

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: 39
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION

F. Agreement for Main Extension – Subject to Surcharge. (Cont'd)

THIRD: To provide all easements and rights of way which the Company considers necessary, without cost to the Company.

FOURTH: In addition, to pay a surcharge until the obligation to do so shall terminate pursuant to this Agreement. The surcharge shall be at the rate of nineteen percent (19%) per year of the actual, reasonable cost of such portion of the said main extension (excluding the cost of any service pipe, hydrants and their accessories) that is in excess of seventy-five (75) feet distance from the end of the nearest water main appropriate to the service requested if the size of the extension is six inches or less in nominal diameter or if the service requested requires a main larger than six inches in diameter.

However, should the main be greater than six (6) inches in diameter, when not necessary for the service requested, the surcharge shall be limited to nineteen percent (19%) per year of the estimated cost of a six (6) inch main

The surcharge shall be paid ratably at the end of each regular billing period, beginning at the date when water service is first available to the Applicant.

It is understood and agreed that the purpose of the surcharge is to provide for revenue deficiencies accruing from this extension and is not for the purpose of paying any part of the cost of constructing the extension.

FIFTH: In the event that the Applicant ceases to be a customer of the Company, the obligation to pay surcharges shall continue, unless the new owner or occupant of the premises agrees to assume all obligations under this Agreement.

SIXTH: On or before the execution of this Agreement, to furnish the Company with reasonable security for the faithful performance of any covenants herein agreed to be performed by the Applicant. Reasonable security as to performance shall be by advance payment of the surcharge for a period not to exceed one (1) year, or where an applicant's premises does not yet exist, by completion of the foundation and construction of a substantial portion of the premises framing before main extension construction is commenced, or by deposit by the Applicant of the entire estimated cost of the extension until said premises construction is complete.

ARTICLE THREE

BOTH PARTIES AGREE THAT:

FIRST: Whenever more than one customer shall be connected to said extension, including customers connected to said extension via a second main extension, the surcharge mentioned in Article Two shall be so adjusted as to yield to the Company not more than nineteen percent (19%) in any one year from all customers served from said extension. Any customer connected to the initial extension via a second main extension shall execute a separate main extension agreement for the second extension.

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