Received: 10/12/2012 Status: CANCELLED Effective Date: 10/14/2012

PSC NO: 2 - WATER

COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.

INITIAL EFFECTIVE DATE: October 14, 2012

LEAF: 73

REVISION: 0

SUPERSEDING REVISION:

Issued in compliance with order in Case 12-W-0217 dated 08/17/2012

GENERAL INFORMATION

 A backbill will be accompanied by an offer of a payment agreement in accordance with section XII Deferred Payment Agreement of this Tariff, if applicable.

Limitation on Issuance of Backbills

- a. The Company will not issue a backbill more than six (6) months after the Company actually became aware of the circumstance, error or condition that caused the under billing.
- b. The Company will not upwardly revise a backbill, and will issue a downwardly revised backbill as soon as reasonably possible and within two (2) months after the Company becomes aware that the first backbill was excessive.

3. Limitations on Backbilling Period

- a. When the failure to bill earlier was due to a Company deficiency, the Company will limit the backbilling period to twelve (12) months before the Company actually became aware of and corrected the circumstance, error or condition that caused the underbilling, unless the Company can demonstrate that the customer's culpable conduct caused or contributed to the original underbilling.
- b. When the failure to bill earlier was not due to a Company deficiency, the Company will limit the backbilling period to twentyfour (24) months before the Company actually became aware of and corrected the circumstances, error or condition that caused the underbilling, unless the Company can demonstrate that the customer's culpable conduct caused or contributed to the original underbilling.

Issued by: William M. Varley, President, 733 Sunrise Hwy., Lynbrook, NY 11563