COVER SHEET

P.S.C. No. 5 – WATER
Supersedes PSC Nos. 1 – 4 – Water

NEW YORK AMERICAN WATER COMPANY, INC.
(f/k/a LONG ISLAND WATER CORPORATION,
f/k/a NEW YORK WATER SERVICE CORPORATION,
f/k/a AQUA NY OF SEA CLIFF and
f/k/a AQUA NEW YORK, INC.)

SCHEDULE
FOR
WATER SERVICE

For a detailed description of Territory Served, see Leaf No. 4

Subsequent changes will be effective as shown on individual leaves.

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I. TERRITORY TO WHICH SCHEDULE APPLIES

Beaver Dam Lake District – portions of the Towns of New Windsor and Cornwall in Orange County.

Cambridge District – Village of Cambridge, portions of the towns of Jackson and White Creek, Washington County.

Dykeer District – Town of Somers, Hamlet of Lincolndale, Development known as The Willows, Westchester County.

Hoey-DeGraw District – a portion of the Town of Forestburgh in Sullivan County.

Kingsvale District – Town of Ulster, Developments known as Whittier, Deer Run and parts of Kuku Ln., Ulster County.

Long Island District – Incorporated Villages of Atlantic Beach, Cedarhurst, East Rockaway, Hewlett Bay Park, Hewlett Harbor, Hewlett Neck, Island Park, Lawrence, Lynbrook, Malverne, Valley Stream, and Woodsburgh, and a portion of the Village of Mill Neck, and the unincorporated areas of Baldwin, Hewlett, Oceanside, Roosevelt, Woodmere, and adjacent territory in the Town of Hempstead, in Nassau County; a portion of the Town of Mamakating in Sullivan County; and a portion of the Town of Rochester, Ulster County.

Mt. Ebo District – a portion of the Town of Southeast, Putnam County.

Merrick District – the **southeasterly portion of the Town of Hempstead**, in the County of Nassau, bounded generally on the west by a straight line the northerly terminus of which is the point of intersection of the northerly boundary of the Town of Hempstead and the westerly line of Merrick Avenue extended through the point of intersection of the easterly line of the Village of Freeport and the southerly line of Merrick Road to the southerly boundary line of the Town of Hempstead at the Atlantic Ocean; bounded on the east by the easterly boundary line of the Town of Hempstead; bounded on the south by the southerly boundary line of the Town of Hempstead, and bounded generally on the north by the southerly boundary lines of Uniondale Water District, East Meadow Water District and Levittown Water District (as more particularly defined and allotted to the Company by the Water Power and Control Commission of the State of New York in Water Supply Applications Nos. 1988, 2073, 2087, and other applicable decisions of said Water Power and Control Commission); and also including the **southeasterly portion of the Town of Oyster Bay**, in the County of Nassau, bounded generally on the north by the southerly boundary line of South Farmingdale Water District, on the east by the Suffolk County line, on the south by the southerly boundary line of the Town of Oyster Bay, and on the west by the easterly boundary line of the Massapequa Water District; and including the communities of **Merrick, North Merrick, Bellmore, North Bellmore, Wantagh, North Wantagh, Seaford** and **a portion of the area known as Massapequa** and their environs, and **a portion of Massapequa Park and a portion of Levittown**.

I. TERRITORY TO WHICH SCHEDULE APPLIES (CONTINUED)

New Vernon District – a portion of the Town of Mount Hope in Orange County and a portion of the Town of Mamakating in Sullivan County.

Sea Cliff District – the Villages of Sea Cliff, Glen Head, Glenwood Landing and The Glen Head-Glenwood Water District of the Village of Old Brookville, a small area in the Village of Roslyn Harbor and a small area in the City of Glen Cove, all located in the Town of Oyster Bay.

Waccabuc District – Town of Lewisboro, Development known as Indian Hill, Westchester County.

West Branch Acres District – a portion of the Town of Carmel in Putnam County.

Whitlock Farms District – a portion of the Town of Mount Hope in Orange County.

Wild Oaks District – Town of Lewisboro, Developments known as Wild Oaks Park in Goldens Bridge, Katonah Close Guilford Circle, The Glen at Lewisboro, Cedar Woods and Deer Tract Lane and Nash Road, Westchester County.

II. DEFINITION OF TERMS

The following words and terms, when used in this tariff, have the following meanings:

1. Access Controller - A party known to a utility to be in control of access to the metering equipment at a customer's premises and to have an active account of its own with the utility.

2. Actual Reading - A reading obtained by a utility employee from the meter or from a device which receives a reading transmitted from the meter itself.

3. Applicant - A person who has made a request or has had a request made by a third party on his or her own behalf, for water service for his or her own residential use.

4. Arrears - Charges for which payment has not been made more than twenty (20) calendar days after payment was due. A payment is considered to be made on the date when it is received by the utility or one of its authorized agents. Payment is due whenever specified by a utility on its bill, as long as the date is not before the bill is hand-delivered to the customer, or less than three calendar days after the bill is mailed.

5. Backbill - Any bill or any portion of a bill, other than a levelized bill, which represents charges for service that was actually delivered to the customer's premises during a period before the current billing cycle, which was not previously billed.

6. Blind Person - A person who has central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye with a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees, shall be considered as having a central visual acuity of 20/200 or less.

7. Business Day - Any Monday through Friday when a utility's business offices are open, except for public holidays (defined herein).

8. Cold Weather Period - That period of time beginning November 1st of each year and ending April 15th of the following year.

9. The Commission - The New York State Public Service Commission.

10. The Company - New York American Water Company, Inc.

11. The Consumer Services Division - The Office of Consumer Services of the New York State Department of Public Service.

II. DEFINITION OF TERMS (CONTINUED)

12. Current Charges - (Used in Section VI of this tariff) Refers to the amount properly billed to a party responsible for service to a multiple dwelling, as defined in paragraph 21 of this section, or a two-family dwelling, as defined in paragraph 28 of this section, for the billing period covered by the first bill rendered on or after the date the required notice is posted. Current charges do not include any arrears for earlier billing periods.

13. Customer - A person or entity who receives service from the Company and is responsible for paying for that service.

14. Deferred Payment Agreement (or Payment Agreement) - A written agreement for the payment of outstanding charges over a specific period of time.

15. Delinquent Customer - A customer who has made two (2) or more consecutive late payments, as defined in paragraph 19 of this Section II, within the previous twelve (12) months.

16. Disabled Person - A person with a physical, mental or medical impairment resulting from anatomical, physiological or neurological conditions which prevents the exercise of a normal bodily function or is demonstrable by medically accepted clinical or laboratory diagnostic techniques, as defined in the Human Rights Act [Executive Law, Section 292 (21)]; or a person who is unable because of mental or physical problems to manage his or her own resources or to protect himself or herself from neglect or hazardous situations without the assistance of others.

17. Elderly - A residential customer who is 62 years of age or older.

18. Heat-Related Service - Water service which is necessary for the on-going operation of a customer's primary heating system.

19. Late Payment - Any payment made more than twenty (20) calendar days after the date payment was due, in accordance with paragraph 4 of this subdivision.

20. Multi-Use Service - Any water service that is supplied to a structure through one water service line extending from the water main to the structure, and which is used inside the structure for both domestic water service and fire suppression service. The rates applicable to a multi-use service are those found in Service Classification Nos. 1 and 2. Terms and conditions for multi-use services shall be the same as those under Sections I-VIII.

21. Multiple Dwelling - A dwelling designed to be occupied by three (3) or more families living independently of each other, as defined in the Multiple Dwelling Law or Multiple Residence Law.

22. Non-residential Customer - Any person, corporation, governmental agency or other entity who, pursuant to an accepted application for service, is supplied by a utility with water service under the utility's tariff, and who is not a residential customer.

II. DEFINITION OF TERMS (CONTINUED)

23. Premise - The word "premise" as used herein shall be restricted to the following:
- a building under one roof owned or leased by one customer, and occupied as one residence or one place of business;
- each unit of a multiple house or building separated by a solid vertical partition wall, occupied by one family as a residence, or one firm, as a place of business;
- a building owned or leased by one customer have a number of apartments, offices, or lofts which are rented to tenants and using in common one hall and one or more means of entrance;
- a building two or more stories high under one roof, owned or leased by one customer having an individual entrance for the ground floor occupants and one for the occupants of the upper floors;
- Garden apartments owned by one individual or firm and located in one common enclosure.

24. Public Holiday - As defined under the New York General Construction Law, §24, the term public holiday includes the following days in each year: the first day of January, known as New Year's day; the third Monday of January known as Dr. Martin Luther King, Jr. day; the twelfth day of February, known as Lincoln's birthday; the third Monday in February, known as Washington's birthday; the last Monday in May, known as Memorial day; the second Sunday in June, known as Flag day; the fourth day of July, known as Independence day; the first Monday in September, known as Labor day; the second Monday in October, known as Columbus day; the eleventh day of November, known as Veterans' day; the fourth Thursday in November, known as Thanksgiving day; and the twenty-fifth day of December, known as Christmas day, and if any of such days except Flag day is Sunday, the next day thereafter; each general election day, and each day appointed by the president of the United States or by the governor of this state as a day of general thanksgiving, general fasting and prayer, or other general religious observances.

25. Residential Customer - Any person who, in accordance with an application for service made by such person or a third party on his or her behalf, is supplied with water service by a utility at a premises where such service is used primarily for his or her residential purposes. The word "customer," when used alone in this tariff, refers only to a residential customer.

26. Seasonal, Short-term, or Temporary Customer - A customer who applies for and/or receives utility service periodically each year, intermittently during the year, or for a period of time up to one year.

27. Tampered Equipment - Any service-related equipment that has been subjected to unauthorized interference that has changed or inhibited the accurate measurement of water consumption or that has been connected without authorization after a utility has physically disconnected service.

28. Two-family Dwelling - A building designed to be occupied exclusively by two families living independently of each other, where water service is not billed separately for each unit.

29. Utility - Any waterworks corporation, as defined in Section 2 of the Public Service Law, having annual gross revenues in excess of two hundred fifty thousand dollars.

II. DEFINITION OF TERMS (CONTINUED)

30. Utility Deficiency -

(a) Any action or inaction by the utility or one of its authorized agents that does not substantially conform to the rules and regulations of Title 16 NYCRR, the utility's tariff; or

(b) The failure of metering equipment to accurately record service, unless a customer's culpable conduct caused or contributed to such failure.

The following words and terms when used in this tariff with respect to Extension of Mains shall have the following meanings:

31. Advance or Deposit - Money advanced by the applicant to the utility subject to refund.

32. Applicant - A person, developer, builder, partnership, association, corporation, or governmental agency requesting service to a specific location.

33. Contribution - Money paid by the applicant to the utility, usually to pay for the cost of installing plant, which will not be refunded.

34. Developer - A business or person who will subdivide or prepare real estate for residential or commercial occupancy, who requires the installation of utility plant in advance of occupancy, and whose success resulting in utility customers can be considered speculative since it is dependent upon the success of the real estate venture.

35. Extension - The extension of water main including the pipe, elbows, tees, valves, reducers, service taps, and other appurtenances which may be part of the facilities extended to provide water service. See also Section VIII for further discussion.

36. Extension costs - As used in this tariff, shall include the costs of labor, design, equipment and materials used in the extension installation, all paving charges for the repair or replacement of street or sidewalk which may be disturbed in the course of such installation, the costs of inspection, amounts paid to governmental authorities for permits to do the work required, and other costs or taxes that are legally imposed by any governmental authority.

37. Gross annual utility revenue - The total of customer charges for utility service billed in one year.

38. Any highway purposes - The Company will recognize any street, avenue, road or way as being for highway purposes under the jurisdiction of the legislative body of any village, town, city, county or the State of New York, if any one of the following three conditions is satisfied:

1) If the street has been dedicated and accepted by the legislative body, or

2) If the street has been condemned by the legislative body, or

II. DEFINITION OF TERMS (CONTINUED)

3) If the street is being maintained by the legislative body at the time application for water service is received.

39. Private street - Any street, avenue, road or way that is not for any highway purpose under the jurisdiction of the legislative body of any village, town, city, county, or the State of New York.

40. Public street - Any street, avenue, road or way that is under the jurisdiction of a legislative body of any village, town, city, county or State of New York used for highway purposes.

41. Residential service - Water service for sanitary and potable domestic use.

42. Service area - The area in which the utility has required government authorization to provide utility service.

43. Service connection - The facilities necessary to provide the customer service, including the service line, the main tap, meter and other related facilities.

44. Service line or lateral - The pipe and valves which are used to deliver the water from the main into the customer premises; the Company portion being that between the main and the customer property line, and the customer portion being that from the property line into the premises.

45. Surcharge - A charge billed to the customer in addition to the regular bill for service.

46. Water Main - Pipe carrying water which is generally available to more than one service line.

47. Water-works Tariff - The schedule of rules and charges for water service, filed with and approved by the Commission, under which the utility is required to provide service.

III. SERVICE – APPLICATION AND DENIAL

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

A. Initiation of Service - Residential

1. The Company will provide service to any residential applicant who meets the requirements of paragraph 3 of this subsection as soon as reasonably possible, but no later than five business days after receipt of an accepted oral or written application for service; or such later time as may be specified by the applicant, except;
   - 1.1. where prevented by labor strikes or other work stoppages;
   - 1.2. where precluded by consideration of public safety;
   - 1.3. where precluded by physical impediments including:
     - 1.3.1. adverse weather conditions;
     - 1.3.2. inability to gain access to premises;
     - 1.3.3. incomplete construction of necessary facilities by the applicant or inspection and certification of such facilities by the appropriate authorities;
     - 1.3.4. incomplete construction of necessary facilities by the Company.

2. The Company will make reasonable efforts to eliminate or correct conditions over which it has control that prevent extensions of service and will attempt to complete construction of any necessary facilities with due diligence.

3. As a prerequisite to accepting a party as a residential customer and providing service, the Company may require the party to:
   - 3.1. make full payments or enter into a payment agreement (under Section VI, Subsection O), if applicable, for all amounts due and payable which are not either the subject of a pending billing dispute (under Section VI, Subsection G) or covered by an existing payment agreement, including:
     - 3.1.1. residential service provided and billed in accordance with Title 16 NYCRR 14.15 to prior accounts in the applicant's name or for which the applicant is legally responsible. Applications need not be accepted from customers with charges due on any water accounts with the Company. The Company must accept an application if the customer enters into a deferred payment agreement;
     - 3.1.2. other billed tariff fees, charges or penalties;
     - 3.1.3. a deposit, if required by the Company, as long as such deposit is in accordance with Title 16 NYCRR 14.11.
   - 3.2. fulfill any applicable requirements of Parts 501 and 502 of Title 16 NYCRR regarding main extensions and service pipes;
   - 3.3. comply with the Company's tariff, and any applicable state, city or local laws, ordinances or regulations.

III. SERVICE - APPLICATION AND DENIAL (CONTINUED)

4. The following is applicable to commercial accounts: applicants are required to pay all outstanding balances due and owing for accounts that the applicant has proven to be responsible for, including those outstanding accounts of entities that are owned, operated and/or controlled by the applicant, whether or not these accounts are in the applicant's name. Acceptable proof of applicant responsibility for outstanding debts could include, but are not limited to, tax ID numbers or proof of residency (or prior residency) of applicants.

5. The Company will provide service to any accepted applicant whose application for service was previously denied, unless prevented by those circumstances listed in Subsection A, Initiation of Service - Residential, paragraph 1:
    5.1.1. as soon as reasonably possible, but no later than two (2) business days after the requirements of paragraph 3 of this Section III are met or such later time as may be specified by the applicant; or
    5.1.2. within twenty-four (24) hours, if required by the Commission or its designee.

6. A customer moving within the service territory of the Company and requesting service within sixty (60) calendar days of the closing of the customer's prior account is eligible to receive service at the new location, and such service will be considered a continuation of service in all respects, with any existing payment agreement honored; provided, however, that such customer's prior service had not been terminated for non-payment at the time of the request.

7. The Company will supply the customer with service when the Commission or its authorized designee directs the provision of service.

B. Service Application - Responsibility for Service

1. A residential application for service may be either oral or written. The Company will request written or telephonic notice from the residential customer to the Company five (5) business days before discontinuing service. If a written or telephonic notice of discontinuance is not received by the Company, the customer will be liable for all bills for water used by others on the premises covered by his or her contract, until the meter is removed or reading arrangements have been fulfilled.

