

PSC NO: -1 - WATER
COMPANY: CRYSTAL WATER SUPPLY COMPANY, INC.
INITIAL EFFECTIVE DATE: July 1, 2010

STATEMENT TYPE: CIS
STATEMENT NO: 1

CAPITAL IMPROVEMENT SURCHARGE
STATEMENT NO: 1

A one-time \$50,000 surcharge account is established to cover the partial cost of financing capital improvements of \$114,000 mandated by the Sullivan County Department of Health. The improvements will include developing 2 – 3 new supply well sources near Anawana Lake, a new pump and upgrading system controls and disinfection system. This account will be subject to the following conditions:

1. The surcharge account will be funded commencing with the customer billing of July 1, 2010 by means of a one-time surcharge of \$333.33 per customer and will end when the amount of the surcharge is collected.
2. The surcharge account will be established as a separate interest bearing account in an insured banking institution and be under the control of the company. The company will have access to the funds in this account solely for the purposes described above. Any interest earned by the account shall remain in the account.
3. The company will maintain records of the amounts collected through the surcharge, and deposits, withdrawals, and any other transactions related to the capital improvements. A report detailing such records for the calendar year should be submitted to the Chief, Water Rates, within 60 days of completion of the project. Included in the report will be a description of the work completed, copies of bills received, and copies of receipts paid out for work funded by the surcharge.
4. Customers terminating service will not be entitled to a refund of their payment made to the surcharge account.

Issued By: Mark Kutsher, President, Kutsher's Country Club, Monticello, NY 12701 – Sullivan County
(Name of Officer, Title, Address)