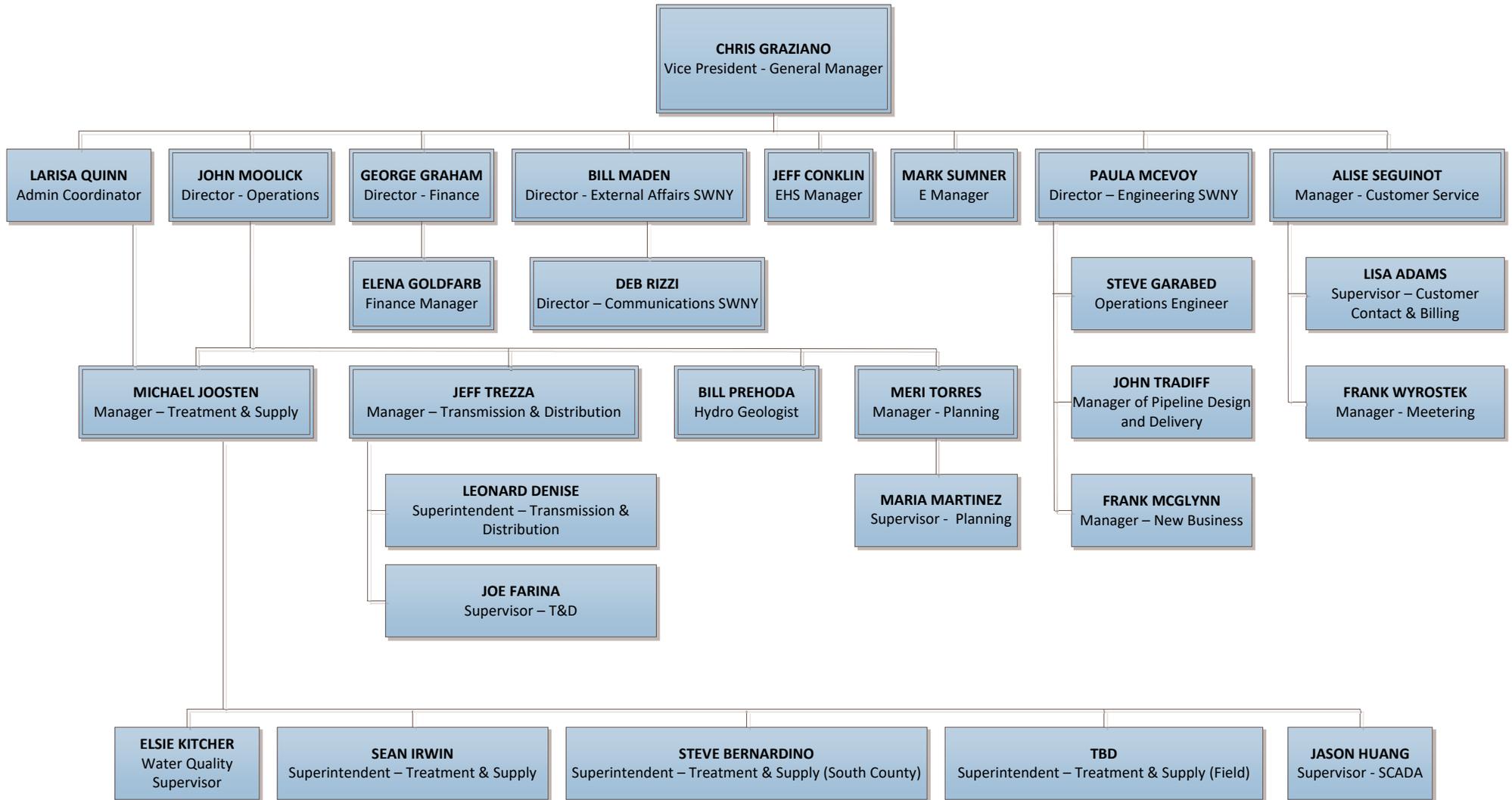
5. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 108-109, such notes may be included herein.