2. The Company may require an applicant to complete a written application for service only if:
    2.1.1. there are arrears at the premises to be served and/or service to the previous customer at the premises to be served was terminated for nonpayment within the prior twelve (12) months or the current account is subject to a final notice of termination;
    2.1.2. there is evidence that service has been supplied through tampered equipment;
    2.1.3. the meter has recorded usage during a period within the previous twelve (12) months when there was no customer; or
    2.1.4. the application is made by a third party on behalf of the party who would receive service.

3. If a written application is not required as a prerequisite to providing service, an oral application for service will be considered complete when the applicant provides his or her name, address, and, if the

applicant has a prior account, either the address or account number, and answers questions relevant to identifying the applicant's use of water on the premises, including whether the service will be used primarily for residential purposes.

4. A written application for service will be considered complete when information has been provided as required (under paragraph 3 of this Subsection B), along with proof of the applicant's identity and responsibility for the water bills for the premises, through submission of appropriate documents. Where a third party applies for service, the third party must submit proof of his or her identity and a written authorization from the applicant. All submitted documents become part of the application.

5. The Company will make reasonable efforts to contact, either by telephone or in person, any applicant who submits an incomplete application, within one business day of receipt of the application, stating the information and/or documents that must be submitted in order for the application to be considered complete.

6. The Company shall not be obligated to provide short-term or seasonal service to an applicant who fails to post a lawfully required deposit.

7. The applicant must make separate applications for each meter or type of service for each residence, apartment, business, building or location for which water service is desired.

8. Upon receipt of an application for a new service or for the reinstatement of an existing service, the Company will assume that the piping and fixtures which the service will supply are in proper order to receive same, and the Company will not be liable in any event for any accident, breaks or leakage crisis in any connection with the supply of water or failure to supply same.

C. Application for Non-Residential Service

1. Non-residential applicants must file with the Company an application for service orally, or upon the form furnished by the Company, for the class of service desired. On acceptance by the Company, the application will constitute a contract between the Company and the applicant, obligating the applicant to pay the Company its established rates and to comply with its rules and regulations. The Company will request 48-hour notice before discontinuing service. If a notice of discontinuance is not received by the Company, the customer will be liable for all bills for water used by others on the premises covered by their contract, until the meter is removed or reading arrangements have been fulfilled.

2. The Company will endeavor to assist applicants or customers in the selection of the Service Classification which may be most favorable to their requirements, but in no way does the Company make any warranty, express or implied, as to the rates, classifications or provisions favorable to future service to, or future requirements of, any applicant or customer.

3. No agreement will be entered into by the Company with any applicant for water service until all charges due from the applicant for water or services at any premises now or heretofore owned or occupied by him or her, or by any entities owned, controlled or operated by the applicant, whether or

not the outstanding account for these entities is in the applicant's name, which are in arrears, shall have been paid.

4. Under no circumstances shall sub-metering be permitted.

5. Applications by contractors, builders and others for temporary service will be accepted and temporary water service will be supplied providing it does not interfere with use of water for general purposes. The quantity of water taken for such purposes shall be determined either by meter or by estimate and paid for in accordance with the tariff applicable to Service Classification No. 8. Customers requiring temporary service will reimburse the Company for its expenses in connection with providing the necessary temporary service connections and a deposit specified by the Company may be required.

D. Denial of Application

1. The Company will make reasonable efforts to immediately contact, either by telephone or in person, any applicant whose application is being denied.

2. The Company may not deny an application for service unless a written notice was either delivered personally to the applicant or sent to the applicant's current address or any alternative mailing address provided in the application, within three business days of receipt of the application for service. An application for service not denied within three business days of receipt is considered accepted.

E. Penalty

1. If the Company fails to provide service to a residential applicant within the time required, the Company will pay to the residential applicant $25.00 per day for each day or portion of a day that service is not supplied, unless the Commission or its designee determines that the Company had good cause for not providing service within the required time.

F. Application Accepted Subject to Existing Main

1. Notwithstanding any customer-side improvements that the applicant may have made, applications will be accepted subject to there being an existing main in a street or right-of-way abutting on the premises to be served, but acceptance shall in no way obligate the Company to extend its mains to serve the premises excepting as hereinafter provided. Customers are solely responsible for construction, installation and payment of all customer-side components of the water service.

IV. SERVICE DEPOSITS

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

A. Deposit Requirements

1. Residential
   1.1. The Company will require the payment of a security deposit from:
      1.1.1. a seasonal, short-term or temporary or nonresidential customer;
      1.1.2. a delinquent customer, as long as at least twenty (20) calendar days before its request for a deposit, the Corporation Company provides the customer with written notice that the failure to make a specified payment before a specified date may result in a request for a deposit and states how the deposit would be calculated; or
      1.1.3. a customer whose service was terminated for nonpayment during the preceding six (6) months.
   1.2. The Company will not require a deposit from:
      1.2.1. a customer or applicant who is known to the Corporation Company as a recipient of public assistance, supplemental security income benefits or additional state payments; or
      1.2.2. a customer or applicant who is known to the Corporation Company as an elderly, blind or disabled person, unless that customer's service was terminated for nonpayment within the preceding six (6) months.
      1.2.3. If a deposit is authorized by this subsection, the Company will offer a customer, except for a seasonal, short-term or temporary customer, the opportunity to pay the deposit in installments, considering the customer's financial circumstances.

2. Non-residential
   2.1. The Company may require payment in full of a security deposit from any nonresidential customer.

B. Deposit Calculation

1. The amount of a deposit will not be more than the cost of twice the customer's average monthly usage, except in the case of customers whose usage varies widely, where the deposit will not be more than the cost of twice the average monthly usage for the May – September period.

2. The amount of the deposit will be based on service used during the previous 12-month period, as shown by a relevant billing history, and any relevant information concerning expected use.

C. Deposit Review

1. The Company will, at least annually, review the billing history of every customer who has a deposit with the Company to assure that a deposit may still be required and that the amount of deposit is no more than the amount allowed in Subsection B – Deposit Calculation. The Company reserves the right to review the deposit at any time.

IV. SERVICE DEPOSITS (CONTINUED)

1.1. If a review shows that the deposit held falls short of the amount that the Company may lawfully require by twenty-five percent (25%) percent or more, the Company may require the payment of an additional deposit amount from the customer.
1.2. If a review shows that the deposit held exceeds the amount that the Company may lawfully require by twenty-five percent (25%) percent or more, the Company will return the excess deposit to the customer under Subsection E – Deposit Return.

2. If a request from a customer for downward revision of the deposit is substantiated by the customer's billing history, the Company will return any portion of the deposit that is more than the amount the Company may lawfully require, under Subsection E – Deposit Return.

D. Interest

1. Every deposit earns interest at a rate set annually by the Commission based on the current economic conditions and current charges paid for money borrowed by the Company, taking into account the expenses incurred by the Company in obtaining, handling, returning or crediting the sum deposited.

2. The interest will be paid to the customer when the deposit is returned. If the deposit has been held for twelve (12) consecutive months or more, the interest will be credited to the customer no later than the first bill rendered after the next succeeding first day of October and at the end of each succeeding twelve-month period.

E. Deposit Return

1. The Company will return a deposit or portion of a deposit plus the applicable interest as soon as reasonably possible, but no more than thirty (30) calendar days after:
1.1. the date of the first bill for service rendered after a twelve-month period during which time the customer was not delinquent, provided there is no other basis for the Company to request a deposit under Subsection A of this Section IV;
1.2. the day an account is closed and all bills are paid; or
1.3. a review of the deposit in accordance with Subsection C – Deposit Review shows that deposit reduction is warranted.

2. A deposit or portion of a deposit plus the applicable interest that is subject to return may be credited to the customer's account in the amount of any outstanding charges, and if any balance remains after the Company has credited the customer's account, a refund check will be issued to the customer.

F. Deposits – Other Contracts

1. The Company may also require deposits from customers to guarantee future payments as set forth in lawn sprinkler, main extension, or other forms of contracts which are in a form approved by the Public Service Commission. The interest rates for these deposits will be the same as the interest rates for security deposits and such interest will be credited to the customer as prescribed by Commission rules.

V. NOTICE REQUIREMENTS, CONSERVATION, EMERGENCY DISCONNECTION

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

A. Annual Notice of Rights

1. The Company will, at the time of residential application for service and at least once each year after service is extended, provide residential applicants and customers with a brochure containing a detailed description of their rights and obligations.

2. A notice offering a fixed income billing plan will be provided annually to every residential customer known to be on a fixed income. Such billing plan will provide for payment of bills on reasonable schedule considering the customer's regular receipt of income, without being charged late payment charges, as long as payment is made within twenty (20) calendar days of the scheduled due date.

3. A notice advising a customer of the applicable rate structure, in accordance with the Company's tariff, and offering the customer a detailed bill calculation upon request, will be provided annually to every residential customer.

B. Hazardous Conditions

1. If the Company is aware of a hazardous condition that may affect the health and safety of consumers of its water, it will immediately make all reasonable efforts to contact affected parties.

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

A. Bills Payable

1. Billing
   1.1. All bills are payable in accordance with the terms of the applicable service classification.
   1.2. Service Classifications 1 and 2 – Service Areas 1 and 2
   A month is defined in the respective service classification as any period consisting of not less than twenty-eight (28) consecutive days nor more than thirty-two (32) consecutive days. In the event a bill is for a period of longer than 32 days or shorter than 28 days, and for a new service or a service termination, the charges will be prorated on a per-day basis formula.
   1.3. Meters will be read and bills will be rendered monthly or quarterly, and bills are due when rendered and are payable at the office (by mail or the lock box Custodian) of the Company or to any authorized collector. Volumetric (or usage) charges specified in the various Rate Schedules are stated on a monthly basis.
   1.4. Bills for all meter reading periods affected by a change in rates will be prorated.

B. Late Payment Charge

1. Bills are due upon presentation. Bills shall be deemed presented when delivered to the customer personally or when mailed to the customer at the premises supplied, or at the last known address of the customer, or when left at either address or any mailing address provided. After the bill is presented, failure to receive such bill from the Company will not entitle the customer to any delay in the settlement of the customer's account nor to any extension of the date after which the late payment charge becomes applicable.

2. The late payment charge becomes due unless all arrears for service are paid. A request by the customer for adjustment of bills or any other complaint does not extend the due date of the undisputed portion of current bills.

3. A late payment charge at the rate of one and one half percent (1-1/2%) per month will be applied to the accounts of all customers taking service under Service Classification Nos. 1, 2, 3 4, 5, 6, and 7. Under said classifications, the charge will be applied to all arrears, and unpaid late payment charge amounts, which are not received by the Company on or before a date specified on the bill. The date so specified shall not be less than 20 days after the first day of each billing.

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER (CONTINUED

4. In lieu of the late payment charges specified in paragraph 3 above, customers that are qualifying State Agencies will be subject to an interest charge calculated at the corporate tax rate. This interest charge will be applied to all accounts not paid within 45 days of the last day of each billing period under Service Classification Nos. 2 and 4. State Agencies are defined to include State Government Agencies, the City University of New York, when acting on behalf of its senior colleges, the Facilities Development Company or the State University Construction Fund.

C. Dishonored Check Fee

1. Any payment received and made by a check or any other negotiable instrument which is not honored by the bank on which it was drawn, will be returned to the customer and an $8.50 handling charge will be levied against the customer's account. This fee is subject to the state and applicable local gross revenue taxes as set forth in the current tax statements with this tariff.

D. Meter Reading

1. The customer will provide a suitable place for the location of meters. The Company's authorized agents or employees shall, at all reasonable times, have access to its equipment on the customer's premises for the purpose of reading, inspecting, testing, repairing or removing its equipment.

2. The Company will attempt to obtain an actual meter reading for every metered account, on a regularly scheduled basis in accordance with its tariff. Effective June 1, 2017, all metered customers have been moved to a monthly reading cycle.

3. The quantity recorded by the meter will be considered the amount of water passing through the meter, which amount will be conclusive on both the customer and the Company, except when the meter has been found to be registering inaccurately, or has ceased to register. In all cases where a meter is found to be defective, it will be immediately replaced by a meter that has been tested and properly adjusted.

4. If unsuccessful in attempting to obtain an actual reading, the Company will provide notice to the customer.

E. Estimated Bills

1. When the Company is unable to obtain actual meter readings, it may render an estimated bill. The conditions of allowable estimated bills are stated in Title 16 NYCRR 14.12 (b) (i-viii). The estimated bill will be calculated in accordance with an established formula which takes into account the best available data for estimating the customer's usage. The Company may also render estimated bills for reasons stated in 16 NYCRR, Part 14.12.

2. In cases where it is found that a meter has ceased to register or has registered inaccurately and the percentage of accuracy cannot be determined by reasonable test, an estimated bill for the billing period immediately preceding the date when such meter was found defective and for the period from said date to the date of replacement of the meter may be rendered to a non-residential customer but the right to render an estimated bill is strictly limited to such periods and for all other periods the bill shall be the minimum rate provided in the applicable rate schedule. The estimated bill shall be based upon the amount of water consumed in the corresponding period in prior years, except where it

appears that there has been a change in the occupancy of the premises or in the use of water, in which case an equitable adjustment shall be made.

F. No Access Procedure

1. Meter readings for residential customers
   1.1. The Company will begin issuing No Access notices with the next cycle bill issued after a customer's bill is estimated for six consecutive months.
      1.1.1. The No Access notices and charges will be directed to the access controller, unless the access controller is not the customer of record, in which case a copy of the notices will be sent to the customer.
      1.1.2. The series of No Access notices is stated in Title 16 NYCRR 14.12 C (3) (i-iv).
      1.1.3. If the person who controls access fails to arrange an appointment in response to a second request and the Company is unable to obtain a meter reading, it will add a $25 no access charge to the bill of such person. The no access charge added to any single bill will be $25.00 per building, even though more than one meter is located there. The charge will continue on each successive billing that the Company is still unable to obtain access.
      1.1.4. The Company will, at its discretion, suspend temporarily the issuance of No Access notices and penalties if the access controller contacts the Company and provides a legitimate reason for postponing the provision of access.

G. Complaint Handling Procedure - Residential

1. The Company will investigate and evaluate all complaints received from customers regarding bills for service rendered or deposits required. The results of the Company's findings will be reported promptly to the customer. During the period of investigation and evaluation, service will not be discontinued nor will a disconnection notice be sent. The Company will, however, make the customer aware that service can be terminated for nonpayment of the undisputed amount.

2. If, after the completion of such an investigation, the Company determines that the disputed charges for service are proper, the Company requires that the disputed amount be paid. Appropriate notice of the determination will be given to the customer along with the availability of the Commission's complaint handling procedures. If the customer fails to pay the proper amount due and a period of at least fifteen (15) calendar days has elapsed after verbal or written notice of the Company's determination, and where notice of termination of service was previously sent, or is served with the determination, Company procedures provide for termination of service.

3. In situations where the complaint procedures of the Commission have been invoked and it is determined the disputed charge or deposit is proper and prior notice of termination was sent, a customer's service will not be terminated for failure to pay the amount found due until at least fifteen (15) calendar days after either verbal or written notice of the Commission's determination was served on the customer.

H. Backbilling

1. Notice
   1.1. Every backbill will contain a written explanation of the specific reason for the backbill, and if the bill covers more than a twenty-four month period, a statement as to why the billing was not limited as stated in paragraph 3 of this Subsection H – Limitations on Backbilling Period.
   1.2. A backbill will be accompanied by an offer of a payment agreement in accordance with Subsection O – Deferred Payment Agreements of this Section VI, if applicable.

2. Limitations on Issuance of Backbills
   2.1. The Company may not issue a backbill more than six (6) months after the Company actually became aware of the circumstance, error or condition that caused the underbilling.
   2.2. The Company may not upwardly revise a backbill, and will issue a downwardly revised backbill as soon as reasonably possible and within two (2) months after the Company becomes aware that the first backbill was excessive.

3. Limitations on Backbilling Period (Residential Service)
   3.1. When the failure to bill earlier was due to a Company deficiency, the Company will limit the backbilling period to twelve (12) months before the Company actually became aware of and corrected the circumstances, 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.
   3.2. When the failure to bill earlier was not due to a Company deficiency, the Company will limit the backbilling period to 24 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.

I. Termination of Residential Service

1. The Customer will notify the Company in writing of any change in occupancy of the premises and any resulting change in responsibility for payment of bills and provide proof to the Company of same. No adjustment of bills will be made by the Company as between owners or tenants unless ten (10) days' notice prior to change of occupancy has been given to the Company. No rebate will be given for unoccupied premises unless notice of non-occupancy is given as required in paragraph 4.3 under this Subsection I.

