PSC NO: 1 – WATER COMPANY: Aquarion Water Company of Sea Cliff, Inc. INITIAL EFFECTIVE DATE: DECEMBER 1, 2006

LEAF: 35

REVISION: 0

SUPERSEDING REVISION: 0

GENERAL INFORMATION

E. Rules Relating to the Installations of Mains, Services, Connections and Facilities and Extensions - (Cont'd)

said surcharge shall be reasonably allocated to the several customers served from said extension, taking into account that the distance of the main hereinafter specified and a service are to be allowed without surcharge for each customer connected directly thereto;

iii) whenever the number of customers connected directly on a main extension multiplied by the distance specified in /Section 6E.-subparagraph 3(d) hereinafter shall equal or exceed the length of the main extension, all surcharges shall cease;

iv) in lieu of the above surcharge, the applicant may at his option pay the cost of the main extension in excess of the distance hereinafter specified in Section 6.E.-subparagraph 3(d) hereinafter subject to annual refunds without interest related to the number of new customers added directly to the extension each year multiplied by the distance specified in Section 6E.-subparagraph 3(d) hereinafter; however, refunds shall cease after five (5) years or when the total of all refunds equals the amount of the original payment made by the applicant; and

v) if the applicant has elected to pay the cost of the main extension under Section 6E.-subparagraph 3(b)(iv) above and an additional customer is connected to said extension via a second extension, the additional customer shall be charged a pro rata share of the cost of said extension not previously refunded times the percentage of the remaining refund period to the total refund period of five (5) years and such amount charged to the additional customer shall be credited to the applicant.

(c) the applicant shall first have furnished reasonable security as to performance of his agreement if so required by the Company; said 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.

d) the specified distance allowed for each applicant taking service from the main extension shall be 75 feet

4. That portion of the service pipe without the limits of a street, avenue, road or way as hereinbefore defined or easement area shall be provided, placed, constructed and maintained by the property owner of the customer but in accordance with such reasonable specification for the construction and maintenance thereof as may be filed in the tariff schedules of the Company.

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