

PSC NO: 3 - WATER

LEAF: 55

COMPANY: HERITAGE HILLS WATER-WORKS CORPORATION

REVISION: 0

INITIAL EFFECTIVE DATE: November 30, 2010

SUPERSEDING REVISION:

2. That said applicant shall first have executed a construction loan contract, the terms of which shall provide substantially as follows:

(a) That applicant shall, upon execution and delivery of the agreements, deposit with the Company the entire estimated cost of the required extension;

(b) The amount so deposited shall be retained by the Company subject to the provisions of (c) below, and except that any excess of the deposit over the actual cost shall be refunded with interest at seven per cent from the date of the deposit;

(c) The balance of the deposit retained by the Company shall be refunded without interest when,

(1) The average revenue for the third, fourth and fifth years from all customers served by the extension equals twenty-five per cent of such deposit, or

(2) The number of customers served by the extension times seventy-five feet (plus an allowance of twenty feet per hydrant) equals or exceeds the total length of the extension.

(d) A partial refund shall be made without interest at the expiration of five years from the date that water service is made available from said extension, equivalent to the amount determined by applying to said deposit the greater of the two ratios developed as follows:

(1) The ratio of 75 feet times the number of customers (plus an allowance of 20 feet per hydrant) to the entire length of the extension, or

(2) The ratio of the average yearly revenues for the third, fourth and fifth years from all customers served by the extension to 25 per cent of said deposit.

(e) Any refund determined pursuant to above, if not paid within sixty days after the date such refund becomes due, shall bear interest at the rate of 7 per cent per annum from the date it becomes due, except that such

Issued By: Henry Paparazzo, President, Southbury, Connecticut 06488