See Stockholders Annual Report

**NOTES TO FINANCIAL STATEMENTS (Continued)**

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# Suez Water New York Organizational Chart - Management



## **CHAPTER II**

### **FINANCIAL PLAN**

SWNY financials are to be used by Commission Staff only for the intended purpose for which the strategic plans are being submitted.

## **CHAPTER III**

### **QUANTIFICATION OF UNDERLYING ASSUMPTIONS, INCLUDING BEST, MOST LIKELY, AND WORST CASE SCENARIOS**

**QUANTIFICATION OF UNDERLYING ASSUMPTIONS, INCLUDING BEST,  
MOST LIKELY, AND WORST CASE SCENARIOS**

**ECONOMY**

1. What rate of inflation have you assumed in your most likely forecast that is included as part of Chapter II in this plan?

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	2.0%	\$----	(\$190) mm	(0.12)%
Most Likely	20-29	2.5%	\$----	\$----	----%
Worst Case	20-29	3.0%	\$----	\$192mm	0.12%

If you have assumed different rates for each year, please specify as appropriate?

Year 1   Year 2   Year 3   Year 4   Year 5   Year 6   Year 7   Year 8   Year 9   Year 10

2. Have you assumed a different rate of inflation for capital construction in your company's plan?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29		\$----	\$----	----%
Most Likely	20-29		\$----	\$----	----%
Worst Case	20-29		\$----	\$----	----%

If you have assumed different rates for each year, please specify as appropriate?

Year 1   Year 2   Year 3   Year 4   Year 5   Year 6   Year 7   Year 8   Year 9   Year 10

SWNY

Explanatory text:

Explanatory text:

SWNY

3. Have you assumed a different rate of inflation for operating and maintenance expense for your service territory than for the nation as a whole?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	2.0%	\$----	(\$190) mm	(0.12)%
Most Likely	20-29	2.5%	\$----	\$----	----%
Worst Case	20-29	3.0%	\$----	\$192 mm	0.12%

If you have assumed a different rate of inflation for each year, please specify as appropriate?

Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9 Year 10

4. What have you assumed as your company's cost of debt?

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	5.18%	\$----	\$----	----%
Most Likely	20-29	5.18%	\$----	\$----	----%
Worst Case	20-29	5.18%	\$----	\$----	----%

If you have assumed a different cost of debt for each year, please specify as appropriate?

Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9 Year 10

SWNY

Explanatory text:

The best and worst case scenarios includes the sum of inflation fluctuations on operating and maintenance expenses.

In 2020 - 2021 labor for bargaining unit employees assumed increase of 3% per current contract in effect until 9/1/2021. For the years 2022 – 2029 increase of 3% was used in the most likely case, 2.75% for best case and 3.25% for worse case. For non –bargaining employees inflation rate was used in all three cases: increase of 2.5% was used in the most likely, 2% for best case and 3% for worse case.

Payroll, Federal and State income taxes used the effective tax rates in all three scenarios.

Explanatory text:

In all three scenarios, the cost of debt used in the Company's 2019 rate case filing was utilized.

SWNY

5. What cost of equity have you assumed in your company's plan?

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	9.00%	\$----	\$(1.343) mm	(0.87)%
Most Likely	20-29	9.30%	\$----	\$----	----%
Worst Case	20-29	10.00%	\$----	\$3.134 mm	2.02%

If you have assumed a different cost of equity for each year, please specify as appropriate?

Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Year 8 Year 9 Year 10

**REVENUE CHANGE**

1. What change in population, if any, have you assumed in your company's service territory over the next ten years?

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	-----%	\$----	\$----	----%
Most Likely	20-29	-----%	\$----	\$----	----%
Worst Case	20-29	-----%	\$----	\$----	----%

2. What change, if any, have you assumed in water usage in your company's service territory over the next ten years? None

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

If you have assumed different growth in usage for each year, please specify as appropriate?

