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: 18 REVISION: 0 SUPERSEDING REVISION:

GENERAL INFORMATION

10. The Company will return a deposit or portion of a deposit plus the applicable interest in accordance with paragraph 11, as soon as reasonably possible, but no more than thirty (30) calendar days after:

- a. the date the first bill for service rendered after a twelve (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 paragraph 1;
- b. the day an account is closed; or
- c. a review in accordance with paragraph 6 Deposit Review shows that deposit reduction is warranted.

11. A deposit or portion of a deposit plus the applicable interest that is subject to return under paragraph 10 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 will be issued to the customer.

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