

PSC NO: 1 WATER

STATEMENT TYPE: CRF

STATEMENT NO. 1

COMPANY: **EMERALD GREEN LAKE LOUISE MARIE WATER COMPANY, INC.**

INITIAL EFFECTIVE DATE: 08/01/04

CAPITAL RESERVE FEE**STATEMENT NO. 1**

The company is authorized to establish a Capital Reserve Fee, which will be used to pay for capital improvements needed to serve new customers.

This account will be subject to the following conditions:

1. The Capital Reserve Fee (CRF) will be collected from all new customers who physically connect to the system for the first time after August 1, 2004.
2. The CRF will be \$4,000 payable prior to the connection.
3. This account will be established in a bank, in a separate interest bearing account, and will be under the control of the company.
4. The water company will have access to the funds in this account solely for the purposes noted above and any associated revenue taxes.
5. For the purposes of this account all new residences will be considered to be new connections. For example, townhouses or residences that may be fed off one large service, which branches off to other smaller ones shall be considered individual customers and thus responsible for a CRF for each townhouse or separate residence.
6. Any interest earned by the account shall remain in the account and used to pay for future capital improvements or any related revenue taxes.
7. A complete accounting of the revenues and expenditures for the account must be submitted by January 30th of each year. All information should be sent to the Secretary's Office. In addition, the company may be required to submit, at Staff's request, additional account information.
8. The company may accept installation costs incurred by a developer as payment for the CRF provided that all costs and work are approved ahead of time and all work must be inspected by a company representative. If the total installation costs exceed the total CRF required for the job the company may pay the developer the excess from the CRF account.

Issued By: Sharon Henderson, President, PO Box 129, Rock Hill, NY 12775