2. Conditions for Termination of Residential Service
   2.1. Water service may be discontinued by the Company for any of the following reasons as stated in Title 16 NYCRR 14.4 provided advance final notice of termination has been given when the customer:

2.1.1. fails to pay any tariff charges that reflect service used during the preceding twelve (12) months for which a written bill has been sent;
2.1.2. fails to pay any tariff charges that reflect service used before the preceding twelve (12) months, for which a written bill has been sent, in any of the following situations:
2.1.2.1. when there was a billing dispute during the preceding twelve (12) months; or
2.1.2.2. there was an excusable Company delay; or
2.1.2.3. the customer's culpable conduct caused or contributed to the delay in billing; or
2.1.2.4. when changes are necessary to adjust estimated bills.
2.1.3. fails to pay amounts due under a payment agreement; or
2.1.4. fails to pay, or agree in writing to pay, equipment and installation charges relating to the initiation of service; or
2.1.5. fails to pay a required deposit.

2.2. The Company will not terminate service for nonpayment of bills to any person it knows to be receiving public assistance, if payment for such service is to be made directly to the Company by the Department of Social Services or the local Social Services office.

2.3. Water service may be discontinued by the Company immediately when:
2.3.1. there is no customer of record and service is being provided through tampered equipment;
2.3.2. there is no customer of record or the party of record has vacated the premises.

2.4. Service rendered under any application, contract or agreement may be discontinued by the Company after reasonable notice for any of the following reasons:
2.4.1. For willful or indifferent waste of water due to any cause or for non-authorized use of water.
2.4.2. For failure to protect from damage the meter and connection, or for failure to protect and maintain the service pipe or fixtures on the property of the customer in a condition satisfactory to the Company.
2.4.3. For tampering with any meter, connections, service pipe, curb cock, seal or any other appliance of the Company controlling or regulating the customer's water supply.
2.4.4. For failure to provide the Company's employees reasonable access to the premises supplied, or for obstructing the way of ingress to the meter or any other appliances controlling or regulating the customer's water supply.
2.4.5. In case of vacancy of the premises.
2.4.6. For cross connections.
2.4.7. For submetering or reselling water.
2.4.8. For non-compliance with water usage restrictions.
2.4.9. For violation of any rule or regulation of the Company as filed with the Public Service Commission, provided such violation affects the reliability or integrity of the water system.

3. Final Termination Notice

3.1. The Company will not issue a final termination notice until at least twenty (20) calendar days after the date payment was due.

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER (CONTINUED)

3.2. The Company will not issue a final termination notice for nonpayment of disputed charges while a complaint is pending with the Company or the Public Service Commission.
3.3. The Company may issue a final termination notice for nonpayment of undisputed charges.

4. Physical Termination of Service
4.1. The Company will not terminate service until at least:
4.1.1. fifteen (15) calendar days after a final termination notice has been given personally to the customer; or
4.1.2. eighteen (18) calendar days after a final termination notice has been mailed to the customer at the service location, or to an alternative address, that has been provided by the customer for mailing purposes. If an alternative address has been used, the Company will mail notice of the scheduled termination to the service location, ten (10) calendar days after the final termination notice was mailed.
4.2. The Company will terminate service only between the hours of 8:00 a.m. and 4:00 p.m., Monday through Thursday, provided that such day or the following day is not:
4.2.1. a public holiday as defined in the general construction law; or a day on which the main business office of the Company or the offices of Public Service Commission are closed.
4.3. The Company will not terminate service unless:
4.3.1. it has verified that payment has not been received at any office of the Company or at any office of the authorized collection agent through the end of the notice period required by this tariff; and
4.3.2. it has verified on the day termination is scheduled that payment has not been posted to the customer's account as of the opening of business on that day;
4.3.3. it has complied with procedures established under this Subsection I.
4.4. The Company will not terminate service more than 60 calendar days after issuance of the final termination notice unless it has, during that time, issued a new updated termination notice to include the current arrears.
4.5. The Company will not terminate service while a complaint is pending before the Public Service Commission and for fifteen (15) calendar days after resolution by the Company or the Public Service Commission or its designee, for nonpayment of the disputed charges. Nothing prevents the Company from terminating service for nonpayment of undisputed charges.
4.6. The Company will not terminate service during the two-week period that includes Christmas Day and New Year's Day.

5. Posting of Payments
5.1. The Company will insure that any payment made in response to a final termination notice (when the customer brings the fact that such a notice has been issued to the attention of the Company or its authorized agents):
5.1.1. will be posted to the customer's account on the day payment is received; or
5.1.2. will in some manner stop the termination process so that termination will not occur.

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER (CONTINUED)

6. Payment at the Time of Termination – Residential
   6.1. If a customer claims that payment has already been made at the time of termination for nonpayment is to take place and produces as proof a written business record of payment; or claims that there is a complaint pending before the Company or the Public Service Commission with regard to the charges demanded, the Company's field representative will make a reasonable effort to verify this information with a Company office representative and will not terminate service for nonpayment of any verified disputed amount.
   6.2. At the time of termination, if either payment of the full amount is offered, or if the customer agrees to sign a payment agreement and offers payment of any required down payment, the Company representative will either:
      6.2.1. accept the payment, or
      6.2.2. allow the customer an extension of time of not less than one business day to go to the business office to make payment or arrange for payment within the specified time.
   6.3. When the customer fails to make the payment or arrange for payment within the specified time, the Company will terminate service without further notice.
   6.4. Whenever payment is made by check or money order at the time of termination, the Company's field representative will provide the customer with a receipt which will include the date, the account number, the amount received, the form of the payment and either the name or identification number of the Company representative.

7. Dishonored Checks
   7.1. Receipt of a subsequently dishonored check in response to a termination notice is not payment of a customer's account and the Company is not required to issue an additional notice before termination when the termination notice warns the customer of this possibility.
   7.2. If within the last twelve (12) months a customer has paid for service with a check that was subsequently dishonored, the Company has the right to accept only cash, certified check or money order as payment from that customer, at the time of termination.

J. Termination of Residential Service – Special Procedures

1. Special emergency procedures, required by Title I6 NYCRR Part 14.5 provide special protections for specified residential customers regarding the termination and restoration of service in cases involving medical emergencies, the elderly, blind or disabled, and termination during cold weather periods for premises with heat-related service. The Company has these special protections on file.

2. It is the Customer's responsibility to notify the Company that such conditions exist and to provide any required documentation. The Company may require that the Customer make appropriate arrangements to pay any arrears as well as pay current bills.

3. General Procedures
   3.1. The Company will provide special protections regarding the termination and reconnection of service in cases involving:

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER (CONTINUED)

3.1.1. medical emergency customers; and
3.1.2. elderly, blind or disabled customers; and
3.1.3. customers with heat-related service during cold weather periods; only when these conditions are brought to the attention of the Company.

3.2. The Company will take steps to assure communication before termination in the case of a language barrier.

3.3. Once the Company has been made aware of a customer that qualifies for special protections, the Company will make a diligent effort to personally contact that individual by
3.3.1. attempting to call, if there is a telephone, once during business hours, and if unsuccessful twice during reasonable non-business hours (6:00 PM to 9:00 PM weekdays or 9:00 AM to 5:00 PM weekends) or
3.3.2. making an onsite personal visit, if telephone contact is unsuccessful.

3.4. When the service is left on, the customer remains responsible for payment of service and must make a reasonable effort to pay charges for the service.

3.5. When there remains a threat of termination or termination has already occurred, the Company will notify the customer that the Public Service Commission is available for assistance, and provide the Public Service Commission's telephone number.

4. Medical Emergency Customers

4.1. The Company will not terminate or refuse to restore service to a residence when a medical emergency exists. A medical emergency exists when a resident of a customer's premises suffers from a serious illness or medical condition that will be aggravated due to the absence of water service. Such customers must provide written certification by a medical doctor or local board of health.

4.2. The specific procedures for cases involving medical emergencies and the need for certification can be found in Title 16 NYCRR 14.5 b(2), b(3).

5. Elderly, Blind or Disabled Customers

5.1. The Company will not terminate or refuse to restore service to a customer where the customer and any other residents of the household are known or identified to the Company to be 62 years of age or older, 18 years of age or under, blind or disabled without following the procedures found in Title 16 NYCRR 14.5 c(2) and (3).

6. Special Procedures During Cold Weather Periods
(November 1 through April 15) For Premises with Heat Related Service.

6.1. During cold weather periods, before terminating service to a premises with heat-related service, the Company will attempt to determine whether a resident may suffer serious impairment to health or safety as a result of termination by making an effort to personally contact the customer or an adult resident at the service location at least 72 hours prior to the intended termination, to explain the reason for termination and provide the customer with information on the protections available in Title 16 NYCRR 14.5 d.

6.2. When the Company determines that a resident may suffer serious impairment to health or safety as a result of termination, the Company will not terminate service unless
  6.2.1. it informs the customer that a referral will be made to the Department of Social Services;
  6.2.2. the Company notifies the local Social Services office orally and in writing within five (5) business days; and
  6.2.3. the Social Services office, after an investigation informs the Company that the reported condition is not likely to result in a serious impairment to health or safety, or than an alternative means for protecting the person's health or safety has been arranged.

6.3. When the Company terminates service to a customer, and the customer or a resident 18 years or older was not personally contacted by the Company before termination of service and the customer has not contacted the Company for the purpose of requesting reconnection before 12 noon on the day following termination of service, the Company will, by onsite personal visit with the customer or other adult resident, immediately attempt to determine whether there is continuing occupancy and whether a serious impairment to health or safety may result. If the Company determines that a serious impairment may result, it will immediately restore service. If the Company is unable to make an onsite personal visit with the customer or an adult resident, and does not have reasonable grounds to believe that the customer has vacated the premises, the Company will immediately refer the name and address of the customer to the local Social Services official.

6.4. If after the discovery of tampered equipment, the Company decides to terminate service to a customer because of a potential health or safety problem, it will determine whether a resident may suffer a serious impairment to health or safety as a result of termination. If the Company determines that a resident may suffer a serious impairment, it will follow the procedures set forth in paragraph 4.2 of this Subsection I provided, however, that continued service is not required if it is impractical for the Company to eliminate an unsafe condition. In any cases where a resident may suffer a serious impairment and the Company terminates service to preclude the continuation of an unsafe condition, the Company will specially notify the local Social Services official on the same day service is terminated and request an immediate consideration of the case.

K. Termination of Non-residential Service

1. Water service may be discontinued by the Company for any one of the following reasons:
  1.1. For the use of water other than as represented in customer's application or through branch connections on the street side of the meter or place reserved therefore.
  1.2. For willful waste by use of water through improper and imperfect pipes, or by any other means.
  1.3. For tampering with any service pipe, seal, meter, or any other appliances owned by the Company.
  1.4. For non-payment of bills for water or services rendered by the Company in accordance with this tariff.
  1.5. For failure to conform to the cross connection regulations as described in the Company's tariff as required by the New York State Sanitary Code.

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER (CONTINUED)

1.6. For refusal of reasonable access to the property for the purposes of inspecting fixtures or piping or for reading, repairing, testing or removing meters and for refusal to grant access to premises by Company personnel for purposes of inspection to determine the existence of actual or potential cross connections as described in Section VII, Subsection N, except where the customer has such an inspection performed by a qualified engineer or architect in accordance with the provisions of Section VII, Subsection N.

1.7. For violation of the rules of the Company as filed with the Public Service Commission.

2. Discontinuance for Non-Payment:

2.1. The Company may, after due notice as required by law, discontinue the supply of water to any and all premises of a customer if payment is not made to the Company of all money due from the customer for service supplied to such premises. The Company may refuse to supply service or additional service to an applicant or customer until all money due is paid.

2.2. If a former customer who is indebted to the Company attempts by some agency, relationship or otherwise to obtain service, the Company reserves the right to refuse service until payment of all indebtedness for water service is made. Where a customer's service is discontinued for non-payment of bills, the Company reserves the right to refuse to furnish service to said customer at the same or any other location, until all charges, including the reconnection charge specified below in Subsection P – Reconnection of Service, paragraph 7, shall have been paid and satisfactory assurance given to the Company that future bills will be paid promptly.

3. Discontinuance for Non-Access

3.1. The Company may, after due notice, discontinue the supply of water to the premises if arrangements have not been made to read, change or inspect the Company's equipment. The Company may refuse to supply service until the work required has been completed.

4. Discontinuance for Violation

4.1. The Company may after due notices, discontinue the supply of water to the premises if the customer's culpable conduct created the violation of the rules and regulations of the Company. The Company will not restore the water supply until the violation has been removed.

5. Voluntary Discontinuation of Service

5.1. Unless otherwise provided herein, any residential or non-residential customer may discontinue water service by giving the Company written notice not less than 48 hours prior to the discontinuance, and all liability for charges for service rendered after the discontinuance of service, as herein provided for, shall cease. Separate provisions for the discontinuance of public or private fire protection or private fire sprinkler service are set forth in other sections of this tariff.

6. Where two or more premises are now supplied with water through one service pipe, under the control of one curb stop, if any of the parties so supplied shall violate any of the Commission's rules or the

terms and conditions of this tariff, the Company reserves the right to apply its shut-off regulations to the joint service line, except that such action shall not be taken until the innocent customer who is not in violation of the Commission's rules or the terms and conditions of this tariff has been given reasonable opportunity to attach the service pipe leading to his premises to a separately controlled service connection.

L. Voluntary Third Party Notice Prior to Termination of Residential Service

1. The Company will permit a customer to designate a third party to receive copies of all notices regarding termination of service or other credit actions sent to such customer, provided that the designated third party agrees in writing to receive such notices.

2. The Company will inform the third party that the agreement to receive notices does not mean the third party will pay for service provided to the customer.

3. The Company will promptly notify the customer in writing of the third party's refusal or cancellation of the agreement to receive notices.

M. Termination of Service to Entire Multiple Dwellings

1. Required Notices
   - 1.1. The Company will not terminate service to an entire multiple dwelling unless it fulfills all of the following requirements and provides the required written notice to:
     - 1.1.1. the owner of the multiple dwelling or the party to whom the last preceding bill was rendered;
     - 1.1.2. the superintendent or other person in charge of the multiple dwelling, if it can be readily determined that there is such superintendent or other person in charge;
     - 1.1.3. the occupants of each unit;
     - 1.1.4. the local health officer and the director of the Social Services district for the political subdivision in which the multiple dwelling is located;
     - 1.1.5. the mayor if the multiple dwelling is located in a city or village, or if there is none, the manager; or if the multiple dwelling is located in a town, the town supervisor; and
     - 1.1.6. the county executive of the county in which the multiple dwelling is located, or if there is none, the chairperson of the county's legislative body.
   - 1.2. The notice required by this subdivision will be provided in the following manner:
     - 1.2.1. by personally serving it or mailing it to the owner or superintendent,
     - 1.2.2. by mailing it to the occupants and all local officials, and
     - 1.2.3. by posting it in a conspicuous place in the public area of the multiple dwelling.
   - 1.3. The Company will give fifteen (15) calendar days' notice if personally served or posted, and eighteen (18) calendar days' notice if mailed.
   - 1.4. The notice to local officials will be repeated not more than four (4) nor less than two (2) business days before termination.

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER (CONTINUED)

1.5. Whenever a notice of termination of service has been made and the Company no longer intends to terminate service, the Company will so notify the occupants of each unit in the same manner as it gave the original notice.

2. Procedures to Avoid Termination of Service
   2.1. The Company will require occupants in a multiple dwelling to pay no more than the current charges incurred by the party to whom the last preceding bill has been rendered, and will not terminate service if such current charges are paid.
   2.2. The Company will notify the occupants that they are authorized to set off utility payments against their rents, to pay for the bill due, in accordance with subdivision (1) of Section 235a of New York State Real Property Law.
   2.3. If occupants in a multiple dwelling find they are unable to reach an agreement with the Company to avoid termination of service, they may contact the Public Service Commission. After such a request is received, a designee will attempt to work out an agreement and will, if necessary, attempt to arrange a meeting with occupant representatives, Company and party responsible for making payment for service.
   2.4. Public Service Commission may stay a threatened termination of service to an entire multiple dwelling where it concludes that good faith efforts are being made by the occupants to arrange for the payment of current charges.

