

PSC NO: 1 - WATER
COMPANY: WINDEMERE HIGHLANDS, INC.
INITIAL EFFECTIVE DATE: APRIL 1, 2015

STATEMENT TYPE: ESCROW
STATEMENT NO: 1

ESCROW ACCOUNT STATEMENT NO. 1

The company is authorized to open and maintain a replenishable, interest-bearing reserve account with a maximum balance of \$5,600, not including account interest, for the purpose of making unforeseen emergency repairs and/or capital improvements not included in base rates. The account will be subject to the following conditions:

1. The account will be initially funded by means of a quarterly customer surcharge of \$10.00 to be collected over four consecutive quarters commencing April 1, 2015.
2. The account will be maintained in a separate bank account and will be under the control of the company.
3. The company will have access to the funds in this account solely for the purposes noted above and any taxes associated with the account.
4. Once the account has reached the maximum balance of \$5,600, not including account interest, the company will stop collecting the quarterly customer surcharge. However, if the company withdraws funds for the purposes noted above and the balance in the account falls below the \$5,600 approved level, the company will be permitted to surcharge the customers a pro-rata amount not to exceed \$10.00 per quarter in order to restore the account to the \$5,600 maximum approved level. The unit customer surcharge in this case will be determined by dividing the difference between the maximum level and the balance in the account at the end of the previous quarter by the number of customers at that time of billing for that quarter. The company may not charge a unit customer charge greater than \$10.00 quarterly unless approved by the Commission.
5. This account shall bear interest and such interest shall remain in the account and be used to cover expenses or reduce payments by customers when needed to replenish the account to its approved level.
6. A customer terminating service will not be entitled to a refund of payments made to the capital reserve account.
7. The company must submit copies of all bank statements and a complete accounting of the revenues and expenses for the account by January 30 of each year. All information shall be sent to the Chief of Gas and Water Rates, Office of Electric, Gas & Water, Department of Public Service, Three Empire State Plaza, Albany, NY 12223-1350.

Issued By: Jeffrey M. Vogt, President, P.O. Box 540, Hurley, NY 12443