

PSC No. 5 - WATER**STATEMENT TYPE: MWSS****COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.****STATEMENT NO.: 3****INITIAL EFFECTIVE DATE: MAY 1, 2021**

Issued in compliance with Commission Order issued December 30, 2020 in Case 16-W-0259

MAKE WHOLE SURCHARGE STATEMENT

Pursuant to Commission Orders issued March 25, 2020, September 1, 2020, and December 30, 2020 in Case 16-W-0259, New York American Water is permitted to recover under-collected revenues from April 1, 2020 to April 30, 2021 and associated carrying charges from September 1, 2020 to April 30, 2021 (the "postponement period") for the delayed implementation of Rate Year 4 rates, as well as the deferred System Improvement Charge ("SIC") and Revenue Adjustment Clause/Property Tax Reconciliation ("RAC/PTR") surcharge via a "make whole" surcharge.

There are two surcharges to account for the difference between sales revenues and all other surcharges that New York American Water would have billed during the postponement period.

The following sur-charge accounts for the difference in sales revenues that would have been collected under Rate Year 4 base rates and Rate Year 3 base rates, including interest. In order to avoid a double count of this make whole provision, the Revenue Adjustment Clause for Rate Year 4 will adjust for the make whole deferral amount. This surcharge will be applied on customer bills commencing May 1, 2021 and conclude effective March 31, 2022:

The following surcharge accounts for the SIC surcharge that would have gone into effect on August 1, 2020 through April 30, 2021, and the RAC/PTR that would have gone into effect November 1, 2020 through April 30, 2021, including interest. This surcharge will be applied on customer bills commencing May 1, 2021 and conclude effective March 31, 2022:

Base Rate Make-Whole Surcharge

Service Area 1 Service Area 2 Merrick* Service Area 2 Sea-Cliff*

Price per 100 Gallons

| | | | |
|--------------------------|-----------|-----------|-----------|
| Service Classification 1 | \$ 0.0527 | \$ 0.0536 | \$ 0.0943 |
| Service Classification 2 | \$ 0.0369 | \$ 0.0448 | \$ 0.0516 |
| Service Classification 6 | \$ 0.0435 | | |

*Includes Levelization

| | | | |
|--------------------------------|--------|-------|-------|
| Service Classification 7 and 9 | 10.81% | 7.58% | 4.11% |
| Service Classification 8 | 10.80% | 7.49% | 4.54% |

RAC/PTR/SIC Make-Whole Surcharge

SA1 SA2 Merrick SA2 Sea-Cliff

| | | | |
|--------------------|-------|-------|-------|
| Residential | 4.40% | 3.14% | 4.69% |
| Commercial and OPA | 4.40% | 3.14% | 4.69% |
| Irrigation | 4.40% | | |

Cancelled by supplement No. 12 effective 01/01/2022

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