

PSC NO: 3 – WATER**COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.****INITIAL EFFECTIVE DATE: October 14, 2012**

Issued in compliance with order in Case 11-W-0472 dated 04/20/2012

LEAF: 30**REVISION: 0****SUPERSEDING REVISION:****GENERAL INFORMATION****5. P. Deferred Payment Agreements – Residential Service - (Cont'd)**

IF YOU HAVE ANY QUESTIONS REGARDING THIS AGREEMENT, PLEASE CALL OUR CUSTOMER SERVICE CENTER AT 1-877-426-6999. THIS AGREEMENT CONFORMS TO THE NYS PUBLIC SERVICE COMMISSION'S REGULATIONS. IF YOU REQUIRE ANY ADDITIONAL ASSISTANCE PLEASE CALL THEM AT 1-800-342-3377.

Q. Rendering of Bills – Bills for general customers will be rendered quarterly or monthly at the option of the Company.

R. Backbilling

1. Notice – Every backbill must contain a written explanation of the specific reason for the backbill, and if the bill covers more than a 24-month period, a statement as to why the billing was not limited as stated in Section (3) – Limitations on Backbilling Period.

A backbill must be accompanied by an offer of a payment agreement in accordance with Section 5-Subdivision P – Deferred Payment Agreements of this tariff, if applicable.

2. Limitations on Issuance of Backbills (Residential Service) – The Company may not issue a backbill more than six months after the Company actually became aware of the circumstance, error or condition that caused the underbilling.

The Company may not upwardly revise a backbill, and must issue a downwardly revised backbill as soon as reasonably possible and within two months after the Company becomes aware that the first backbill was excessive.

3. Limitations on Backbilling Period (Residential Service) When the failure to bill earlier was due to a Company deficiency, the Company must limit the backbilling period to 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.

When the failure to bill earlier was not due to a Company deficiency, the Company must limit the backbilling period to 24 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.

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