

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: 43
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION

G. Construction Loan Agreement for an Applicant Who Cannot Qualify as a Reasonably Permanent Customer with Company Performed Installation* (Cont'd)

No refund on the advance shall be made to the applicant before the expiration of sixty (60) days from the date the Applicant takes service and demonstrates reasonable permanency.

At the expiration of sixty (60) days from the date the Applicant takes service and demonstrates reasonable permanency by satisfying the requirements of Section 6.E. – subparagraph 3(a) of the Company's General Information General Rules, the Applicant shall be entitled to a refund, without interest, of the portion of the deposit related to seventy-five (75) feet and the cost of the service, hydrants and accessories. The refund shall also include a proportionate amount of the taxes advanced pursuant to Paragraph FIRST of Article Two.

In addition, if the length of the main extension exceeds seventy-five (75) feet, at the expiration of thirty (30) days from the date the Applicant takes service and demonstrates reasonable permanency by satisfying the requirements of Section 6.E. – subparagraph 3(a) of the Company's General Information General Rules, the Applicant may elect to enter into an Agreement for Main Extension – Subject to Surcharge, as set forth in Section 6.F of the Company's General Information General Rules, whereupon the Applicant will be subject to the terms and conditions of the Agreement for Main Extension – Subject to Surcharge. Upon the execution of the Agreement for Main Extension – Subject to Surcharge, the Applicant shall be entitled to a refund for the remainder of any difference between the amount of the advance and any other refunds accruing to the Applicant.

THIRD: If the length of the main extension exceeds seventy-five (75) feet and the Applicant does not elect to enter into an Agreement for Main Extension – Subject to Surcharge, as set forth in Section 6.F. of the Company's General Information General Rules, the Applicant shall be entitled to a refund without interest of a portion of the advance if additional reasonably permanent customers are connected directly to the main extension within five (5) years of the date the main extension was completed. Such refund shall be computed one (1) year after completion of the main extension and each of the next succeeding four (4) years. Such refund shall be equal to the number of new customers connected directly to the main extension during that year multiplied by seventy-five (75) feet and then multiplied by the average cost per foot of the main extension determined by dividing the total amount of the deposit by the total length of the main extension.

FOURTH: The right to any refunds, partial or total, except such refunds as shall have already accrued pursuant to Paragraphs FIRST, SECOND and THIRD hereof, shall expire five (5) years from the date of the said completion of the extension. The total amount of all refunds, as hereinabove set forth, shall in no case exceed the amount of the advance.

FIFTH: No interest on the refund will be paid except that if refunds are not made within sixty (60) days of the date the Applicant is entitled to a refund, the refund shall begin to accumulate interest at the then existing customer deposit rate established by the Public Service Commission beginning on the sixty-first (61st) day. Such interest obligation shall cease when a reasonable effort has been made by the Company to tender the refund.

SIXTH: The above considerations shall be in addition to and independent of any charges against the Applicant individually as a customer of the Company, for service or water for which the said Applicant may be charged at the regular rates of the Company.

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