

PSC NO: 1 – WATER**COMPANY: Aquarion Water Company of Sea Cliff, Inc.****INITIAL EFFECTIVE DATE: DECEMBER 1, 2006****LEAF: 61****REVISION: 0****SUPERSEDING REVISION: 0****GENERAL INFORMATION****J. Construction Loan Agreement for Real Estate Development with Applicant Performed Installation*.**

number of new reasonably permanent customers connected directly to the main extension during that year multiplied by seventy five 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. The refund shall include a proportionate amount of the taxes advanced to the Company pursuant to Paragraph FIRST of Article Two.

(b) The reasonable cost of installing the fire hydrants including a proportionate amount of the taxes advanced to the Company pursuant to Article Two – Paragraph FIRST shall be refunded to the Applicant at such time as the hydrants become usable and revenue is collected through hydrant charges.

FOURTH: The right to any refunds, partial or total, except such refunds as shall have already accrued pursuant to Paragraphs SECOND and THIRD hereof, shall expire five (5) years from the date of the completion and approval of the extension. The total amount of all refunds, as hereinabove set forth, shall in no case exceed the actual cost of the extension as determined by the Company together with taxes advances.

FIFTH: No interest will be paid on the refund, except that if refunds are not made within sixty (60) days of the date refunds begin to accrue, the refund shall begin to accumulate interest beginning on the sixty-first (61st) day at the then existing customer deposit rate established by the Public Service Commission. 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.

SEVENTH: Should the Applicant for any reason fail to commence installation within ninety (90) days of the Agreement, the Company shall have the right to terminate this Agreement.

EIGHTH: The covenants contained herein are to apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties.

IN WITNESS WHEREOF, the Applicant and the Company have caused this Agreement to be executed the day and year first above written.

Witness:

AQUARION WATER COMPANY OF SEA CLIFF

By: _____

Title: _____

By: _____

(Applicant's Name)

Title: _____

Issued by: Charles V. Firlotte, Chairman of the Board and President, 325 Prospect Ave., Sea Cliff, NY 11579-1926
(Name of Officer, Title, Address)