



# Public Service Commission

**For Immediate Release:** 02/15/24

Rory M. Christian, Chair

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**24014 / 24-W-0105; 22-W-0357; 20-W-0477**

## **PSC Starts Proceeding Regarding Private Ulster County Water Company**

### **Action to Determine Whether Temporary Operator Should be Appointed for Water Company**

**ALBANY** — The New York State Public Service Commission (Commission) today commenced a proceeding to determine if Hudson Valley Water Companies, Inc. failed to provide safe, adequate and reliable service to its customers. The proceeding will determine whether the Commission should appoint a temporary operator for the company for failing to ensure the provision of safe and adequate service to its 434 customers.

“Every New Yorker deserves access to clean, safe and reliable drinking water,” **said Commission Chair Rory M. Christian.** “With today’s action, we are formally starting the process to determine whether the company has failed to meet this basic requirement, and we will take swift action if the company is found to have failed to meet necessary operating standards.”

Department of Public Service staff contends, after an initial investigation showing apparent instances of inconsistent operational and managerial actions, as well as inconsistent and ineffective improvements, that the company has not shown it has the capability to consistently operate its five small water systems in Ulster County. The company’s service areas include Boiceville, Mt. Marion, High Falls, Pine Street, and West Hurley, and are located within the following four Ulster County municipalities: the towns of Olive, Saugerties, Rosendale, and Hurley (both Pine Street and West Hurley systems are located in the Town of Hurley), respectively.

Department staff previously investigated Hudson Valley in the areas related to billing, metering, management of the water companies, and customer service, and issued a report in 2020 which led to the Commission’s October 2, 2020 order, directing the company to submit a plan to implement 49 recommendations made in staff’s report in Case 20-W-0477. Additionally, the company’s currently effective rates were authorized by a Commission order, issued in Case 22-W-0357 on May 19, 2023, which also directed the company to complete further actions to address operational and customer service concerns.

In response to recent complaints, Department staff started an investigation into how the company has complied with the recommendations made in the 2020 report and directives in the 2023 rate order. Based on the initial phase of staff’s current investigation, staff contends that the company failed to comply with all recommendations designed to improve customer service and service reliability; failed to follow Ulster County Department of Health recommendations to improve water service; experienced numerous service outages and boil water orders; and incurred numerous customer complaints since 2019 regarding customer service, termination threats, and quality of service.

Regarding next steps, by March 1, 2024, Hudson Valley is directed to show cause why the Commission should not order and appoint a temporary operator for Hudson Valley pursuant to Public Service Law section 112-a. Under that process, the company will have an opportunity to respond to the Staff's contentions.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.ny.gov](http://www.dps.ny.gov) and entering Case Numbers 24-W-0105; 22-W-0357; 20-W-0477, 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.