

PSC NO: 2 - WATER  
COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.  
INITIAL EFFECTIVE DATE: October 14, 2012  
Issued in compliance with order in Case 12-W-0217 dated 08/17/2012

LEAF: 66  
REVISION: 0  
SUPERSEDING REVISION:

### GENERAL INFORMATION

NOW, THEREFORE, in consideration of the premises and of the sum of One Dollar (\$1.00) to each of the parties hereto by the other paid, the receipt of which is hereby acknowledged, the parties hereto agree to and with each other as follows:

1. The Municipality hereby applies to the Company for the above installation of fire hydrants, hydrant connections, and mains.
2. The Municipality agrees to pay for fire protection service through said fire hydrants at the rates and charges therefor as prescribed in the applicable schedule of rates and charges of the Company in effect from time to time, as filed with the Public Service Commission, and in addition agrees to pay to the Company a surcharge of nine percent (9%) per year (return, depreciation, taxes and maintenance) of the actual reasonable cost of such portion of the necessary main extensions (excluding the cost of the hydrant and hydrant connections), that is in excess of thirty (30) foot distance (measured along the street) from the end of the nearest Company-owned main six (6) inches or larger in diameter.
3. In computing the cost basis for said surcharge there shall be a single thirty (30) foot allowance against the aggregate footage of all of the main extensions required to be made hereunder, provided, however, that whenever more than one hydrant is to be connected to said main extension or extensions to be made hereunder, an allowance of thirty (30) feet for each additional hydrant shall be made and said nine percent (9%) surcharge shall be computed on the basis of the cost of the aggregate footage of the main extensions that is in excess of thirty (30) foot times the number of hydrants to be attached to said main extensions.
4. Whenever a main shall be laid hereunder for fire protection service on a public street where the Company already serves customers with water service through a company-owned main inadequate in size to render the fire protection service requested hereunder, but adequate for other water service said annual nine percent (9%) surcharge payable by the Municipality hereunder shall be recomputed on the basis of the cost of the main extension that is in excess of an allowance to the Municipality of seventy-five (75) feet for each customer subsequently connected to the larger size main plus twenty (20) feet for each hydrant connected; and said allowance to the Municipality shall be in lieu of and not in addition to the thirty (30) foot allowance provided in paragraphs 2 and 3 hereof.

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