

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 23-W-0111 - Proceeding on Motion of the Commission as to
the Rates, Charges, Rules and Regulations of
Veolia Water New York, Inc. for Water Service.

NOTICE SEEKING COMMENTS AND ANNOUNCING
JOINT PROPOSAL AND PUBLIC STATEMENT HEARINGS

(Issued January 25, 2024)

Comments are sought concerning a Joint Proposal filed in the above-captioned proceeding on January 4, 2024. The Joint Proposal would establish a new rate plan for Veolia Water New York, Inc. (Veolia or the Company) for four years from February 1, 2024, through December 31, 2027, with Rate Year 1 (RY1), Rate Year 2 (RY2), and Rate Year 3 (RY3) defined as the 12 months ending on January 31, 2025, January 31, 2026, and January 31, 2027, respectively. Rate Year 4 (RY4) will reflect the 11-month period commencing on February 1, 2027, and ending on December 31, 2027, thus allowing the Company to synchronize its rate year with the calendar year in its next rate filing. The signatories to the Joint Proposal are Veolia; trial staff of the Department of Public Service; the City of Rye, the Village of Port Chester, and the Village of Rye Brook (collectively, the Westchester Municipalities); the Public Utility Law Project of New York, Inc. (PULP);¹ the Rockland Business Association; and Laborers' Local 754.

Pursuant to the Joint Proposal, Veolia's existing New York (Rockland and Orange Counties), Owego-Nichols, and Heritage Hills operating units would be consolidated into one "New York Rate District" subject to a single revenue requirement. The

¹ The Westchester Municipalities and PULP support the Joint Proposal in part.

Company's Westchester Rate District 1 and Westchester Rate District 2 (the Westchester Rate District) will likewise be subject to a single revenue requirement. Rates in the Westchester Rate District would continue progressing towards harmonization.

Rates would be levelized to moderate rate increases for customers in the New York Rate District, resulting in an \$8,678,019 increase in RY1 (6.7%), a \$9,258,535 increase in RY2 (6.7%), a \$9,877,884 increase in RY3 (6.7%), and a \$9,660,442 increase in RY4 (6.1%). In the Westchester Rate District, levelized increases would result in a \$4,961,865 increase in RY1 (5.9%), a \$5,253,693 increase in RY2 (5.9%), a \$5,562,684 increase in RY3 (5.9%), and a \$5,399,027 increase in RY4 (5.4%).

The proposed revenue requirements reflect a common equity ratio of 48 percent and a return on equity of 9.10 percent. The proposed rate plan would also include an earnings sharing mechanism pursuant to which customers would share annual earnings that exceed 9.60 percent. Among other things, the Joint Proposal would continue the Company's Conservation and Efficiency Program, establish a Water Affordability Program, and require that the Company take certain actions related to climate change and the environment.

The full text of the Joint Proposal, a summary of its key provisions (prepared by Veolia), and other filings in this proceeding may be reviewed online at the Department of Public Service web page at www.dps.ny.gov (please click "File Search" under the "Commission Files" heading, then enter "23-W-0111" in the "Search by Case Number" field).

The Public Service Commission (Commission) may adopt, adopt with changes, or reject, in whole or in part, any of the terms proposed in the Joint Proposal. The Commission may also adopt terms other than those proposed.

PLEASE TAKE NOTICE that virtual public statement hearings will be held before Administrative Law Judges (ALJs) Michael Clarke and Ashley Moreno, as follows:

DATE: Wednesday, February 21, 2024

TIME: 1:00 p.m.

Event Number: 2347 772 3834

Password: feb21-1pm

Phone Access: 518-549-0500

Access Code: 2347 772 3834

Phone-in Password: 33221017

TIME: 6:00 p.m.

Event Number: 2341 142 2520

Password: feb21-6pm

Phone Access: 518-549-0500

Access Code: 2341 142 2520

Phone-in Password: 33221067

Those wishing to comment on any aspect of the Joint Proposal will have the opportunity to make a statement on the record at the virtual public statement hearings. **Any person wishing to provide a public statement on the record must pre-register by 3:00 p.m. on Friday, February 16, 2024.**

To pre-register and to participate electronically:

This option is for participants who would like to provide a statement and will log in to a hearing electronically. Participants must pre-register by the date and time indicated above by visiting www.webex.com, where they should click "Join" at the top right-hand corner of the screen, enter the appropriate event number listed above, and then provide all requested information.

When logging in to the hearing at the appropriate date and time, participants should visit www.webex.com, click "Join" at the top right-hand corner of the screen, and input the

appropriate event number listed above. Participants will be asked to "select audio system." It is recommended that participants opt to have the system "call me" or "call using computer." The "call me" option will require participants to enter their phone numbers.

To pre-register and to participate by phone:

This option is for participants who are not able to log in to a hearing electronically, but who wish to participate by phone. Call-in participants wishing to make a statement at a hearing must pre-register to do so by the date and time indicated above by calling **1-800-342-3330**, where they should follow the prompts to the appropriate hearing and then provide the following information: first name and last name, address, and phone number.

On the day and appropriate time of the hearing, call-in users should dial **(518) 549-0500** and enter the relevant access code and phone-in password, listed above, to join the hearing.

All participants will be muted upon entry into the public statement hearings, which will be held open until everyone who has registered to speak has been heard or other reasonable arrangements to submit comments into the record have been made. Reasonable time limits may be set for each speaker as necessary to afford all registered speakers an opportunity to be heard. It is recommended that lengthy comments be submitted in writing and summarized for oral presentation. A verbatim transcript of each public statement hearing will be made for inclusion in the record of this case.

To listen to the hearings:

This option is for those who wish to listen only, without making a statement. Pre-registration is not required for this option.

The hearings will be livestreamed on the internet and available for viewing on the Department of Public Service's YouTube channel on the date and times listed above. To access the YouTube channel, visit the Department's website, www.dps.ny.gov, and click on the YouTube icon at the bottom of the homepage. In addition, any person without internet access may listen to the hearings by phone by calling **(518) 549-0500** and entering the applicable access code and phone-in password.

Persons with disabilities requiring special accommodations should call the Department of Public Service's Human Resources Management Office at 518-474-2520 as soon as possible. TDD users may request a sign language interpreter by placing a call through the New York Relay Service at 711. Individuals with difficulty understanding or reading English are encouraged to call the Department at 1-800-342-3377 for free language assistance services regarding this notice.

Other Ways to Comment

For those who cannot attend or prefer not to speak at a public statement hearing, there are several other ways to provide your comments on the Joint Proposal to the Commission. **Comments are requested by March 1, 2024**, but will continue to be accepted while this case remains pending before the Commission. Comments should refer to "Case 23-W-0111."

Internet or Mail: Please go to the Department's website, www.dps.ny.gov, click on "File Search" (located under the heading "Commission Files"), enter case number "23-W-0111" in the "Search by Case Number" field, then click on the "Post Comments" box located at the top of the page. Alternatively, comments may be mailed to the Hon. Michelle L. Phillips, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350.²

² Filing electronically is strongly encouraged.

Written comments will become part of the record considered by the Commission and may be accessed on the Department of Public Service website by searching the case number, as described above, and clicking on the "Public Comments" tab.

Toll-Free Opinion Line: You may call the Commission's Opinion Line at 1-800-335-2120. This number is set up to take comments about pending cases from in-State callers 24-hours a day. These comments are not transcribed verbatim, but a summary is provided to the Commission.

(SIGNED)

MICHELLE L. PHILLIPS
Secretary