

P.S.C. No. 2 – Water
SUEZ Water New York Inc.
Initial Effective Date: October 1, 2020

Leaf No. 91
Revision: 1
Superseding Revision: 0

23.4 REVENUE, PRODUCTION COST AND PROPERTY TAX RECONCILIATION
ADJUSTMENT CLAUSE (RRC) – WESTCHESTER (continued)

The accumulated net revenue variance will accrue interest net of income tax from the end of each Rate Year at the Other Customer Capital rate then in effect.

The reconciliation will be submitted to the Director of the Office of Electric, Gas and Water within 60 days after the end of the term of each Rate Year. The then-current Rate Year's net revenue variance will be recovered or refunded annually through a percentage surcharge or credit applied to all metered customers' bills. The surcharge or credit will be based on the projected revenues from metered water sales for the next succeeding Rate Year, and will be recovered or refunded during the next succeeding Rate Year. The surcharge or credit will be subject to the local municipal tax, if applicable. At the end of Year four, any remaining balances will be reconciled in a similar manner as described above. In addition, reconciliation amounts from prior rate plans will be recovered or refunded in the manner described above. If a new rate plan does not immediately begin upon the completion of the final rate year of this rate plan, the Company will use the revenue and production cost targets from the final rate year to do a pro-rated revenue and production cost reconciliation. Monthly revenue and production cost targets will be calculated as shown in Appendix 6 in the event of a partial rate year.

The reconciliations will continue beyond the end of the Rate Plan at the fourth rate year targets until new target levels are set in the next rate proceeding.