3. Physical Termination of Service
   3.1. During the cold weather period, the following procedure will be followed by the Company to terminate heat-related service to an entire multiple dwelling:
      3.1.1. The Company will provide the notices required by paragraph 1 of this Subsection M not less than thirty (30) calendar days before the intended termination.
      3.1.2. The Company will provide each occupant with a written notice, not less than ten (10) calendar days before the earliest date termination may occur, advising the occupant that if any occupant in his or her apartment has a serious illness or medical condition that may result in a serious impairment to health or safety by the loss of heat service, he or she should immediately contact the Company. The notice will provide the name and telephone number of the Company contact person. Whenever an occupant has so notified the Company, the Company will conduct an onsite personal visit without delay, for the purpose of determining whether the occupant may suffer a serious impairment to health or safety as a result of termination. If the Company determines that an occupant may suffer serious impairment to health or safety as a result of termination, the Company will refer such cases to the local department of Social Services and request the agency to investigate.
      3.1.3. The Company referring such a case to the department of Social Services will continue heat-related service to the multiple dwelling or otherwise provide heat to the person who may suffer a serious impairment for at least fifteen (15) business days after the referral. The Company referring such a case will not thereafter terminate heat-related service to the dwelling during the cold weather period unless it otherwise provides heat to the

person who may suffer serious impairment, or unless it is informed by the local department of Social Services that appropriate alternative arrangements to preclude a serious impairment to health or safety have been made or that the claim of serious impairment is without merit. The Company thereafter intending to terminate service will provide at least five (5) calendar days' written notice to the occupants that heat-related service will be terminated and will, if so notified by the department of Social Services, inform the individual of the finding of no serious impairment. Such notice will state that any occupant may seek further review by the Commission.

3.1.4. If the Company is notified by the local department of Social Services that an occupant in a multiple dwelling where the heat-related service has been terminated by the Company may suffer a serious impairment to health or safety, it will reconnect heat-related service, or otherwise provide heat to such person and continue such service.

N. Termination of Service to Two-Family Dwellings

1. If the Company knows that service is provided to a two-family dwelling, service will not be terminated unless the following requirements are complied with; provided, however, that where the Company knows that service is billed separately for each unit, this section does not apply. The Company will keep a record of legal two-family dwellings.

2. Required Notice
   2.1. The Company will not terminate service to a known two-family dwelling unless it provides written notice to:
      2.1.1. the owner of the premises or the party to whom the last preceding bill was rendered; and,
      2.1.2. the occupants of each unit
   2.2. The notice required will be provided in the following manner:
      2.2.1. by mail, to the owner or party to whom the last preceding bill was issued; or
      2.2.2. by personally serving or mailing it to the occupants; and
      2.2.3. by posting it on a conspicuous place at or within the premises, unless prevented by physical circumstances.
      2.2.4. the Company will give fifteen (15) calendar days' notice if personally served or posted, and eighteen (18) calendar days' notice if mailed.
   2.3. Whenever a notice of termination of service has been made and the Company no longer intends to terminate service, the Company will so notify the occupants in the same manner as it gave the original notice.

3. Procedures to Avoid Termination of Service
   3.1. The Company may require the occupants in a two-family dwelling to pay no more than the current charges incurred by the party to whom the last preceding bill was rendered, and will not terminate service if the current charges are paid.
   3.2. The occupant may either:

3.2.1. apply for service and be accepted as a customer, if eligible to do so as identified in the Service – Application and Denial section of this tariff (Section III), in which case such person must be liable for future payments; or

3.2.2. choose to pay current charges only, in which case such person will not be liable for future payments and future bills will continue to be rendered to the customer with a copy sent to any occupant upon request; or

3.2.3. set off the Company payments against their rents, in accordance with Subdivision 1 of 235a of the New York State Real Property Law.

4. Physical Termination of Service

4.1. The Company will terminate service only between the hours of 8:00 AM and 4:00 PM, Monday through Thursday, provided that such day or the following day is not:

4.1.1. a public holiday as defined in the general construction law; or a day on which the main business office of the Company or the offices of the Public Service Commission are closed.

4.2. The Company will not terminate service unless:

4.2.1. it has verified that payment has not been received at any office of the Company or at any office of the authorized collection agent through the end of the notice period required by this tariff; and

4.2.2. it has verified on the day termination is scheduled that payment has not been posted to the customer's account as of the opening of business on that day; or has complied with procedures established under paragraph 2 of this Subsection N.

4.3. The Company will not terminate service more than 60 calendar days after issuance of the final termination notice unless it has, during that time, issued a new updated termination notice to include the current arrears.

4.4. The Company will not terminate service while a complaint is pending before the Public Service Commission and for fifteen (15) calendar days after resolution by the Company or the Public Service Commission or its designee, for nonpayment of the disputed charges. Nothing prevents the Company from terminating service for nonpayment of undisputed charges.

4.5. During the cold weather period, the Company will follow the procedures outlined in paragraph 4.2 of this Subsection N when it intends to terminate heat related service to a two-family dwelling.

4.6. During the cold weather period, the following procedure will be followed by the Company to terminate heat-related service to a two-family dwelling:

4.6.1. the Company will provide the written notices required by paragraph 2 of this Subsection N not less than thirty (30) calendar days before the intended termination.

4.6.2. the Company will comply with either the requirements set forth in Section 14.5 or Section 14.7 of Title 16 NYCRR.

O. Deferred Payment Agreements – Residential Service

1. Company's Obligation
   1.1. The Company will provide a written offer of a payment agreement, to an eligible residential customer or residential applicant at the following times:
      1.1.1. not less than five (5) calendar days before the date of the scheduled termination of service for nonpayment of arrears, as indicted on the final termination notice, or eight (8) calendar days, if mailed;
      1.1.2. when payment of the outstanding charges is a requirement of acceptance of an application for service; and
      1.1.3. when it renders a backbill which is more than $100.00; however, the Company is not required to offer an agreement where the customer's culpable conduct caused or contributed to the underbilling.
   1.2. When payment of outstanding charges is a requirement for reconnection, the Company will offer the customer a payment agreement in accordance with the paragraph 1.3 of this subsection. The Company will also inform the customer that he or she may have the agreement include any applicable reconnection charge and/or legal fee, specifying the amount of such charge.
   1.3. A deferred payment agreement shall:
      1.3.1. be fair and equitable considering the customer's financial circumstances. The Company may require the customer or applicant to complete a form showing assets, income and expenses, and provide reasonable substantiation of the information on that form with the knowledge that such information will be treated as confidential;
      1.3.2. provide for installments as low as $10.00 per month and no down payment, when the customer or applicant demonstrates financial need for such terms, but need not provide for monthly installments of less than $10.00; and
      1.3.3. provide for any size or no down payment and installments on any schedule over any period of time and cover any outstanding charges, if mutually agreed to by the parties.
   1.4. The Company will renegotiate and amend a payment agreement if the customer or applicant demonstrates that his or her financial circumstances have changed significantly because of conditions beyond his or her control.
   1.5. The Commission or its designee may order the Company to offer a payment agreement when the parties have been unable to reach agreement or where an agreement is necessary for the fair and equitable resolution of a complaint.
   1.6. The Company will not be obligated to extend a deferred payment agreement to a non-residential customer, unless otherwise agreed to by the Company and the customer.

2. Eligibility
   2.1. A residential customer or applicant is eligible for a payment agreement and will be offered one, unless:
      2.1.1. the customer is a seasonal, short-term or temporary customer;
      2.1.2. the customer has a broken or existing payment agreement;

2.1.3. the Commission or its designee determines that the customer or applicant has the resources available to pay the bill.

2.2. If the Company believes that a customer or applicant has the resources available to pay the bill in full or where the parties are unable to agree on a payment agreement covering the amounts that exceed the cost of twice the customer's average yearly usage, either party may seek a determination from the Commission or its designee as follows:

2.2.1. the Company will immediately notify the customer or applicant and the Commission or its designee of its position, who will make a determination without undue delay; and

2.2.2. until such determination is made by the Commission or its designee, the Company will postpone any termination activity, and restore service or provide service, if so directed by the Commission or its designee, as long as the customer or applicant pays current bills and terms of the payment agreement as established by the Commission or its designee.

3. Terms of Agreement

3.1. A payment agreement will require that the customer or applicant must pay all current bills on time.

3.2. Unless otherwise agreed to by the Company and the customer, the Company will offer a payment agreement that covers amounts up to the cost of twice the customer's average annual usage. The down payment may include any amount owed in excess of twice the customer's average annual usage. If the customer and the Company are unable to agree upon a payment agreement, under these circumstances, either party may seek a determination from the Public Service Commission.

3.3. A payment agreement offered for nonpayment of arrears upon application of service, or upon request for reconnection, may require the customer or applicant

3.3.1. to make a down payment of up to 20% of the amount covered by the agreement, or the cost of one month's average usage or one tenth of the balance, whichever is greater.

3.4. A payment agreement offered for backbilling, if applicable, may require the customer to pay the outstanding charges in three or more monthly installments of up to the cost of one month's average usage or 1/24 of the balance whichever is greater.

4. Broken Agreements

4.1. If a customer fails to make timely payments in accordance with a payment agreement, the Company will send a reminder notice at least eight calendar days before the day when a final termination notice will be sent, stating that:

4.1.1. the customer must meet the terms of the existing payment agreement by making the necessary payment within 20 calendar days of the date of the payment was due or a final termination notice may be issued; and

4.1.2. if the customer can demonstrate an inability to pay the terms of the payment agreement, due to a significant change in his or her financial circumstances, because of conditions beyond his or her control, the customer should immediately contact the corporation to arrange a new payment agreement.

4.2. If by the 20th calendar day after payment was due, the Company has neither received payment nor negotiated a new payment agreement, the Company will demand full payment of the total outstanding charges and send a final termination notice.

P. Reconnection of Service

1. Termination at the Request of the Customer
   1.1. Service temporarily discontinued at the curb at the request of the customer or his agent, will be restored upon payment of $50.

2. Involuntary Termination
   2.1. The Company will reconnect service that has been involuntarily terminated for reasons as stated under Subsection I, Termination of Residential Service, paragraph 2, or Subsection K, Termination of Non-residential Service, paragraphs 1 through 4, within 24 hours of the customer's request for reconnection, unless prevented by circumstances beyond the Company's control or unless a customer requests otherwise, under any of the following conditions:
      2.1.1. upon receipt of the full amount of arrears for which service was terminated. plus a reconnection charge as provided under paragraph 7 of this subsection, below;
      2.1.2. upon receipt of a signed payment agreement, covering the full amount of arrears for which service was terminated, and the receipt of a down payment, if required under that agreement. The reconnection fee can be made part of a payment agreement which is entered into at the time service restoration is requested;
      2.1.3. upon the direction by the Public Service Commission or its designee; or
      2.1.4. where the Company has received notice that a serious impairment to health or safety is likely to result if service is not reconnected. Doubts as to whether reconnection is required for health or safety reasons will be resolved in favor of reconnection.

3. **Inability to Reconnect** – wherever circumstances beyond the Company's control prevent reconnection of service within 24 hours, the Company will immediately attempt to notify the customer and reconnect service within 24 hours of the elimination of those circumstances.

4. **Penalty** – if a Company does not reconnect service in accordance with the terms of this Subsection P, the Company will pay the customer for each day or portion of a day that service is not supplied after the date that service should have been supplied, as follows:
   4.1. $50.00 per day or portion of a day in cases involving medical emergencies, the elderly, blind or disabled, heat-related service during the cold weather period, or where the Company has notice that serious impairment to health or safety is likely to result if service is not reconnected; or
   4.2. $25.00 per day or portion of a day in all other cases.
   4.3. The penalty referred to in paragraph 4.1 of this subsection will not be applicable if the Commission or its designee determines that the Company had good cause for not reconnecting service within 24 hours. In such cases, the Company has the burden of showing good cause.

VI. BILLING, METER READING, NOTIFICATION AND TERMINATION FOR RESIDENTIAL AND NON-RESIDENTIAL GENERAL USE WATER (CONTINUED)

5. Non-residential service that has been terminated due to the customer's deliberate violation of the Company's rules and regulations will be restored upon payment of actual costs incurred by the Company as a result of the customer's actions, including, but not limited to the charge for repair of the condition and restoration of the service.

6. Non-residential water service that has been discontinued by being shut-off at the tap or at the curb or by being locked or sealed by the Company, may be resumed by new application being filed and the payment of the arrears, if more than sixty (60) days have elapsed between termination and the request for resumption of service. The customer may enter into a deferred payment agreement in accordance with Section VII of the tariff to pay off the arrears.

7. **Reconnection Charge**
   7.1. A charge will be made for reconnecting service which has been disconnected for nonpayment of bills or violation of the Company's rules, provided that the work of disconnecting has required only the removal of the Company's equipment from the customer's premises or turn off at the curb box. The service reconnection charge in such instances is as follows:
      7.1.1. $50.00 during normal business hours (Monday through Friday);
      7.1.2. $75.00 outside of normal business hours (Monday through Friday); and
      7.1.3. $100.00 on weekends or holidays
   7.2. If a customer or his agent refuses to permit an authorized agent or employee of the Company to remove or disconnect the meter or turn off at the curb box because of nonpayment of bills or violation of the rules, or if a customer willfully restores service without permission of the Company, and it becomes necessary to disconnect the service at the Company's main, the charge for reconnecting service will be actual cost and expenses incurred by the Company incident to the disconnection and reconnection of the service. Any charge for reconnection, where service was disconnected for nonpayment of bills, or violation of the Company rules, is payable before service is restored.

Q. Resale of Water

1. Customers shall not re-sell water, except where the customer has executed an agreement with the Company for such purpose.

VII. INSTALLATION OF SERVICES

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

A. Public Streets

1. Owner or Occupant
   1.1. Upon receipt of proper application from an owner or occupant of any property abutting on a public street, the Company will furnish, place, construct, operate, maintain and when necessary, replace at its own cost and expense the service pipe and connections within the territorial limits of the public street.

2. Stub Service
   2.1. Whenever, at the request of an owner or occupant of any property abutting a public street, a service pipe is provided through which service is not immediately desired, said property owner or occupant shall bear the entire cost of the main extension and installed services (providing, placing and constructing the service pipe and accessories). The applicant shall be entitled to a refund, without interest, of the deposit as prescribed by 16 NYCRR §501.8 within thirty (30) days of taking service and demonstrating reasonable permanency. Such refund shall be the installed cost of said service pipe and accessories, less depreciation, at the rate of three percent (3%) per annum for the period which said pipe has been in the ground.

3. Real Estate Developer or Prospective Owner or Prospective Occupant
   3.1. A person shall be deemed to be a prospective owner where title to the property has not passed to him or where in the event of a contract to purchase, less than ten percent (10%) of the purchase price has been paid by applicant prior to the date of application for service, except that a person qualifying under the Administrative Rules and Regulations under Section 203 and 222 of the National Housing Act, or under Title III of the Serviceman's Readjustment Act of 1944, as amended, shall be deemed to be an owner upon the signing of a contract for purchase within the provisions of said Act.
   3.2. A person shall be deemed to be a prospective occupant unless occupancy is had under the terms of a lease for a period of one year or longer.
   3.3. When application for water service is made by a real estate developer, a prospective owner or a prospective occupant of any property abutting on a public street, said real estate developer, prospective owner or prospective occupant shall agree to pay a deposit equal to the estimated cost of the service line installation including hydrants and the estimated cost of any paving replacement. The estimated cost will be furnished by the Company Engineering Department. The difference between the actual cost and the estimated cost will be returned to the prospective applicant, without interest, within sixty (60) days after the final cost is determined. The balance of the deposit will be returned to the prospective applicant sixty (60) days after a permanent customer has occupied the premises, provided the permanent customer has occupied the premises within five (5) years. No further refunds will be made after five (5) years after the date construction of the extension is completed and approved or after the total of all refunds equals the amount of the deposit.

3.4. For developers who are subdividing or preparing real estate for residential or commercial occupancy, who require the installation of utility plant in advance of occupancy, the Company may retain as a deposit the cost of the entire extension, subject to annual refunds without interest determined as the proportion of the number of customers connected directly to the extension that year multiplied by the distance specified in Subsection J, paragraph 4.3 of this Section VII, related to the total extension length.

3.5. In the event the estimated cost (deposit) is greater than 120% of the actual cost, or the refund is not made within sixty (60) days, the refund shall receive interest at a rate of the greater of the unadjusted deposit rate or the applicable late payment rate, beginning from the date the job is completed and/or actual costs are known.

