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## New York American Water Files Rate Request with the PSC

*Company has invested approximately \$150 million in  
water infrastructure since the last base rate increase*

**MERRICK, NY (April 29, 2016)** – New York American Water announced today that it has filed for a rate increase with the New York State Public Service Commission (PSC) that would raise revenues by \$8.49 million. The company's request includes lower operating expenses of approximately \$1.9 million than previously authorized, as well as approximately \$150 million in infrastructure projects to improve water service reliability and water quality. Property taxes account for more than 20 percent of the requested increase and over 30 percent of the company's total revenues.

Infrastructure projects that are drivers of the rate filing include:

- Completion of two iron removal treatment facilities in the communities of Roosevelt and Lakeview
- Permitting and construction processes in progress for iron removal treatment facilities in Malverne and South Hempstead
- Rehabilitation of a two-million gallon water storage tank in Oceanside
- Replacing and rehabilitating more than 33 miles of aging water main, as well as valves and service lines in New York American Water's over 1,200-mile distribution system
- Numerous upgrades to water treatment facilities, storage tanks, wells, and pumping stations

"Over the last four years, New York American Water has made significant improvements to replace aging infrastructure and improve water quality for our customers," said Brian Bruce, president of New York American Water. "We are committed to making necessary investments in water service while being prudent with our operational costs. Our customers' water bills will continue to be among the lowest of their household utilities even if the proposed rates go into effect."

New York American Water's capital spending program is aligned with the federal government's focus on the need for significant, ongoing investment to address the country's aging water infrastructure. The U.S. Environmental Protection Agency recently reported that the nation's water utilities need \$384 billion in infrastructure investments over the next 20 years to replace aging water infrastructure and comply with stricter water quality standards. This includes more than \$22 billion in the state of New York alone. Proactive capital investment saves money in the long run by making sure that water systems do not fall into serious disrepair.

Upon receipt of this request, the PSC will conduct a thorough review, including public hearings, before a decision is issued. The regulatory process usually takes 11 months. If the new rates are approved, New York American Water service would remain an exceptional value, at about one penny per gallon.

New York American Water, a subsidiary of American Water (NYSE: AWK), is the largest investor-owned water company in New York, providing high-quality and reliable water and/or wastewater services to approximately 350,000 people. American Water is the largest and most geographically diverse publicly

traded U.S. water and wastewater utility company. Marking its 130th anniversary this year, the company employs 6,700 dedicated professionals who provide regulated and market-based drinking water, wastewater and other related services to an estimated 15 million people in 47 states and Ontario, Canada. More information can be found by visiting [www.amwater.com](http://www.amwater.com).

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