

..DID: 6925
..TXT: PSC NO: 4 WATER STATEMENT TYPE: SURC
COMPANY: ROLLING MEADOWS WATER CORPORATION STATEMENT NO: 1
INITIAL EFFECTIVE DATE: 05/01/99
STAMPS:
RECEIVED: 01/22/99 STATUS: Effective EFFECTIVE: 05/01/99

PURCHASED WATER SURCHARGE STATEMENT NO. 1

Purchased Water Surcharge Applicable to all customers served by the Hillside Acres Water System.

By agreement dated November 14, 1989 between the Town of Ulster and the City of Kingston's Board of Water Commissioners, the Rolling Meadows Water Corporation will supply water to the Hillside Acres system, through an interconnection, to be purchased from the City of Kingston.

The company estimates during the first year the agreement is in effect, the estimated cost of purchased water will be approximately \$43,000 (with revenue taxes) which will increase from time to time based on the schedule of rates set forth in the agreement noted above.

This clause is designed to provide the company with recovery of the cost of City of Kingston water. The surcharge will be computed based on the actual cost of water billed by the City, increased for revenue taxes, divided by all metered consumption during the company's quarterly billing period. It is estimated that the surcharge will be an average of \$3.00/1,000 gallons during the first year of the agreement, or approximately \$56/quarter for an average use customer; the surcharge rate will be billed on top of the currently effective rates in the company's tariff schedule.

Issued By: Jeffrey M. Vogt, President, PO Box 540, Hurley, NY 12443
(Name of Officer, Title, Address)