P.S.C. No. 1 – Water UNITED WATER OWEGO-NICHOLS INC. Initial Effective Date: December 1, 2008 Leaf No. 37 Revision: 0 Superseding Revision: 0

GENERAL INFORMATION

26. FORM OF EXTENSION AGREEMENT-CONSTRUCTION LOAN CONTRACT UPON APPLICATION OF REAL ESTATE DEVELOPERS OR OTHERS WHO CANNOT QUALIFY AS REASONABLY PERMANENT CUSTOMERS.

AGREEMENT made this day _______of ______ 20____ between UNITED WATER OWEGO-NICHOLS INC., a domestic corporation having its principal place for transaction of business at Owego, New York, hereinafter called the "Company" and ______

hereinafter called the "Applicant".

WHEREAS, Applicant has requested the Company to extend its system in accordance with the map or plan attached hereto, which has been approved by proper government authorities and the Company, and made a part hereof and marked "Exhibit A," and

WHEREAS, Applicant has not furnished satisfactory proof that it will be a reasonably permanent customer and the Company is willing to make such extension upon the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained the parties hereto agree as follows:

- 1. The Applicant hereby applies to the Company for the above extension of its system and the Company agrees to construct such extension in accordance with its own specifications and requirements.
- 2. In addition, the Applicant applies to the Company, for fire protection service, by means of hydrants and in accordance with Service Classification No. 3 or No. 4 and has simultaneously applied to the Company under said service classification.
- 3. The Applicant will advance to the Company upon the execution hereof the sum of _______, hereinafter referred to as the "deposit", which amount both parties hereto estimate to be the cost of installing the main or mains, pumps, motors, tanks, with land and housing for same, and fire hydrants shown on said map or plan, Exhibit A, as part of the required installation. The Company agrees to refund to the Applicant with interest at an interest rate per annum as prescribed by the Public Service Commission from the date of deposit the excess of the "deposit" made by the Applicant over the actual cost of the extension when such cost is ascertained. The Applicant agrees to pay to the Company any excess of actual cost of installation over the deposit.
- 4. For the purpose of this agreement, a "Customer" shall mean a person receiving water service at one location pursuant to Service Classification No. 1, whether or not such service is supplied through more than one service pipe or more than one meter, and the term "revenue" shall mean only the revenue derived from services supplied under the appropriate Service Classification and existing fire protection schedules Service Classification No. 3 and/or No. 4.

Issued in compliance with the New York Public Service Commission Order in Cases 07-W-0639 and 07-W-0872, issued April 23, 2008.

Issued by: M.J. Pointing, V.P., 575 E. Main Street, Owego, NY 13827.