B. Private Streets - All Applicants

1. At the applicant's expense, upon receipt of an application for water service to any premises located on a private street, together with an executed job order application and deposit, the Company will furnish, place or construct a service pipe and service connections from the main to a curb box, to be set at a point which in the judgment of the Company is on a line comparable to the property line of a public street. The amount of the deposit required will be the estimated cost of constructing the service line and connections. Upon completion of the construction work, if the deposit exceeds the actual cost, the excess over actual cost will be refunded to the applicant; if the actual cost exceeds the deposit, the applicant shall reimburse the Company the excess of such actual cost over the amount of the jobbing deposit.

2. Private Streets - One Premise
   2.1. Whenever an applicant makes written application for water service to one premise located on a private street, the Company may elect to extend its main in accordance with the terms and conditions in this tariff, or to consider the extension as a service line. If the latter election is made, the applicant is to install the service line to his property line and the Company will set a meter at the beginning of the extension to measure all water used. Title to the service will be vested in the customer, who will be responsible for maintenance and replacement, when necessary.

3. Private Streets - More Than One Premise
   3.1. Whenever an applicant makes written application for water service to more than one premise located on a private street, the Company will extend its mains in accordance with the terms and conditions in this tariff and as required under the laws, rules and regulations of the Public Service Commission.

4. Easements on Private Streets
   4.1. Applicants for service shall execute and deliver without cost to the Company, permanent easements or rights-of way over the property owned by the applicants when necessary for the installation and maintenance of the extension or subsequent additions thereto.

4.2. The Company shall not be obligated to commence any construction until applicants either have obtained for it satisfactory easements or rights-of-way or have agreed to pay such costs as may be incurred if at their request the Company obtains such easements or rights-of-way, whenever these are required, from parties who are not applicants for service.

C. Ownership

1. Title to a service pipe and service connection installed within the territorial limits of a public street as defined herein shall be vested in the Company. Such service pipe and connections shall at all times remain the sole property of the Company and shall not be trespassed upon nor interfered with in any respect. The curb stop may not be used by the customer for turning on or shutting off the water supply but is for the exclusive use of the Company.

2. Service pipe and connections installed at applicant's expense on a private street shall at all times remain the sole property of the applicant, in whom title thereto shall vest.

D. Installation, Maintenance, Replacement and Inspection of Service Pipes

1. Service on Applicant's Property
   1.1. At his own expense, the applicant shall install and maintain the service pipe from the territorial limit of the street to the premises, and two valves, the first to be located just inside the building wall, and the second valve adjacent to and on the house side of the meter, permitting control of the water supply by the customer. On services requiring meters of one inch (1") size and under, the two valves shall be incorporated in a meter yoke. The meter yoke and valves shall be of a make and type approved by the Company. For this installation and maintenance thereof the customer shall employ a competent plumber and all work shall be performed in a manner satisfactory to the Company. The minimum size, materials, depth of cover and method of construction shall be the same as hereinafter specified for a service pipe installed by the Company. If any defects in workmanship or materials are found or if the customer's service pipe has not been installed in accordance with such specifications or with the Company's requirements, water service either will not be turned on or will be discontinued if such defects are not remedied.

2. Service pipes must be located in compliance with all sanitary regulations and, in no case, be less than ten feet (10') from any cesspool or sewerage lines unless the design is otherwise approved by the Company.

3. Inspection of Service Pipes - That portion of the service pipe without the territorial limits of any street, avenue, road or way, is to be approved by the Company before the trench is backfilled.

4. The service pipe outside the limits of any street, avenue, road or way that is for any highway purpose under the jurisdiction of the legislative body of any city, town, village, county or the State of New York, or other public place open to the general public for highway purposes, shall be installed by a

licensed plumber, (and in compliance with Subsections A through C of this Section VII) at the customer's expense; and shall be maintained by the customer.

4.1. In the event of a leak in the service pipe, the customer shall have it repaired promptly at his expense.

4.2. The Company may discontinue its service if a faulty service pipe is not repaired within a reasonable time and will charge the customer with the expenses incident thereto.

5. The Company will furnish, place, construct, operate, maintain, and when necessary, replace at its own cost and expense, all mains, service pipes, service connections and other facilities within the territorial limits of any street, avenue, road or way that is for any highway purposes under the jurisdiction of the legislative body of any city, town, village, county or the State of New York, or other public place open to the general public for highway purposes, provided all necessary easements are furnished without cost to the Company. No service pipe will be installed by the Company within the territorial limits of a public street, as defined herein, until the service pipe and service connections from the premises to the territorial limits have been installed in a manner satisfactory to the Company.

5.1. Where a service pipe is provided at the request of an owner or occupant through which service is not immediately desired, the property owner or occupant shall bear the entire expense of providing and installing the service pipe and accessories, but will be entitled to a refund.

5.2. Whenever water service is begun for such part of the expense as the Company is required to assume such refund shall be the cost of such service pipe and accessories less 3% per annum for the period which said pipe has been in the ground.

6. Customer shall be responsible for keeping the curb box at grade, plumb and accessible to the Company. If the curb box is determined to be inaccessible by the Company for its business purposes as a direct result of work performed by or at the direction of the customer, such as grade changes or covering the access with landscaping or paving materials, the Company shall notify the customer of the accessibility issue in writing, and provide 30 calendar days from the date of the notice for correction of the obstruction. If accessibility is not provided within 30 calendar days of the date of the notice, the Company will take corrective action, and bill the customer, at cost, all costs incurred to make the curb stop accessible through the curb box.

7. The Company requires a separate service line from the domestic service for fire suppression.

E. Maintenance of Mains

1. Applicable to all Extensions of Mains:

1.1. The Company will be solely responsible for the maintenance and replacement of all mains, service pipes and facilities placed in any street, avenue, road or way as previously defined or easement area used by the Company for supplying water to its customers; and

1.2. if adequate maintenance requires the reconstruction or replacement of such mains, service pipes and facilities, said mains, service pipes and facilities shall be reconstructed or replaced by the Company at its cost and expense.

1.2.1. However, replacement or reconnection of mains less than two (2) inches in diameter in excess of seventy-five feet in length previously installed and privately owned, shall be governed by the provisions of this subsection.

F. Specifications

1. Copper pipe or copper tubing of "K" or P.E.P. wall thickness or equal and approved by the Company shall be laid, but shall not be less than 1" CTS (copper tubing size) in diameter. Where the main has a cover of less than five (5) feet, the service pipe shall have a cover at least equal to that of the main, and in no case shall the service pipe have a cover of less than 4 feet. Where the service pipe must have less than 4 feet of cover in the opinion of the Company, because of ducts or other sub-surface conditions preventing the service being laid at this depth, it shall be sufficiently insulated against frost with a covering of suitable waterproof material. The installation shall be subject to the Company's inspection at the Company's expense.

2. Where an applicant is seeking service at an elevation or gradient which could not otherwise be adequately serviced by existing plant, the Company will require that the applicant bear the additional cost of providing such extraordinary service, or in the alternative, require the applicant to purchase, install and maintain the necessary, special equipment, such as a hydro-pneumatic system, needed to serve the premises. The installation of a hydro-pneumatic system as part of the customer's internal plumbing may be subject to approval of the Health Department, and should comply with local building codes and standards.

G. Metering Equipment

1. Meters
   1.1. An individual meter shall be required for each premises and for each separate service connection to a premises.
   1.2. The meter will be furnished and connected by the Company without cost to the customer. The Company reserves the right in all cases to stipulate the size, type and make of the meter to be used on any connection.
   1.3. All meters and meter connections shall at all times remain the sole property of the Company, and shall not be interfered with in any respect. All meters will be maintained by and at the expense of the Company so far as ordinary wear and tear are concerned but the customer will be held responsible for damages due to freezing, hot water or other external causes. In case of damage the Company will repair the meter, if necessary replacing it with another meter and the costs shall be paid by the customer. The Company recommends the customer install, at the customer's expense, suitable equipment properly located to prevent backflow of hot water which may cause damage to the meter, or other damage to the customer's plumbing.
   1.4. The Rules and Regulations of the Public Service Commission require that the Company shall periodically test all meters in service. For this reason, it is incumbent on all customers to permit the Company to remove meters periodically for test and repair. The Company also reserves the right to remove and test any meter at any time, upon reasonable notice, and to substitute another

meter in its place. Non-residential customers are referred to Section VI, Subsection K, providing for discontinuance of service in the event of refusal. Residential customers are referred to Section VI, Subsection F, "No Access Procedures".

1.5. Any customer may request the Company or the Public Service Commission to make a special test of the accuracy of a meter or meters.

1.5.1. In case of a disputed account involving the question as to the accuracy of the meter, such meter will be tested without charge by the Company upon the request of the customer, provided that the meter or meters have not been tested within twelve (12) months previous to such request. For additional tests made within a twelve (12) month period, the following charges will be applicable for each such test:

Fee Schedule:
2" meters and smaller.....$50.00
3" and over.....Actual Cost

Test fees applicable to meter banks shall be in accordance with the above schedule for a single meter having the nearest equivalent capacity.

1.5.2. In the event that the meter or meters so tested are found to have an error in registration in excess of two (2) percent at any rate of flow within normal test flow limits to the prejudice of the consumer the test fee will be waived and the bills will be adjusted for over-registration in accordance with the method so outlined in the current Rules and Regulations of the Public Service Commission covering the testing of water meters.

H. Installation and Maintenance of Meters

1. **New Services**

1.1. The Company will provide and install a meter or meters for each service pipe unless otherwise agreed.

1.2. Meters are to be set horizontal in an accessible location near the entrance of the service pipe to the premises.

1.3. At the option of the Company, it may be required that the meters shall be set in a pit. Meter pits shall be of plastic or fiber material with cast iron lids (Ford style meter pit or equal) or precast or poured in place concrete with Bilco style aluminum lid. Brick, block or stone pits are not acceptable. Pit and lid to be purchased, installed and maintained at the customer's expense.

2. **Existing Services** - A meter pit shall be installed by the customer, at the customer's expense, just inside the property line on the following existing services at the discretion and direction of the Company:

2.1. where the customer has failed to maintain a suitable place for the location of the meter;

2.2. where the meter has not been kept open for inspection, reading, maintenance, removing and setting; or

VII. INSTALLATION OF SERVICES (CONTINUED)

2.3. on any replacement of any existing service over sixty (60) feet in length.

2.4. For a customer who has failed to provide access to the meter, as described in paragraph 2.1 or 2.2, and who has accumulated six consecutive months of estimated bills as described in Leaf 20 Subsection F, the Company will issue the first of up to three notices requiring the installation of a meter pit. Each notice will include the Company's direction to the customer to install the meter pit within thirty (30) days of receipt of the notice. If the customer has not installed the meter pit within thirty (30) days after the issuance of the third notice provided in accordance with this Section and with Leaf 20 Subsection F, the Company will undertake to install the meter pit and bill the customer for the cost of the installation. Once either the customer or the Company has installed the meter pit, the accrual of No Access Fees will be terminated. For a customer who replaced an existing service over sixty feet in length (according to paragraph 2.3 above) and failed to install a meter pit within 60 days of being notified by the Company to do so, the Company will issue three notices as described in this section. If the customer has not installed a meter pit within 30 days of the issuance of the third notice, the Company will install the pit and bill the customer for the cost of installation. The installation cost for meter pits installed by the Company according to paragraphs 2.1 - 2.4 will not exceed $1,360.00.

3. The installation and maintenance of meter pits are the responsibility of customers, including all residential and all non-residential customers.

4. Stops or ball valves of standard make are required immediately before and after each meter. These materials shall be NSF approved. The customer (whether residential or non-residential) is responsible for the installation and maintenance of the stops or ball valves.

5. Lead must not be used to make connections between the Company stop and the meter.

6. Meter Installations, Removals and Seals
   6.1. The Company will install and remove meters from the customer's premises without cost to the customer except in cases where service is discontinued for nonpayment of bills.
   6.2. The meter and couplings will be sealed by the Company and the seals must remain intact. Prosecution will follow if the seals are tampered with or broken.
   6.3. When a meter is installed, water will be turned on to the stop or valve on the inlet side of the meter and a tag attached to the stop or valve with information concerning instructions to continue water supply to the premises.
   6.4. Upon placing or replacing a meter in service, unless the register is set at zero, the Company will securely attach a tag stamped with figures indicating the date and the meter dial reading at time of setting.
   6.5. When removing a meter, the consumer will be given the reading and will be given the opportunity to read the meter if so desired. The Company shall afford the customer an opportunity to verify the final reading of any water meter removed from the premises.

7. **AMI Meter Opt-Out** - Residential customers who have, or are scheduled to have, automated meters installed by the Company on their premises may elect to opt out of an Automated Meter Reading equipped meter ("AMR meter") or an Advanced Metering Infrastructure equipped meter ("AMI meter") and, thereby, have their meters read manually, by completing an automated-meter opt-out

form. Information on how to opt out of AMR/AMI metering, including forms, can be found on the Company's website at www.nyamwater.com/AMI.

Customers who opt out of AMR or AMI metering will be subject to the following provisions:

Notice – The Company has a plan to replace non-AMI meters, including AMR meters, with AMI meters throughout its service area. At least 30 days in advance of the planned AMI meter installation at the Customer's premises, the Company will notify the Customer of the forthcoming meter installation and ability to opt out In the event the Company replaces a non-AMI meter with an AMI meter and does not provide advance notice (e.g., replacement of a broken meter), the Company will notify the Customer of the AMI meter installationand ability to opt out. Customers who opt out of AMI metering within 30 days of such notice will not be subject to a meter change-out fee, but will be subject to a monthly manual meter reading fee.

7.1. Change Out Fee – A one-time change out fee of $35.22 per meter will apply for a Customer who requests removal of the remote communications capability of an AMR or AMI meter, except as described in "Notice" above. If an AMR or AMI meter was previously installed and the Customer opts-out of such metering, the Customer must pay $35.22 one-time for the meter change-out. (i.e., removal of the AMR or AMI remote communications capability).

7.2. Manual Meter Reading Fee – If the Customer opts out of AMR or AMI metering or refuses to permit the Company to install such remote communication device, the Company will attempt to read the meter manually and render bills monthly. The monthly bill will contain an optout fee of $13.21.

Access to Premises – If a Customer opts out of AMR or AMI metering, as applicable, or refuses to permit installation of such metering, or refuses to permit installation of a non-AMI meter and, thereafter, the Company has no access to the meter on six consecutive meter reading dates, the Customer or access controller will be required to provide the Company with access to install, or re-install, a meter at the Company's discretion. Section VI, Subsection F, "No Access Procedure" will apply. As an alternative, where practicable, a Customer, at Customer expense, can furnish, install, and maintain the facilities necessary to accept outdoor metering.

I. Building Taps

1. No person except authorized agents of the Company will be allowed to tap the mains or insert corporation stops therein or operate any Company-owned valves.

2. A Company stop and service pipe are required for each building facing a street.

2.1. Stores, flats, or apartments, if divided by filled walls, will be considered as separate buildings requiring a separate corporation stop and a separate service pipe for each.
2.2. If the walls are not filled, a corporation stop for each division will be permitted or one for the entire building – optional with the applicant.

J. Construction of Facilities

1. **FACILITIES WITHIN HIGHWAY**: All water-works corporations subject to the jurisdiction of the Commission shall furnish, place, construct, operate, maintain and when necessary replace at their own cost and expense all mains, service pipes, service connections and other facilities within the territorial limits of any street, avenue, road or way that is for any highway purpose under the jurisdiction of the legislative body of any city, town, village, county or the State of New York, or other public place open to the general public for highway purposes, provided all necessary easements are furnished without cost to such corporation.

2. **FACILITIES OUTSIDE HIGHWAY**: Where such facilities will be constructed outside the territorial limits of any street, avenue, road or way or other public place open for highway purposes, the applicant shall be allowed to construct the facilities, where such arrangement results in lower cost or better time performance, using contractors and materials acceptable to the water-works corporation, pursuant to its water system specifications, based on safety and compatibility and, as to contractors, reputable past performance, and subject to inspection and approval by the water-works corporation based on such specifications. The additional cost of said inspections is to be paid by the applicant.

