

PSC NO: 3 – 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: 12
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION

2. G. Service Deposits - (Cont'd)

the peak season. The amount of the deposit must be based on service used during the previous 12 month period, as shown by any relevant billing history, and any relevant information concerning expected use.

3. Deposit Review - The Company will, at least annually, review the billing history of every customer who has a deposit with the utility to assure that a deposit may still be required under Section (1) and that the amount of the deposit is not more than the amount allowed in Section (2) Deposit Calculation.

If the review shows that the deposit held falls short of the amount that the Company may lawfully require by 25 percent or more, the Company may require the payment of an additional deposit amount from the customer.

If a review shows that the deposit held exceeds the amount that the Company may lawfully require by 25 percent or more, the Company will return the excess deposit to the customer under Section (5) - Deposit Return.

If a request of a customer for a downward revision of the deposit is substantiated by the customer's billing history, the Company will return any portion of the deposit that is more than the amount the Company may lawfully require, under Section (5) - Deposit Return.

4. Interest - Every deposit earns interest at a rate set annually by the Commission based on the current economic conditions and the current charges paid for the money borrowed by the Company, taking into account the expenses incurred by the Company in obtaining, handling, returning or crediting the sum deposited. The interest must be paid to the customer when the deposit is returned, in accordance with Section (5). If the deposit has been held for 12 consecutive months or more, the interest must be credited to the customer no later than the first bill rendered after the next succeeding first day of October and at the end of each succeeding 12-month period.

5. Deposit Return - The Company will return a deposit or portion of a deposit plus the applicable interest, as soon as reasonably possible, but no more than 30 calendar days after: (a) the date of the first bill for service rendered after a 12-month period during which time the customer was not delinquent, provided there is no other basis for the Company to request a deposit under Section (1); (b) the day an account is closed; or (c) a review in accordance with Section (3) - Deposit Review - shows that the deposit reduction is warranted.

A deposit or portion of a deposit plus the applicable interest that is subject to return may be credited to the customer's account in the amount of any outstanding charges, and if any balance remains after the Company has credited the customer's account, a refund check must be issued to the customer.

Issued by: William M. Varley, President, 733 Sunrise Hwy., Lynbrook, NY 11563
(Name of Officer, Title, Address)