

Southside Water Inc.
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January 28, 2020

Dear Southside Water Inc. Customer:

On April 2, 2019, Southside Water Inc. (the Company) filed a minor rate case with the New York State Public Service Commission (the Commission) requesting to increase its annual revenues by \$37,474 or 53.14%. The Company's rate filing also included a request to increase the maximum allowed balance in its escrow account from \$5,520 to \$11,000; to increase the restoration of service charges, increase elective temporary service termination charge, and revise language regarding the application of these charges; and to increase the Final Read charge from \$75 to \$100. Finally, the Company filed an updated Purchased Water Adjustment Surcharge (PWAS) statement to reflect the current average wholesale water rate charged by the City of Watertown.

On January 17, 2020, an Order was issued by the Commission in Case 19-W-0253 that denied the Company's request to increase its rates; denied the requested increase to restoration of service charges and elective temporary service termination charge; and denied the requested increase to the final meter read charge. The Order authorized the Company to increase the maximum balance in its escrow from \$5,520 to \$20,000, revised the language regarding the application of the restoration of service and temporary service termination charges, and updated the PWAS statement to reflect the current average wholesale water rate charged by the City of Watertown. The Commission also authorized the Company to utilize escrow account funds for repayment of a loan taken out to cover the cost of a large main repair, to increase the quarterly escrow account surcharge to \$62.35 for three quarters to recover this loan and set the maximum quarterly escrow surcharge to \$50 thereafter. The approved revisions become effective February 1, 2020.

The Company's tariff is available via the internet on the PSC web site at <http://www.dps.state.ny.us/tariffs.html> by navigating to Water Tariffs, clicking on Effective, and clicking on Leaves next to the Company's name. The full text of the Commission's decision (titled Order Determining Revenue Requirement, Denying Rate Increase, and Approving Surcharge) may be read online by visiting the Commission's website at www.dps.ny.gov, clicking on "Search", and entering 19-W-0253 in the box titled "Search by Case Number".

This letter shall serve as a notice to customers of the Commission's action in compliance with Ordering Clause No. 5 of the Commission's Order in Case 19-W-0253.

Sincerely,

James V. Lettiere, Jr., Director
Southside Water Inc.