3. Applicable to bona-fide owners or occupants of property abutting on any street, avenue, road or way that is for any highway purpose under the jurisdiction of the legislative body of any city, town, village, county or the State of New York, or other public place open to the general public for highway purposes, provided all necessary easements are furnished without cost to the Company.
   3.1. Upon written application of the owner of any such street, avenue, road or way or other public place within 75 feet of any water main of the Company, it shall furnish, place and construct at its own cost and expense such mains and facilities as are necessary to render the service requested. Said cost and expense shall include the amounts paid to governmental authorities for permits to do the work required and all paving charges for the repair or replacement of the street or sidewalk which may be disturbed in the course of such installation that are legally imposed by any governmental authority.
   3.2. Whenever an owner or occupant of any property abutting on any street, avenue, road or way or other public place as previously defined, in which there is no water main within a distance of 75 feet from said property, makes a written application for service to the Company, the Company will extend its system so as to service said property provided
      3.2.1. that the Company has authority to render service to said applicant,
      3.2.2. that said applicant shall first have assured the Company by furnishing satisfactory proof that he will be a reasonably permanent customer by meeting the following conditions:

3.2.2.1. the applicant will own or occupy a premises in a permanent structure and on a building lot which both comply with governmental building codes and requirements;

3.2.2.2. the applicant will take service for at least one year continually on an annual or seasonal basis; and

3.2.2.3. the applicant will take service within 60 days of completion of the main extension;

3.2.3. that he shall first have executed an agreement, the terms of which shall provide substantially as follows:

3.2.3.1. applicant shall agree to pay the Company the rates and charges set forth in the applicable service classification; and in addition a surcharge of nineteen (19) percent (return, depreciation, taxes and maintenance) per year of the actual, reasonable cost of such portion of said main extension (excluding the cost of any service pipe and accessories) that is in excess of seventy-five (75) feet distance from the end of the nearest water main appropriate to the service requested, if the size of said extension be six (6) inches or less in nominal diameter, or if the service requested requires a main larger than six (6) inches in diameter; or nineteen (19) percent of the estimated cost of a six (6) inch main if the Company lays a main greater than six (6) inches in diameter when not necessary for the service requested; provided, however, said surcharge to be paid on a prorated basis at the end of each billing period, provided, however, that said surcharge shall begin at the date water service is first available to the applicant and shall be collected for ten (10) years.

3.2.3.2. Whenever more than one customer shall be connected to said extension, said surcharge shall be so adjusted as to yield to the Company not more than said nineteen (19) percent in any one year from all customers served from said extension and surcharge shall be reasonably allocated to the several customers served from said extension taking into account that 75 feet of main and a service are to be allowed without surcharge for each customer connected thereto.

3.2.3.3. Whenever the number of customers on a main extension multiplied by seventy-five (75) feet shall equal or exceed the length of the main extension, all surcharges shall cease.

3.2.3.4. In lieu of the above surcharge, the applicant may at his option pay the cost of the main extension in excess of seventy-five (75) feet subject to annual refunds, without interest, related to the number of new customers added to the extension each year multiplied by seventy-five (75) feet; however, refunds shall cease after 10 years or when the total of all refunds equals the amount of the original payment made by the applicant.

3.3. The applicant shall first have furnished reasonable security as to performance of his agreement if so required by said water works corporation; said reasonable security as to performance shall be by advance payment of the surcharge for a period not to exceed one 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.

3.4. Upon completion of the extension, the Company will promptly refund any excess security advance payment, if the estimated cost of the extension exceeds the actual cost thereof.

3.5. Under any circumstances where special facts or conditions warrant deviation from the above rules either the Company or the applicant or the customer may apply to the Public Service Commission for relief from above provisions.

4. Installations Applicable to Real Estate Developers and/or Others Who Cannot Qualify as Bona-fide Owners or Occupants

4.1. Upon written application to the Company by a real estate developer or other person (sometimes hereinafter collectively referred to as "said person"), who in the judgment of the Company, cannot qualify as being a reasonably permanent customer, to render service to premises constructed or intended to be constructed on a plot of land abutting on any street, avenue, road or way that is for any highway purpose under the jurisdiction of the legislative body of any city, town, village, county or state of New York, or any other public place open to the general public for highway purposes, provided all easements are furnished without cost to the Company, the Company will extend its system so as to serve said property, provided:

4.1.1. that said person shall first have executed a Construction Advance Agreement, the terms of which shall provide substantially as follows:

4.1.1.1. that said person shall advance to the Company a sum equal to the estimated cost of the required main extension, including service lines, hydrant installation. Said sum shall become the absolute property of the Company.

4.1.1.2. the title to the pipe and accessories so furnished and installed shall be and remain the property of the Company, its successors and assigns, which reserves the right to make further extensions to and lay lateral mains from the main installed for the applicant without obligation to applicant to make refund by reason of such extensions.

4.1.1.3. upon completion of the extension or extensions, the Company will promptly refund a sum equal to the amount, if any, by which the estimated cost exceeds the actual cost of construction plus associated income tax within 60 days after completion of the job or the Company's receipt of invoices whichever is later. If the deposit exceeds the actual cost by more than 20%, or if the excess, even if 20% or less, is not refunded within the prescribed time period, interest will be paid on the excess from the date of job completion or receipt of invoices. Interest shall be the unadjusted customer deposit rate or the applicable late payment rate, whichever is greater. Interest shall cease when a reasonable effort has been made by the Company to make a refund of any excess advance payment.

4.2. The Company will make refunds to the applicant as follows:

4.2.1. the total amount of the advance retained by the Company shall be refunded in the event that the number of customers times seventy-five (75) feet equals or exceeds the entire footage.

4.3. A partial refund will be made annually, from the date of completion of the extension, without interest, on the basis of the proportion that seventy-five (75) feet times the number of customers relates to the total extension length.

4.4. No further refunds will be made after 5 years after the date construction of the extension is completed and approved or after the total of all refunds equals the amount of the deposit.

4.5. Under any circumstances where special facts or conditions warrant deviation from the rules included herein, either the Company or applicant may apply to the Public Service Commission for relief of the above provisions.

K. Frost Provision

1. The Company may not be required, unless special arrangements are made, to install mains, services, hydrants and other facilities in ground which is frozen to a depth greater than six (6) inches. In case of installations pursuant to such special arrangements, the applicant may be required to pay the difference between the actual cost of installation and the estimated normal installation cost thereof.

L. Water Main Emergencies

1. **Service Contingencies – Liability**

1.1. The Company may disconnect service to a premise when an emergency may threaten the health or safety of a person, the surrounding area or the Company's distribution system. The Company will, if possible, provide advance notice to those whose service will be disconnected.

1.1.1. The Company shall have the right to decrease or temporarily discontinue water for business purposes or hose use, without liability, in time of drought or emergency, when the whole supply is needed for domestic use, and to meet the conditions of its contracts with municipal authorities. As necessity may arise in case of breakdown, emergency, or for any other unavoidable cause, the Company may temporarily discontinue the water supply to make necessary repairs, connections, etc. The Company will use all reasonable and practical measures to notify its customers of such discontinuance of service

1.1.2. The Company shall not be responsible for any personal injury or property damage resulting in any way from the supplying or use of water service, or from the presence or operation of the Company’s service or equipment on the customer’s premises.

1.1.3. The Company will use reasonable diligence to maintain a continuous and uninterrupted supply of water, but should the supply be interrupted, or become faulty, or fail, the Company shall not be liable for any damage to person or property resulting from such interruption, fault or failure.

1.1.4. In case the Company is obliged to discontinue its service to the customer’s premises by reason of the cancelling of temporary or other permit for the extension of its mains, or for other causes, the customer shall have no claim against the Company on account of such discontinuance.

1.1.5. The Company will act promptly to restore service as soon as feasible after disconnection. Service will be restored to any premise which has been disconnected under this section, before it will be terminated for nonpayment of charges.

1.1.6. The Company undertakes to use reasonable care and diligence to provide a constant supply of water at a reasonable pressure to customers, but reserves the right, at any time, after due notice (unless an emergency occurs) to shut off the water in its mains for the purpose of making repairs or extensions, or for other purposes. The Company will, whenever possible, provide advance notice to those customers whose service will be discontinued. It is expressly agreed that the Company will not be liable for a deficiency or failure in the supply of water or the pressure thereof for any cause whatsoever, nor for any damage caused thereby, or by the bursting or breaking of any main or service pipe or any attachment to the Company's property. All applicants having boilers upon their premises depending upon the pressure in the Company's pipes to keep them supplied are cautioned against danger of collapse and all such damage shall be borne exclusively by the applicant.

1.1.7. The Company will supply water in the distribution system at pressures between 20 and 100 pounds per square inch (psi) and will strive, where practicable, to maintain a normal working pressure of 60 psi with a minimum of 35 psi. If the Company makes changes to its system which cause the pressure to increase to over 100 psi to existing customers, the Company will be responsible for the first installation of the necessary equipment in the customer's premises. From that point on the equipment will be considered part of the customer's internal plumbing and the customer will be responsible for its maintenance or replacement. If a water pressure reducing valve, in the customer's or applicant's opinion, is necessary or desired to safeguard the plumbing, it is the customer's or applicant's responsibility to purchase, install and maintain this equipment. Where a pressure reducing valve is used it is also advisable to install a suitable pressure relief valve. All installations will comply with the local building codes and standards and are considered a part of the customer's internal plumbing.

1.1.8. In those cases where a customer-owned main or service is frozen the thawing shall be done at the expense of the customer. To avoid a recurrence of freezing, the Company may order an examination of the customer's service pipe or main, and if the same is not at a depth of four and one-half (4-1/2) feet as required, the Company reserves the right to require it to be so relocated before service is resumed.

M. Accessibility of Equipment for Inspection and Examination of Company Apparatus

1. Right to Inspect - In accordance with 16 NYCRR, Part 14.18, the Company has the right to inspect as follows:
   1.1. An agent of the Company may enter, at all reasonable times, any location supplied with service by the Company for inspection and examination of its equipment related to the provision of such service.
   1.2. An agent of the Company will not enter locked premises without the permission of a person lawfully in control of the premises, unless
      1.2.1. explicitly authorized by a court; or
      1.2.2. when an emergency may threaten the health or safety of a person, the surrounding area or the Company's distribution system.

2. Duty to Inspect
   2.1. The Company will conduct a field inspection as soon as reasonably possible, but no more than 60 calendar days after a reasonable customer request or;
   2.2. upon receiving a directive by the Public Service Commission or its designee.

N. Cross Connection Control

1. Cross connections of any kind are prohibited.
   1.1. The following provisions are intended to implement the Company's general right to protect its water supply from contamination and more specifically, to implement the cross connection control responsibilities imposed on the Company by the Public Health Law and the State Sanitary Code. A cross connection means a physical connection through which a water supply could be contaminated via the intrusion of a contaminant from the customer's premises as a result of backflow. Backflow is a reversal in the normal or intended flow of water because of a differential in pressure that causes the flow of water into the distribution system from any source other than its intended source.

2. Upon determination of the Company or the State Commissioner of Health or, when duly authorized, a local Health Department, that a potential for contamination exists and that a backflow prevention device is required by provisions then in force under the State Sanitary Code or under guidelines issued by the State Commissioner of Health in force at such time, such device will be provided by and installed at the expense of the customer.
   2.1. The State Sanitary Code essentially provides that in such event, the customer shall submit plans prepared by a professional engineer (or architect) licensed and registered in New York State. Such plans are to be approved by the State Health Department after review by the Company.
   2.2. The State Sanitary Code also provides that the customer shall have the protective device tested annually at his or her expense.
      2.2.1. The customer will be responsible for all plan submissions, maintenance, testing and reporting procedures required for the device in accordance with the State Sanitary Code.

3. The State Health Department Guidelines regarding cross connection control, including a list of typical establishments requiring devices, are available to the customer upon request from the local Health Department. Details of the Company's cross connection program are also available to the customer upon request.

4. If the customer disagrees with a finding for the need for a backflow prevention device, the type of device or the amount of time given to submit plans or to install the device, the customer has the right to appeal to the State Commissioner of Health.
   4.1. The customer's appeal shall be submitted to the Company and the State Commissioner of Health within thirty (30) days of the notification of the need for the device.
      4.1.1. The determination of such appeal by the State Commissioner of Health shall be conclusive.

5. The Company shall discontinue service to a customer who fails to comply with the requirements of the State Sanitary Code or the Public Health Law pertaining to cross connections or the finding and/or determination referred to in the preceding paragraph.

6. The Company, through its properly authorized agents and assistants, may request and, upon the consent of the customer, may enter the premises of any customer who is supplied with water to examine the pipes and fixtures, backflow prevention devices, the quantity of water used, the manner and nature of water used, types of stored materials, supplies and products, processes, private wells, swimming pools, underground lawn irrigation systems, fire sprinkler systems, solar heating systems, or any other products or processes which may endanger the quality of the Company's water supply.
   6.1. Alternatively, the customer may have such an inspection performed at customer's expense by a professional engineer (or architect) licensed and registered in New York State who would certify the results of the inspection to the Company.
      6.1.1. Certification by non-Company inspectors must be to the Company's satisfaction.

7. Water service may be discontinued by the Company for refusal to grant access for the aforementioned purposes,
   7.1. where the Company has a reasonable basis to believe, from the nature or use of such premises, that a determination should be made as to the existence, non-existence or degree of contamination hazard or
   7.2. where the activities there are comparable or similar to those of typical establishments listed in the State Department of Health guidelines as requiring protective devices.
   7.3. The customer will not be subject to discontinuance if, upon the refusal to provide access, he or she provides a certification by a professional engineer (or architect) licensed and registered in New York State that a backflow prevention device that meets the requirements of the Company and the State Department of Health has been installed; or, in the alternative the customer provides a certification by a professional engineer (or architect) licensed and registered in New York State that such device is unnecessary at the premises. Such certification must be to the satisfaction of the Company.

8. The Company will discontinue service to a customer's premises immediately in the event of an actual or imminent contamination, pending its abatement, where such contamination threatens the health or safety of persons or the Company's water supply.

9. If the Company is aware of a hazardous condition that may affect the health and safety of consumers of its water, it will immediately make all reasonable efforts to contact affected parties.

O. Company Right to Restrict Water Use

1. The Company reserves the right to restrict or prohibit the use of water for non-essential purposes at any time the Company deems such action necessary in the public interest for the safeguarding and protection of water supply necessary for fire protection, domestic and sanitary requirements of its consumers at large or to comply with any laws or regulations enacted by governmental authorities.

P. Restrictions of Water Use

1. The Company reserves the right in the event of a drought or emergency to prohibit the use of water on odd numbered days for watering or sprinkling lawns or gardens of premises having odd street address numbers, and on even numbered days for watering or sprinkling lawns or gardens of premises having even street address numbers. The Company further reserves the right to restrict the use of water for sprinkling purpose to the period between the hours of ten (10) P.M., and six (6) A.M., or to decrease or temporarily discontinue water in an emergency if such action is necessary to maintain the water supply for fire protection, domestic and sanitary requirements.

2. The Company adopts all water conservation ordinances passed by a governmental agency having jurisdiction within its franchise area. In the event a customer of the Company should violate a local water conservation ordinance the Company can enforce compliance through Section VI, Subsections I and K, Termination of Service, by discontinuing the customer service for willful waste.

3. Wartime Emergency
   3.1. During the wartime emergency, water service will be furnished by New York American Water Company, Inc., subject to the provisions of orders and the amendments and interpretations thereof, of any competent Federal body having authority or jurisdiction over such service, notwithstanding anything to the contrary in the rules and regulations of this Company and the terms and conditions of service as set forth in this rate schedule.

Q. Public Fire Hydrant Use

1. No person, except as specifically authorized by the Company, shall take water from any public fire hydrant for any use whatsoever other than for fire purposes.

2. Any public fire hydrant use shall be in compliance with Subsection N, Cross Connection.

3. The use of public fire hydrants for streets, cleaning or flushing sewers will not be permitted except upon specific authorization from the Company, and for such uses the municipality or others will be billed at rates set forth in the rate schedule. If water is used from public fire hydrants without specific authorization by the Company, the quantity so used will be estimated and the user will be billed at the rates set forth in the rate schedule.

R. Installation of Public Fire Hydrant

1. Requests for the installation of public fire hydrants must be made in writing by an authorized official of the municipality, specifying the exact location of the required hydrant.

2. Where a request is made to change the location or move a hydrant, the entire expense of the work must be borne by the municipality requesting the change.

VIII. EXTENSION OF MAINS FOR PUBLIC FIRE PROTECTION SERVICE

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

1. Upon written application of a properly qualified and legally constituted municipal authority properly qualified and authorized by law to contract and pay for fire protection service (hereinafter referred to as the "municipal authority"), requesting the installation of a fire hydrant on a public street within thirty (30) feet (measured along the street) of any existing Company-owned main, six (6) inches or larger in diameter, the Company will furnish, place and install at its own cost and expense the hydrant and hydrant connection, and also will furnish, place and install at its own cost and expense such mains as are necessary to render adequate fire protection in the area in which such service is formally requested, provided that at the time when the application of the municipal authority is made there is then no other customer to be attached to the extension.