Year 1   Year 2   Year 3   Year 4   Year 5   Year 6   Year 7   Year 8   Year 9   Year 10

Explanatory text:

The most likely case includes percentages below for annual decrease in the water usage in our service territory.

<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
-0.26%	-0.32%	-0.31%	-0.31%	-0.31%	-0.36%	-0.36%	-0.36%	-0.36%

Explanatory text:

3. Have you assumed any other sources of regulated revenue in your company's ten-year plan (please specify)? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

4. Have you considered the impact of changes in revenue brought about by revenue rulings?

**NO**

- Concerning changed rate differentials, such as summer/winter rates, volume block differentials, or rates for commercial customers (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

- Concerning your company's ability to recover the cost of implementing conservation techniques, such as enhanced leak detection, xeriscape, demonstration gardens, etc?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

Explanatory text:

SWNY

- Concerning changes in revenue reconciliation between different rate structures (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	---	---	\$----	\$----	----%
Most Likely	----	---	\$----	\$----	----%
Worst Case	----	---	\$----	\$----	----%

- Have you considered the impact of changes in the rate-making process?

**YES**

- Concerning multi-year settlements?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

- Concerning automatic inflation adjustments?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	---	---	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	---	\$----	\$----	----%

. Concerning incentive rate-making?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

. Concerning any other rate-making change applicable to your company (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

6. Have you considered the impact to changes in the billing system or procedure not described elsewhere in this plan (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

Explanatory text:

SWNY

## WATER QUALITY REGULATIONS

1. Have you considered the impact of stricter SDWA regulations? **YES**  
 . With respect to permissible radionuclides levels? **YES**

	Year	Pc/l Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	4000	\$2.62 mm	\$0.224 mm	.14%
Most Likely	20-29	1000	\$2.77 mm	\$0.237 mm	.15%
Worst Case	20-29	300	\$3.13 mm	\$0.268 mm	.17%

- . With respect to permissible PFOA/PFAS? **YES**

	Year	PFOA/PFAS Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	10 ppt	\$108.9 mm	\$9.318 mm	6.02%
Most Likely	20-29	10 ppt	\$112.9 mm	\$9.660 mm	6.24%
Worst Case	20-29	10 ppt	\$122.9 mm	\$10.516 mm	6.79%

- With respect to disinfection, chlorine contact time, disinfection by-products, enhanced coagulation, etc?

**YES**

	Year	TTHM Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	80 mg/l	\$29.4 mm	\$2.516 mm	1.63%
Most Likely	20-29	80 mg/l	\$30.8 mm	\$2.635 mm	1.70%
Worst Case	20-29	80 mg/l	\$31.8 mm	\$2.721 mm	1.76%

	Year	THAA Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$----	\$----	----%
Most Likely	20-29	----	\$----	\$----	----%
Worst Case	20-29	----	\$----	\$----	----%

- . With respect to the ICR (Information Collection Rule) and increased laboratory/process testing?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

SWNY

Explanatory text:

The Company will meet all non-radon radionuclide standards and expects to meet the most likely Radon standard of 1,000 pCi/L. For the worst case, if a 300 pCi/L Radon standard is adopted, the company would need to treat several of its wells using air stripping or membrane technology.

Explanatory text:

The Company is anticipating adding treatment for Perfluorochemicals including Perfluorooctanoic acid (PFOA), and Perfluorooctane Sulfonate (PFOS) at the Lake DeForest Treatment Plant and several wells. Although the new regulations have not been finalized, the Company has been sampling sites and preparing specifications to add treatment as needed.

Explanatory text:

The Company will construct treatment upgrades including Ozone, Powder Activated Carbon (PAC) and filter improvements at the Lake DeForest Treatment Plant to improve water quality at the Plant, reduce the impact of algae, Geosim and other taste and odor compounds, reduce the formation of disinfection by-products and improve the coagulation and flocculation process.

