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Audrey Zibelman, Chair

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PSC Directs Water Utility to Develop Conservation Plan for Rockland County — Company Ordered to Abandon Plans for Desalination Plant on Hudson River —

ALBANY — The New York State Public Service Commission (Commission) today directed Suez, Inc. to move forward and submit a three-part strategic plan to better manage Rockland County's water supply over the next decade by using conservation, leak control, and incremental new supply measures. The Commission also determined the utility's plan to construct a desalination plant on the Hudson River is no longer needed, and denied calls to re-examine the prudence of the utility's original decision to pursue the desalination project.

Concerns about the long-term sustainability of Rockland County's water supply have been growing over the past two decades. The current proceeding arises from a Commission decision in 2006 recognizing that a new water source would be needed by the end of 2015. In January 2007, the company responded with a proposal to build a new water intake pumping station and water treatment and desalinization facility in the Town of Haverstraw, capable of scaling up to 7.5 million gallons a day of potable water from the Hudson River for Rockland County customers. Today's decision concludes a proceeding initiated in 2013 to re-assess the need for a new long-term water supply source based on new circumstances.

"It is our obligation to ensure the company takes all appropriate action to provide a clean and reliable water supply," said Commission Chair Audrey Zibelman. "The record demonstrates that circumstances have changed since the Commission first asked the company to develop a new long-term water supply in 2006. The development of a comprehensive water conservation plan by the utility and the community will help meet the needs of the community for the next decade."

In its decision, the Commission directed the company, formerly known as United Water New York, Inc., to continue its long-term planning efforts and to file the details of its three-part program, including costs and conservation rate proposals in its expected February 2016 rate case filing. The February filing will include appropriate cost recovery for the development of the now-tabled desalination plant.

Suez is a private investor-owned water company that provides drinking water and water for fire protection to the residents and businesses in Rockland County, excluding the Villages of Suffern, Nyack and South Nyack. It also serves a small portion of Orange County in parts of the Towns of Tuxedo, Warwick and Monroe.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 13-W-0303 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State

Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.