2. Whenever a hydrant for fire protection service is requested by a municipal authority on a public street where there is no Company-owned main, six (6) inches or larger in diameter, within a distance of thirty (30) feet from said hydrant, the Company will furnish, place and install the hydrant and hydrant connection and also will furnish, place and install such mains as are necessary to render adequate fire protection in the area in which such service is formally requested, provided (1) that at the time when the application of the municipal authority is made there is then no other customer to be attached to the extension, and (2) that the municipal authority shall first have executed an agreement, the terms of which shall provide as follows:
   2.1. The municipal authority shall agree to pay to the water Company the hydrant rates as provided in the service classification applicable to Public Fire Protection Service in the territory where such service is requested, and in addition a surcharge of nine percent per year of the actual reasonable cost of such portion of said main extension (excluding the cost of the hydrant and hydrant connections) that is in excess of thirty (30) feet distance from the end of the nearest Company-owned main six (6) inches or larger in diameter, in said street.
   2.2. Whenever more than one hydrant shall be connected to said extension either at the time of the original installation or subsequently, an allowance of thirty (30) feet for each additional hydrant shall be made and the nine per cent surcharge shall be computed on the basis of the cost of the main extension that is in excess of the applicable allowance (thirty (30) feet times the number of hydrants attached to said extension).
   2.3. Whenever such main shall be laid for fire protection service on a street where the Company already serves customers with water service through a Company-owned main inadequate in size to render fire protection service, but adequate for other water service, the nine per cent surcharge shall be computed, not as in (a) above, but on the basis of the cost of the main extension that is in excess of the allowance determined as follows: seventy-five (75) feet for each customer connected to the larger size main plus twenty (20) feet for each hydrant connected.
   2.4. Whenever an owner or occupant of any property abutting on a public street is connected for service from a main which has heretofore been installed under the above provisions, the nine per cent surcharge shall be computed, not as in (a) above, but on the basis of the cost of the main extension that is in excess of the allowance determined as follows: seventy-five (75) feet for each such applicant attached to said main plus twenty (20) feet for each hydrant which has been attached to said main.

SECTION VIII. EXTENSION OF MAINS FOR PUBLIC FIRE PROTECTION SERVICE (CONTINUED)

3. Whenever a hydrant for fire protection service on a private street is requested by such municipal authority, the Company will furnish, place and install at the cost and expense of said municipal authority, mains, hydrant and hydrant connections to render adequate fire protection in the area in which such service is formally requested, provided that the municipal authority will obtain and furnish to the Company, without expense to the Company, any easements necessary for installation of such facilities, which easements shall be satisfactory in form to the Company and which shall grant to the Company complete valid and perpetual rights of way in the street or over any necessary private property free from liens and encumbrances. Upon installation of such mains, hydrant and hydrant connections as aforesaid, title to the said facilities shall be and remain in the Company, which shall thereafter maintain and replace the same when necessary at the Company's expense.

IX. LAWN SPRINKLER SERVICES – RULES AND REGULATIONS

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

A. Applicable to Lawn Sprinkler Systems supplied by an existing service line installed prior to March 15, 1947 which supplies both lawn sprinkler systems and general service (one service line – two meters).

1. Service Classification No. 4 – Season starts May 1 and ends November 1, annually.

2. The service under this classification is available exclusively for the purpose of supplying water for underground lawn sprinkler systems which are supplied from the existing service line which also furnishes the general supply.

3. The customer may install and maintain a meter box or pit of substantial construction or provide an accessible location within the foundation of the building, at a location to be approved by the Company.
   3.1. The customer shall provide the necessary piping for the connection of the water meter.
   3.2. The customer shall furnish and install one lock stop shut off, an approved double check valve (DCV), or reduced pressure zone (RPZ) device and three resilient seat type valves in accordance with the layout furnished by the Company filed with the Public Service Commission of the State of New York in this Section IX, Subsection E. The DCV or RPZ device shall be installed in accordance with New York State Health Department Guidelines regarding cross connection control, and as described under Section VII, Subsection J.

4. The Company does not guarantee that the existing service line is adequate to furnish both general and sprinkler service. The Company will not be obligated to replace the existing service line if it is found inadequate.

5. The Company shall not be obligated to increase the size of the meter to meet the combined seasonal and domestic demand. Meters shall be sized for domestic demand only.

B. Applicable to Lawn Sprinkler Systems supplied by a separate service line installed on or after March 15, 1947 which supplies only the lawn sprinkler system (two service lines – two meters).

1. Service Classification No. 4 – Season starts May 1 and ends November 1, annually.

2. The service under this classification is available exclusively for the purpose of supplying water for permanent underground lawn sprinkling systems installed in or under the customers' lawns, such sprinkler systems to have attached jets or sprinkler heads which will sprinkle the lawn on a customer's premises when valves under the control of the customer are opened.
   2.1. A separate service pipe will be installed to service applicants under this classification.
   2.2. No cross-connections will be permitted between the lawn sprinkling system and any service line or pipes supplying water for other purposes.

IX. LAWN SPRINKLER SERVICES – RULES AND REGULATIONS (continued)

3. The customer shall enter into a contract with the Company wherein the customer agrees to use the Lawn Sprinkler Service for ten full seasons from the day of installation under this classification.
   3.1. To guarantee such agreement the customer shall deposit with the Company, in advance of installation, the estimated cost of the installation of service pipe from the main to the property line.
      3.1.1. Upon determination of the actual cost of the installation the deposit will be adjusted and any differences between the actual cost of the installation and the estimated cost will be billed or refunded to the customer.
   3.2. Deposits will bear interest at the rate currently authorized by the Commission.
   3.3. The adjusted deposit covering the actual cost of the installation will be held by the Company for ten full seasons. After the service line has been in use for ten full seasons, the adjusted deposit will be refunded in its entirety.
   3.4. If the customer discontinues service at any time prior to ten full seasons, the Company will charge the adjusted deposit with the entire cost of such service less depreciation at the rate currently authorized by the Commission, for the period such service has been in the ground and return to the customer the difference remaining.

4. The Company will furnish and install the entire service from the main to the property line and will furnish and install a meter not to exceed 2" to record the quantity of water consumed.
   4.1. The Company shall have the right to determine the size of the service line and the size of the meter.

5. The customer shall install and maintain a meter box or pit of substantial construction at or immediately adjacent to the property line, unless another location for good reason shown, is approved by the Company, and provide the necessary piping therein for the connection of the water meter.
   5.1. The customer shall furnish and install in the meter box or pit an approved double check valve (DCV) or reduced pressure zone (RPZ) device and three resilient seat type valves in accordance with the layout furnished by the Company filed with the Public Service Commission of the State of New York in this section, Subsection F. The DCV or RPZ device shall be installed in accordance with the New York State Health Department guidelines regarding cross connection control and as described under Section VII, Subsection J.

C. Applicable to "Do It Yourself" type of Lawn Sprinkler Systems supplied by existing service lines for General Use (one service line – one meter).

1. Service Classification No. 1 – Season starts May 1 and ends November 1, annually.

2. This type of sprinkler service is connected to an outside hose bib or sill cock not in excess of ¾".
   2.1. It is not usually installed by a licensed plumber.

3. The Company will not guarantee that the existing service line is adequate to furnish both the general and sprinkler service.

IX. LAWN SPRINKLER SERVICES – RULES AND REGULATIONS (continued)

3.1. The Company will not replace the service line which is inadequate to supply an underground lawn sprinkling system supplied from an outside hose bib or sill cock.
3.2. Customers requiring an additional supply of water for such purpose will be obligated to apply for Lawn Sprinkler Service pursuant to Service Classification No. 4, found in this Section IX, Subsection B.

4. The customer shall install an approved double check valve (DCV) or a reduced pressure zone device (RPZ) on the customer's service line in accordance with the New York State Health Department guidelines regarding cross connection control, and as described under Section VII, Subsection J.

5. Meters may be read monthly or quarterly at the option of the Company.

D. Applicable to All Lawn Sprinkler Service.

1. In the event of an emergency, the Company may discontinue the service.

2. The Company shall have the right to determine the size of the service line and the size of the meter.
2.1. The Company will furnish and install a meter not to exceed 2" to record the quantity of water consumed.

3. No cross-connections will be permitted between the lawn sprinkling system and service line and any pipes supplying water for other purposes.

4. A charge of $50.00 will be made for inspecting the installation to be made by the customer.

5. The Company may terminate water service for violation of water use restrictions.

6. The Company will read and/or remove the water meter at the end of the season.

7. The Company will issue a bill for the service which will be payable upon receipt by the customer.

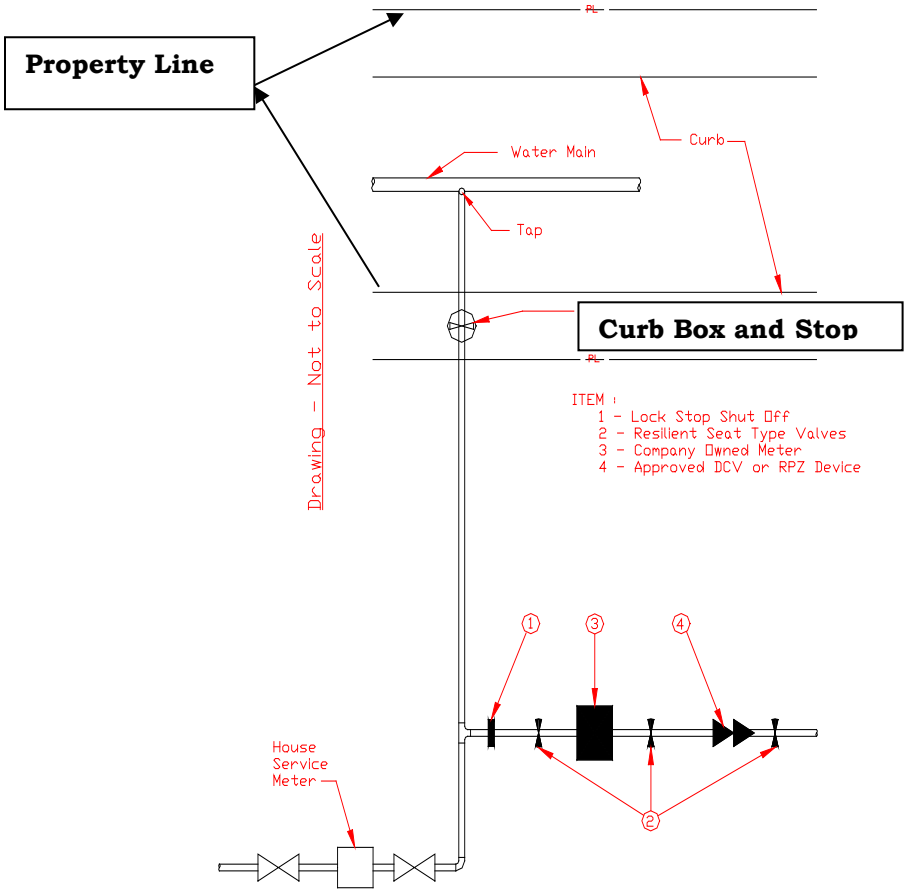
8. The Company will transfer any unpaid balance from a Lawn Sprinkler Account to the General Service Account and initiate disconnect procedures as identified in Section VI.

9. In the case that the customer does not have a general service account, the balance due will be forwarded to a collection agency.

IX. LAWN SPRINKLER SERVICES – RULES AND REGULATIONS (continued)

E. Installation Guidelines – refer to this Section IX, Subsection A.

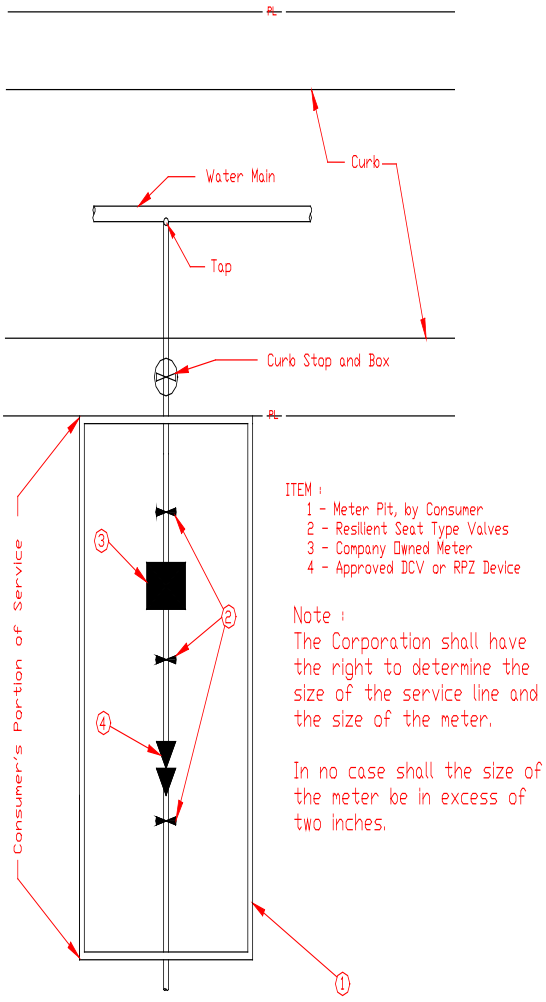
1. Applicable to Lawn Sprinkler Systems supplied by existing service lines which were installed prior to March 15, 1947.



IX. LAWN SPRINKLER SERVICES – RULES AND REGULATIONS (continued)

F. Installation Guidelines – refer to this Section IX, Subsection B.

1. Lawn Sprinkler Systems installed on or after March 15, 1947



Drawing - Not to Scale

X. RATES AND CHARGES

1. The rates and charges in this section have been approved by the New York State Public Service Commission.

2. Each service classification and its applicable rates are identified below.

3. The Company's service territory is comprised of various districts, which are identified as follows, and more fully described under Section I, Territory Served:

   Beaver Dam Lake District– portions of the Towns of New Windsor and Cornwall in Orange County;
   Cambridge District – the Village of Cambridge, portions of the Towns of Jackson and White Creek, Washington County;
   Dykeer District – the Town of Somers, Hamlet of Lincolndale, Westchester County
   Hoey-DeGraw District – a portion of the Town of Forestburgh in Sullivan County;
   Kingsvale District – the Town of Ulster, Developments known as Whittier, Deer Run and parts of Kuku Ln., Ulster County;
   Long Island District – Incorporated Villages of Atlantic Beach, Cedarhurst, East Rockaway, Hewlett Bay Park, Hewlett Harbor, Hewlett Neck, Island Park, Lawrence, Lynbrook, Malverne, Valley Stream, and Woodsburgh, and a portion of the Village of Mill Neck, and the unincorporated areas of Baldwin, Hewlett, Oceanside, Roosevelt, Woodmere, and adjacent territory in the Town of Hempstead, in Nassau County; a portion of the Town of Mamakating in Sullivan County; and a portion of the Town of Rochester, Ulster County;
   Mt. Ebo District – a portion of the Town of Southeast, Putnam County;
   Merrick District – a portion of the Town of Hempstead, a portion of the Town of Oyster Bay, and the communities of Merrick, North Merrick, Bellmore, North Bellmore, Wantagh, North Wantagh, Seaford, and portions of Massapequa, Massapequa Park and Levittown, Nassau County;
   New Vernon District – a portion of the Town of Mount Hope in Orange County and a portion of the Town of Mamakating in Sullivan County;
   Sea Cliff District – the Villages of Sea Cliff, Glen Head, Glenwood Landing, and portions of the Villages of Old Brookville and the Village of Roslyn Harbor, and a portion of the City of Glen Cove;
   Waccubuc District – a portion of the Town of Lewisboro, Development known as Indian Hill, Westchester County;
   West Branch Acres District – a portion of the Town of Carmel in Putnam County;
   Whitlock Farms District – a portion of the Town of Mount Hope in Orange County; and
   Wild Oaks District – portions of the Town of Lewisboro, Developments known as Wild Oaks Park in Goldens Bridge, Katonah Close Guilford Circle, The Glen at Lewisboro, Cedar Woods and Deer Tract Lane and Nash Road, Westchester County.

4. The Company's Rate Schedules are provided by Service Area or District. The Service Areas are as follows:
   - **Service Area 1** is comprised of the Beaver Dam Lake, Cambridge, Dykeer, Hoey-DeGraw, Kingsvale, Long Island, Mt. Ebo, Waccubuc, West Branch Acres and Wild Oaks Districts; and
   - **Service Area 2** is comprised of the Merrick and Sea Cliff Districts.