Explanatory text:

ICR is already completed with no further impacts on capital

SWNY

. With respect to corrosion control (lead/copper rule)? **YES**

	Year	Service Repl.	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

. With respect to an increased need and/or more stringent regulations for VOC/SOC control systems? **YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$----	\$----	----%
Most Likely	20-29	----	\$----	\$----	----%
Worst Case	20-29	----	\$----	\$----	----%

With respect to the Ground Water Rule and the Ground Water Under The Direct Influence of Surface Water Rule? **YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$1.1 mm	\$0.094 mm	.06%
Most Likely	20-29	----	\$1.5 mm	\$0.128 mm	.08%
Worst Case	20-29	----	\$1.6 mm	\$0.137 mm	.14%

2. Have you considered the impact of other more stringent SDWA/EPA/DOH water quality regulations? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

SWNY currently meets all lead and copper rules and plans on continued compliance through 2029. The revisions to the lead and copper rule would be changes to monitoring, compliance and potentially removal of lead service lines which could impact capital and operational costs.

Explanatory text:

Explanatory text:

The Rockland County Department of Health has deemed several SWNY wells as Ground Water Under the Direct Influence of Surface Water (GWUDI), and SWNY has been installing treatment on these wells. In the 2020-2029 time period SWNY plans to construct treatment on one additional well.

Explanatory Text:

Emerging contaminants (pharmaceutically active compounds, endocrine disrupters) are emerging concerns in the water industry that SWNY has begun to discuss internally. However, any cost estimates at this time would be speculative considering no compliance timetable and/or limitations have been proposed.

SWNY

**OTHER REGULATIONS**

1. Have you considered the impact of more stringent regulations, not covered in other sections of this Plan, by the USEPA, NYSDOH, NYSDEC, etc., including wetlands, water supply, resource conservation, pollution control, hazardous materials, (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

2. Have you considered the impact of more stringent regulations, not covered in other sections of this Plan, by the NYSPSC, including Technical Service Standards, Customer Service Standards, Reporting Requirements, etc. (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

3. Have you considered the impact of more stringent regulations, not covered in other sections of this Plan, by OSHA, including confined space, trenching and shoring, training, reporting, permitting, other, etc. (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

Explanatory text:

SWNY considers worker Health and Safety to be a priority. Over the years the company has purchased safety equipment (e.g., confined space tripods, davits, harnesses, air monitoring devices, personal floatation devices, bump test kits, etc.) to protect our employees and performed ArcFlash studies on our facilities. We have also increased our employee Health and Safety training by establishing training milestones and utilizing on line resources such as Pure Safety and proactive alternatives such as Pro-Activity. While the purchase of safety equipment is required periodically to replace worn equipment or to comply with new regulations, we do not envision the need for significant capital expenditures to comply with changing safety regulations in the foreseeable future.

SWNY

4. Have you considered the impact of more stringent municipal/ state regulations with respect to water main installations and repairs in public rights-of-way (permit fees, spoils disposal, asphalt recycling, paving cost, etc.)?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$16.2 mm	\$1.386 mm	.90%
Most Likely	20-29	----	\$17.4 mm	\$1.489 mm	.96%
Worst Case	20-29	----	\$20.3 mm	\$1.737 mm	1.12%

5. Have you considered the impact of more stringent regulations issued by any other agencies?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

6. Have you considered the impact of climate changes for the facilities?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Cost of main installation and repairs is steadily increasing due to the rising cost of pipe, materials and asphalt, increased State and Town requirements, backfill material (e.g., flowable fill), curb-to-curb pavement, traffic control, etc. The costs included above represent a 10 % increase in the most likely scenario for water main replacement projects from 2020 to 2029.

Explanatory text:

Explanatory text:

The Company is in the process of evaluating the costs associated with hardening the facilities that could be affected by climate change.

