

..DID: 13450

..TXT: PSC NO: 1 WATER STATEMENT TYPE: ESCW

COMPANY: WOODBURY HEIGHTS ESTATES WATER CO., INC. STATEMENT NO: 1

INITIAL EFFECTIVE DATE: 10/31/00

STAMPS: Issued in compliance with Order dated October 23, 2000 in C. 00-W-0679

RECEIVED: 10/26/00 STATUS: Effective EFFECTIVE: 10/31/00

ESCROW ACCOUNT
STATEMENT NO. 1

The Woodbury Heights Estates Water Co., Inc. will establish an escrow account with a maximum balance of \$50,000, not including account interest, for the purpose of making extraordinary repairs and/or plant replacements. However, if it is necessary for Staff to reduce the company's rate of return, the maximum \$50,000 balance could be exceeded. The account will be subject to the following conditions:

1. The company will deposit the initial \$20,000 in the account within 10 days of receipt of the Commission's Order in Case 00-W-0679. Woodbury Heights will submit proof to the Chief, Water Rates Section of the deposit within 10 days of making such deposit. These funds will be kept in a separate account established in a local bank. The account will be under the company's control.
2. The company will bill each customer a \$25 quarterly surcharge and deposit the money collected through this surcharge into the escrow account. When the amount of money collected reaches \$50,000, Woodbury Heights will stop billing each customer the \$25 quarterly surcharge. As money is used from the escrow account for extraordinary repairs and plant replacements, Woodbury Heights will be permitted to replenish the escrow account to the \$50,000 level. This will be accomplished by billing each customer an equal share of the money required to replenish the escrow account to the \$50,000 level. However, Woodbury Heights will not be allowed to surcharge each customer more than a \$25 quarterly customer surcharge to accomplish the replenishment (unless otherwise approved by the Commission).
3. This account shall bear interest and such interest shall remain in the account and be used to cover expenses or reduce replenishment amounts. In addition, the company will have access to the funds in this account solely for the purposes noted above and any associated revenue taxes.
4. The company will submit to the Chief, Water Rates Section within 30 days after the end of each calendar year, copies of all escrow account bank statements with a complete accounting of all deposits and withdrawals. A complete explanation of what all withdrawals were used for including copies of bills will also be required with this submission.

Issued in compliance with the Order dated October 23, 2000 in Case 00-W-0679.

Issued By: William Brodsky, President, 275 N. Middletown Rd., Pearl River, NY 10965
(Name of Officer, Title, Address)