PSC NO: 3 - WATERLEAF: 20COMPANY: HERITAGE HILLS WATER-WORKS CORPORATIONREVISION: 0INITIAL EFFECTIVE DATE: November 30, 2010SUPERSEDING REVISION:

B. Limitations on Issuance of Backbills

(1) 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.

(2) The Company may not upwardly revise a backbill, and will 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.

C. Limitation on Backbilling Period

(1) When the failure to bill earlier was due to utility deficiency, the Company will 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.

(2) When the failure to bill earlier was not due to utility deficiency, the Company will limit the backbilling period to 24 months before the Company actually become aware of and corrected the circumstance, error or condition that caused the underbilling, unless the Company can demonstrate that the customer culpable conduct caused or contributed to the original underbilling.

6. Late Payment and Other Charges

A. Late Payment Charges

(1) The Company may charge for late payments, consistent with its tariff, on the balance of any bill for service, which has not been paid in full within 23 calendar days of the date billed.

(2) The Company may not impose a late payment charge on any bill that is the subject of a pending complaint before the Company or the commission; provided, however, that a late payment charge may be imposed if the final resolution of the complaint directs payment of the disputed amount or any portion of it to the Company.

B. Other Charges

Except as provided in this section, the Company may not charge any customer a late payment charge, penalty, fee, interest or other charge of any kind for any late payment or collection effort because the customer has failed to pay on

Issued By: Henry Paparazzo, President, Southbury, Connecticut 06488