**FACILITIES**

1. Have you considered the impact of accelerated main, service, hydrant, etc., replacement/major maintenance programs? **YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$162.1 mm	\$13.870 mm	8.96%
Most Likely	20-29	----	\$174.0 mm	\$14.888 mm	9.62%
Worst Case	20-29	----	\$203.7 mm	\$17.429 mm	11.26%

2. Have you considered the impact of accelerated rehabilitation/upgrades to pumping and production facilities? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

3. Have you considered the impact of accelerated fleet replacements or any other major equipment replacement/upgrade/major maintenance programs in response to legislation or regulation (such as the Clean Air Act)? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

In 2020 and subsequent years, the Company plans to replace the water main infrastructure at a rate of 1% per year to renew the system and ensure continued reliability.

Explanatory text:

Explanatory text:

4. Have you considered the impact of accelerated general facility (plant, office, other) replacement/major maintenance programs?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

5. Have you considered the impact of any other changes to “plant” not described elsewhere in this Plan?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$----	\$----	----%
Most Likely	20-29	----	\$----	\$----	----%
Worst Case	20-29	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

The Company maintains and updates existing plant and property on a routine basis.

**PRODUCTIVITY**

1. Have you considered the impact of productivity improvements? **YES**

. Concerning the creation or refinement of work management systems and new technologies? **YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$----	\$----	----%
Most Likely	20-29	----	\$----	\$----	----%
Worst Case	20-29	----	\$----	\$----	----%

. Concerning scheduled improvements in productivity due to more efficient management planning/utilization? **YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

2. Have you considered the impact of changes in your company’s policy on outside contracting for capital projects or maintenance tasks (please specify)? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

SWNY is recently upgraded the maintenance management database and is currently upgrading the customer service field work order system. Work management upgrades will occur with the field service system. In addition, SWNY is always looking for ways to use more computer technology to assist field staff with their work and improve efficiency.

Explanatory text:

SWNY has a planning manager in place to optimize scheduling for our crews.

Explanatory text:

SWNY

3. Have you considered the impact of changes in your company's policy on employee empowerment?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

4. Have you considered the impact of changes in your company's contract with the workers union (please specify)?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

The continuous improvement of processes and procedures provides improved effectiveness. The Company continues to provide training that, in time, will increase employee empowerment which in turn will result in improved customer service.

Explanatory text:

The existing bargaining unit contract was renewed in 2018 and runs until 2021. Used union contract increase to project 2020. In 2021 through 2029 projected increase of 3% was used in the most likely case, 2.75% for best case and 3.25% for worse case.

**EMPLOYEE RELATIONS**

1. Have you considered the impact of changes in the regulations adopted by the New York State Department of Health or the Federal Department of Health, Education and Welfare, etc.? **NO**

. Concerning workers compensation insurance? **NO**

Explanatory text: No changes in current regulations. Company specific, based on company's experience rating.

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

. Concerning national health insurance? **NO**

Explanatory text: No changes in current regulations for all three cases.

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

. Concerning any other health-related issue not considered elsewhere (please specify)? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	---	\$----	\$----	----%

Explanatory text:

Explanatory text:

Explanatory text:

SWNY

2. Any other changes in employee relations not described elsewhere in this report (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

SWNY

## TECHNOLOGY

1. Have you considered the impact of adopting automated meter reading (AMR) or any other appropriate meter reading technology?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$1.0 mm	\$0.086 mm	.06%
Most Likely	20-29	----	\$1.1 mm	\$0.094 mm	.06%
Worst Case	20-29	----	\$1.2 mm	\$0.103 mm	.07%

2. Have you considered the impacts of improvements to or installation of a central control system, SCADA system, plant process control system, etc.?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$8.7 mm	\$0.541 mm	.48%
Most Likely	20-29	----	\$9.1 mm	\$0.554 mm	.50%
Worst Case	20-29	----	\$9.9 mm	\$0.625 mm	.56%

3. Have you considered the impact of any other technological development (including GIS), new computer systems/software programs, not accounted for elsewhere in this Plan?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$0.31 mm	\$0.027 mm	.02%
Most Likely	20-29	----	\$0.32 mm	\$0.027 mm	.02%
Worst Case	20-29	----	\$0.33 mm	\$0.028 mm	.02%

SWNY

Explanatory text:

The deployment of our AMR program is scheduled to continue through 2020.

Explanatory text:

SCADA has already been installed/centralized at SWNY. We are currently implementing a SCADA Master Plan system upgrade of the system that is planned to continue into 2025. In addition we are also planning a significant control system upgrade at our Lake DeForest Treatment Plant, which will allow us to more efficiently operate the facility.

Explanatory text:

The Company will continue to improve the GIS system over the next few years as new technologies come forward.

4. Have you considered the impact of any other engineering or technological development not accounted for elsewhere in Plan (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

SWNY

**ENGINEERING AND PLANNING**

1. Have you considered the impact of increased backup or redundancy in your company’s water sourcing and distribution capacity. (Please specify)?

**YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	20-29	----	\$11.6 mm	\$0.993 mm	.64%
Most Likely	20-29	----	\$12.4 mm	\$1.061 mm	.69%
Worst Case	20-29	----	\$14.2 mm	\$1.215 mm	.78%

2. Have you considered the impact of any other engineering or planning development not accounted for elsewhere in this plan (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

The most likely case reflects the replacement and installation of four tanks (Stony Point, Park Ave, Monsey and Haverstraw). The values in the above table reflect the four tanks only. In addition significant capital expenditures are anticipated for several water supply projects: Replacement of production wells, well treatment projects for improved water quality (e.g. deaeration & manganese removal), and Treatment Facility Improvements (Blue Lake).

Explanatory text:

**TAXES**

1. Have you considered the impact of increases/decreases in the rate of taxes paid to various governmental authorities as indicated below? **NO**

. Concerning the property and use taxes? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

. Concerning payroll taxes and unemployment insurance charges? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

. Concerning franchise and excise taxes? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

SWNY

2. Concerning sales, revenue, and gross receipts tax?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

3. Concerning any tax surcharges such as MTA tax?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

4. Concerning Federal and State Income Taxes?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

5. Concerning any other tax (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

The most likely case reflects the current applicable tax rates in effect for each year presented.

Explanatory text:

Explanatory text:

The Federal and State Income Tax rates used in the most likely case were 21% and 8.41%, respectively, for each year presented.

Explanatory text:

**CUSTOMER SERVICE**

1. Have you considered the impact of any changes in the requirements or need to increase interaction with your customers, including: **YES**

Customer Education?  
 Focus Groups (rate making/other policy changes)?  
 Conservation Measures?  
 Outreach Programs?

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

2. Have you considered the impact of changes in your office hours to accommodate customer schedules (longer hours, weekend availability, 24-hour telephone contacts-billing concerns, etc.?) **YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

3. Have you considered the provision for other customer service changes not described elsewhere in this plan, such as multi-lingual customer reps, telephone equipment for the visually impaired, etc., **YES**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

At SUEZ, providing a superior customer experience for all of our customers is our main priority. SUEZ consistently strives to promote customer awareness and enhance its offerings in an effort to drive positive customer interactions. Additionally, the company always endeavors to resolve all customer inquiries in an equitable fashion to enhance customer satisfaction.

The Company's existing Customer Advisory Panel is expected to continue in place. The Company has CAP Meetings on a quarterly basis where SUEZ executives from Customer Service, T&D, and Marketing & Communications meet with a committee of local customers. The sessions are both educational for the customers and essential for the Company to gain insight on customer feedback regarding Customer Experience. Topics of discussion in the past have been regarding The Customer Experience, Billing, New Customer Information Management Systems, and Collection Actions. Customer Education continues to be a high priority in the Company's Outreach efforts.

SUEZ programs such as Customer Centricity focus groups and soliciting feedback via surveys also remain in place. SUEZ strives to maintain open lines of communication to customers regarding repairs and outages with our automated outbound calling system, Notify. We also continue to refine key customer relationships to ensure that our customers' have direct access to SUEZ representatives, who can appropriately address inquires.

The company website, mysuezwater.com and suezconserve.com offer tips on how to save money and water, set personalized benchmarks regarding water account/consumption, and provides tips and information on conservation.

Explanatory text:

SUEZ implemented a new Interactive Voice Response (IVR) phone system, which offers a variety of upgraded 24 hour, 7 days a week, self-service features to our customers. Customers who call in have access to their balance, make a payment, and schedule a meter change appointment at any time of day. Additional upgrades include the following:

- This service is available 24 hours, 7 days a week
- Voice command prompts, available languages (English and Spanish)
- Provides estimated wait time with high confidence level
- Call back feature that gives customer the option to leave their contact number and name to receive a SUEZ customer service representative (CSR) call back
- Provides balance information, advises customers of past due balances, overdue meter changes, estimated readings and transfers customer directly to payment processing without having to speak with a representative

SWNY

- CSR has the ability to identify the caller prior to call being connected
- Use of live translator/language line to meet the customer's needs in any language when speaking to a customer service representative

SUEZ offers enhanced online information on its website, mysuezwater.com. SUEZ also continues to trend in the direction where more customers obtained pertinent information regarding their account online. Customers visited our website regarding billing, rates and regulations, conservation and outages. Our website continues to offer options for starting and stopping accounts, electronic notification, text message notification, scheduling a meter change appointment, and enrolling in one of our several payment options, ebilling, direct debit and reoccurring payments. Features on the web remain available 24/7 as follows:

- Customer can update contact information and mailing address online
- CSR Communication Portal to contact customer service via email
- Appointment scheduling online
- Request to start or stop their account
- Customers can set a conservation goal
- Track water usage at more frequent intervals
- Set personalized benchmarks regarding water account/consumption
- Receive enhanced customer notifications
- Manage multiple accounts more easily
- Access several convenient payment options to pay the bill online
- View and track bills and payment history

Explanatory text:

The Company provides at least one multi-lingual representative. Hearing and Vocally impaired customers are instructed to call AT&T New York Relay Center at 800-662-1220. In addition, an annual mailing is done to solicit information that would qualify customers for special protections, such as third party notification, heating systems requiring water and medical hardship. The company also provides braille and large print bill options for customers. Lastly, customer service representatives have access to "language line" which allows them to use an interpreter if needed.

## ACCOUNTING AND FINANCE

1. Have you considered the impact of changes in the depreciation schedules for water utility assets (please specify)? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

2. Have you considered the impact of changes in the accounting requirements (FASB's, etc.)? (Please specify) **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

3. Have you considered the impact of changes in the premiums for casualty and liability insurance? **NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

Explanatory text:

SWNY

4. Have you considered the impact of changes in your company's accounting policy (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

5. Have you considered the impact of changes in your company's bond rating, if applicable (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

6. Have you considered the impact of any changes in your company's interest coverage ratio (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

Explanatory text:

SWNY

7. Have you considered the impact of changes in your company's dividend pay-out ratio (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

8. Have you considered the impact of changes in your company's commercial credit rating (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

9. Have you considered the impact of additional debt issues during the term of this plan (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	----	----	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	----	\$----	\$----	----%

Explanatory text:

Explanatory text:

Explanatory text:

SWNY

10. Have you considered the impact of additional equity issues during the term of this plan (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	---	---	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	---	\$----	\$----	----%

11. Have you considered the impact of any other changes in your company's financial structure not described elsewhere in this plan (please specify)?

**NO**

	Year	Level	Capital Outlay	Revenue Req. Impact	Rate Impact
Best Case	---	---	\$----	\$----	----%
Most Likely	----	----	\$----	\$----	----%
Worst Case	----	---	\$----	\$----	----%

Explanatory text:

Explanatory text:

**UWNY**