RATE SCHEDULES

Service Classifications	Description	Applicable Area	Leaf No.
Service Classification No. 1	General Water Service	Residential, Service Area 1	61
Service Classification No. 1	General Water Service	Residential, Service Area 2	62
Service Classification No. 2	General Water Service	Non-Residential, Service Area 1	63
Service Classification No. 2	General Water Service	Non-Residential, Service Area 2	64
Service Classification No. 3	General Water Service	Residential, Non-Residential & General: New Vernon District	65
Service Classification No. 3	General Water Service	Residential, Non-Residential & General: Whitlock Farms District	66
Service Classification No. 4	Swimming Pool Service	New Vernon District	67
Service Classification No. 5	Sales for Resale Service	Sea Cliff District	68
Service Classification No. 6	Lawn Sprinkler Service	Long Island District	69
Service Classification No. 7	Private Fire Hydrant Service	Long Island District	70
Service Classification No. 7	Private Fire Hydrant Service	Merrick District	71
Service Classification No. 7	Private Fire Hydrant Service	Sea Cliff District	72
Service Classification No. 7	Private Fire Hydrant Service	Cambridge District	73
Service Classification No. 7	Private Fire Hydrant Service	Wild Oaks District	74
Service Classification No. 7	Private Fire Hydrant Service	Mt. Ebo District	75
Service Classification No. 8	Public Fire Service	Long Island District	76
Service Classification No. 8	Public Fire Service	Merrick District	77
Service Classification No. 8	Public Fire Service	Sea Cliff District	78
Service Classification No. 8	Public Fire Service	Cambridge District	79
Service Classification No. 8	Public Fire Service	Wild Oaks District	80
Service Classification No. 8	Public Fire Service	Mt. Ebo District	81
Service Classification No. 9	Private Fire Protection Service	Long Island District	82
Service Classification No. 9	Private Fire Protection Service	Merrick District	83
Service Classification No. 9	Private Fire Protection Service	Sea Cliff District	84
Service Classification No. 9	Private Fire Protection Service	Cambridge District	85
Service Classification No. 9	Private Fire Protection Service	Wild Oaks District	86

RATE SCHEDULES

Service Classifications	Description	Applicable Area	Leaf No.
Service Classification No. 9	Private Fire Protection Service	Mt. Ebo District	87
Service Classification No. 10	Unmetered Water Used for Construction or Other Purposes	All Districts	88

SERVICE CLASSIFICATION NO. 1 – SERVICE AREA 1

Applicable to the Use of Service for: General Water Service – Residential, Service Area 1

Character of Service: Continuous

Meters Read and Billed Monthly

Rates:

	Volumetric Charge	
First 3,000 gallons	$0.4973	per 100 gal.
Next 3,000 gallons	$0.6770	per 100 gal.
Next 9,000 gallons	$0.9720	per 100 gal.
Over 15,000 gallons	$1.2849	per 100 gal.

Usage blocks will be prorated for bills covering periods outside the normal billing window.

Meter Size	Monthly Meter Charge
5/8”	$12.50
3/4”	$14.90
1”	$17.74
1 ½”	$34.51
2”	$38.74
3”	$83.91
4”	$151.88
6”	$181.13
8”	$241.50

The meter charge will be included in each bill, and will be charged on a daily basis if meter reading is outside of the billing window.

Terms of Payment: Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 1 – SERVICE AREA 2

Applicable to the Use of Service for: General Water Service – Residential, Service Area 2

Character of Service: Continuous

Meters Read and Billed Monthly

Rates:

	Volumetric Charge	
First 3,000 gallons	$0.2724	per 100 gal.
Next 3,000 gallons	$0.5698	per 100 gal.
Next 9,000 gallons	$0.6552	per 100 gal.
Over 15,000 gallons	$0.7421	per 100 gal.

Usage blocks will be prorated for bills covering periods outside the normal billing window.

Meter Size	Monthly Meter Charge
5/8”	$12.50
3/4”	$14.90
1”	$17.74
1 ½”	$34.51
2”	$38.74
3”	$83.91
4”	$151.88
6”	$181.13
8”	$241.50

The meter charge will be included in each bill, and will be charged on a daily basis if meter reading is outside of the billing window.

Terms of Payment: Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 2 – SERVICE AREA 1

Applicable to the use of service for: General Water Service – Non-Residential, Service Area 1

Character of Service: Continuous

Meters Read and Billed Monthly

Rates:

	Volumetric Charge	
First 3,000 gallons	$0.5256	per 100 gal.
Next 12,000 gallons	$0.6498	per 100 gal.
Next 19,000 gallons	$0.6986	per 100 gal.
Over 34,000 gallons	$0.6517	per 100 gal.

Usage blocks will be prorated for bills covering periods outside the normal billing window.

Meter Size	Monthly Meter Charge
5/8”	$12.50
3/4”	$14.90
1”	$17.74
1 ½”	$34.51
2”	$38.74
3”	$83.91
4”	$151.88
6”	$181.13
8”	$241.50

The meter charge will be included in each bill and will be charged on a daily basis if meter reading is outside of the billing window.

Terms of Payment: Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Service may be discontinued on 48 hours’ notice to the Company.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 2 – SERVICE AREA 2

Applicable to the use of service for: General Water Service – Non-Residential, Service Area 2

Character of Service: Continuous

Meters Read and Billed Monthly

Rates:

	Volumetric Charge	
First 3,000 gallons	$0.2846	per 100 gal.
Next 12,000 gallons	$0.5438	per 100 gal.
Next 19,000 gallons	$0.5809	per 100 gal.
Over 34,000 gallons	$0.3858	per 100 gal.

Usage blocks will be prorated for bills covering periods outside the normal billing .

Meter Size	Monthly Meter Charge
5/8”	$12.50
3/4”	$14.90
1”	$17.74
1 ½”	$34.51
2”	$38.74
3”	$83.91
4”	$151.88
6”	$181.13
8”	$241.50

The meter charge will be included in each bill and will be charged on a daily basis if meter reading is outside of the billing window.

Terms of Payment: Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Service may be discontinued on 48 hours’ notice to the Company.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 3 – NEW VERNON DISTRICT

Applicable to Use of Service for:

Residential, Non-Residential, and General Service.

Character of Service:

Continuous.

Rate:

$23.18 per month

Minimum Service Charge:

$23.18 per month

Terms of Payment:

Net cash. Bills shall be rendered monthly in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

The above rates are subject to the state and applicable local gross revenue taxes as set forth in the current tax statements with this Schedule.

SERVICE CLASSIFICATION NO. 3 – WHITLOCK FARMS DISTRICT

Applicable to Use of Service for:

Residential, Non-Residential, and General Service.

Character of Service:

Continuous.

Rate:

$40.67 per month

Minimum Service Charge:

$40.67 per month

Terms of Payment:

Net cash. Bills shall be rendered monthly in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

The above rates are subject to the state and applicable local gross revenue taxes as set forth in the current tax statements with this Schedule.

SERVICE CLASSIFICATION NO. 4 – NEW VERNON DISTRICT

Applicable to Use of Service for:

Swimming Pools.

Character of Service:

Customer is entitled to one complete filling per year and any make-up water required. Pool filling shall be done only during off-peak hours between 10:00 P.M. and 7:00 A.M., or under supervision of management.

Rate:

$3.02 per thousand gallons of pool capacity. For swimming pools with recirculating type filters.

Minimum or Service Charge:

None

Terms of Payment:

Bills shall be rendered annually on July 1 in advance and are due and payable upon receipt. Bills not paid within 23 days of mailing are delinquent and the late payment charge becomes applicable and service may be discontinued after proper notice as required by law

Late Payment Charge:

A late payment charge to be computed at the rate of 1½% compounded monthly shall be applied to all balances left unpaid 23 days following mailing of the bill.

Term

Terminable by the customer upon 10 days' written notice to the Company.

SERVICE CLASSIFICATION NO. 5 – SEA CLIFF DISTRICT

Applicable to the use of service for: - Sale for Resale Service, Sea Cliff District

Glenwood Water District and Glen Cove Water District (each individually, "Purchaser"), Special Districts in the State of New York, pursuant to the Water Sales Agreement by and between Glenwood Water District and New York American Water Company, dated June 11, 2014, and the Water Sales Agreement by and between Glen Cove Water District and New York American Water Company, Inc., dated June 29, 2016.

Character of Service: Short-term supplemental water sale on an "as-available" basis.

Rates:

First 1,000,000 gals. per month @ $0.325 per hundred gallons
All in excess of 1,000,000 gals. @ $0.375 per hundred gallons

Purchase Period Limitations:

MGD (avg):	0.0488 (48,800 gallons)
MGD (max):	0.122 (122,000 gallons)
MGM:	1.513 (31-day month)
MGY:	17.812

Terms of Payment: Meters will be read weekly and billed monthly, and invoices will be rendered no later than 10 days after the concluding monthly meter reading date. Purchaser shall pay the amount of the invoice within 30 days from the bill date. Invoices will be rendered based on the amount of water delivered to Purchaser.

SERVICE CLASSIFICATION NO. 6 – LONG ISLAND DISTRICT

Applicable to the Use of Service for: Lawn Sprinkler Service, Long Island District

A. Lawn Sprinkler Systems supplied by an existing service line installed prior to March 15, 1947 which supplies both lawn sprinkling systems and general service.
B. Lawn Sprinkler Systems installed on or after March 15, 1947.

Character of Service: Seasonal (May 1st through October 31st)
See Section IX for Lawn Sprinkler responsibility and details.

For all quantities used under this schedule, the following rate applies: $0.7875 per 100 gallons.

Meter Size	Meter Charge Per Month
1”	$23.70
1½”	$46.11
2”	$51.75

Usage blocks will be prorated for bills covering periods outside the normal billing window.

Terms of Payment:

Meter charge will be effective May 1st – October 31st each year, prorated as required.

Charge for water consumed is payable upon presentation of bill. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Meters will be read monthly.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 7 – LONG ISLAND DISTRICT

Applicable to the Long Island District for the Use of Service for:

Private Fire Hydrant Service when the existing facilities (mains, etc.) of the Company are adequate for supply, and where the hydrant is to be used for fire purposes only.

Character of Service: Continuous

Rate: $266.14 per hydrant per quarter

Terms of Payment:

Quarterly, in arrears.

A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Five years minimum, thereafter until cancelled by 60 days' written notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 7 – MERRICK DISTRICT

Applicable to the Merrick District for the Use of Service for:

Private Fire Hydrant Service when the existing facilities (mains, etc.) of the Company are adequate for supply, and where the hydrant is to be used for fire purposes only.

Character of Service: Continuous

Rate: $188.71 per hydrant per quarter

Terms of Payment:

Quarterly, in arrears.

A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Five years minimum, thereafter until cancelled by 60 days' written notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 7 – SEA CLIFF DISTRICT

Applicable to the Sea Cliff District for the Use of Service for:

Private Fire Hydrant Service when the existing facilities (mains, etc.) of the Company are adequate for supply, and where the hydrant is to be used for fire purposes only.

Character of Service: Continuous

Rate: $186.34 per hydrant per quarter

Terms of Payment:

Quarterly, in arrears.

A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Five years minimum, thereafter until cancelled by 60 days' written notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 7 – CAMBRIDGE DISTRICT

Applicable to the Cambridge District for the Use of Service for:

Private Fire Hydrant Service when the existing facilities (mains, etc.) of the Company are adequate for supply, and where the hydrant is to be used for fire purposes only.

Character of Service: Continuous

Rate: $266.14 per hydrant per quarter

Terms of Payment:

Quarterly, in arrears.

A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Five years minimum, thereafter until cancelled by 60 days' written notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 7 – WILD OAKS DISTRICT

Applicable to the Wild Oaks District for the Use of Service for:

Private Fire Hydrant Service when the existing facilities (mains, etc.) of the Company are adequate for supply, and where the hydrant is to be used for fire purposes only.

Character of Service: Continuous

Rate: $266.14 per hydrant per quarter

Terms of Payment:

Quarterly, in arrears.

A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Five years minimum, thereafter until cancelled by 60 days' written notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 7 – MT. EBO DISTRICT

Applicable to the Mt. Ebo District for the Use of Service for:

Private Fire Hydrant Service when the existing facilities (mains, etc.) of the Company are adequate for supply, and where the hydrant is to be used for fire purposes only.

Character of Service: Continuous

Rate: $275.59 per hydrant per quarter

Terms of Payment:

Quarterly, in arrears.

A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: Five years minimum, thereafter until cancelled by 60 days' written notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 8 – LONG ISLAND DISTRICT

Applicable to the Long Island District for the Use of Service for:

Public Fire Protection

Character of Service: Continuous

Rate: Public Fire Hydrants $266.14 per hydrant, per quarter

Terms of Payment:

Quarterly, in arrears. If hydrants are installed within the billing period, the charges will be prorated. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: One year and to continue from year to year thereafter, unless terminated by thirty days' notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 8 – MERRICK DISTRICT

Applicable to the Merrick District for the Use of Service for:

Public Fire Protection

Character of Service: Continuous

Rate: Public Fire Hydrants $188.71 per hydrant, per quarter

Terms of Payment:

Quarterly, in arrears. If hydrants are installed within the billing period, the charges will be prorated. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: One year and to continue from year to year thereafter, unless terminated by thirty days' notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 8 – SEA CLIFF DISTRICT

Applicable to the Sea Cliff District for the Use of Service for:

Public Fire Protection

Character of Service: Continuous

Rate: Public Fire Hydrants $186.34 per hydrant, per quarter

Terms of Payment:

Quarterly, in arrears. If hydrants are installed within the billing period, the charges will be prorated. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: One year and to continue from year to year thereafter, unless terminated by thirty days' notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 8 – CAMBRIDGE DISTRICT

Applicable to the Cambridge District for the Use of Service for:

Public Fire Protection

Character of Service: Continuous

Rate: Public Fire Hydrants $217.42 per hydrant, per quarter

Terms of Payment:

Quarterly, in arrears. If hydrants are installed within the billing period, the charges will be prorated. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: One year and to continue from year to year thereafter, unless terminated by thirty days' notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 8 – WILD OAKS DISTRICT

Applicable to the Wild Oaks District for the Use of Service for:

Public Fire Protection

Character of Service: Continuous

Rate: Public Fire Hydrants $84.20 per hydrant, per quarter

Terms of Payment:

Quarterly, in arrears. If hydrants are installed within the billing period, the charges will be prorated. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: One year and to continue from year to year thereafter, unless terminated by thirty days' notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 8 – MT. EBO DISTRICT

Applicable to the Mt. Ebo District for the Use of Service for:

Public Fire Protection

Character of Service: Continuous

Rate: Public Fire Hydrants $275.59 per hydrant, per quarter

Terms of Payment:

Quarterly, in arrears. If hydrants are installed within the billing period, the charges will be prorated. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: One year and to continue from year to year thereafter, unless terminated by thirty days' notice.

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 9 – LONG ISLAND DISTRICT

Applicable to the Long Island District for the Use of Service for:

Private Fire Protection – Risers for hose connections and/or sprinkler heads.

Character of Service: Continuous

Rate:

2" or less fire service connection	$64.99	per quarter
3" fire service connection	$162.42	per quarter
4" fire service connection	$324.89	per quarter
6" fire service connection	$649.78	per quarter
8" fire service connection	$1,299.43	per quarter
10" fire service connection	$2,599.07	per quarter
12" fire service connection	$5,198.15	per quarter
16" fire service connection	$10,396.29	per quarter

Terms of Payment:

Quarterly, in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Special Provisions:

(a) Each fire service installation is to be used solely and exclusively for fire protection. Water for any other purpose shall not be drawn from a private fire service connection, except that the Company will permit the use of water for test purposes upon three (3) days prior notification to the Company. The use of water in violation of the terms of this provision shall result in cancellation of service under this classification, whereupon the customer shall be rendered service under General Water Service Classification No. 1, Service Area 1, and shall pay the rates set forth therein.

(b) The Company reserves the right to install a meter at any time.

(c) The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 9 – MERRICK DISTRICT

Applicable to the Merrick District for the Use of Service for:

Private Fire Protection – Risers for hose connections and/or sprinkler heads.

Character of Service: Continuous

Rate:

2" or less fire service connection	$24.90	per quarter
3" fire service connection	$49.80	per quarter
4" fire service connection	$99.60	per quarter
6" fire service connection	$199.20	per quarter
8" fire service connection	$398.41	per quarter
10" fire service connection	$796.80	per quarter
12" fire service connection	$1,195.21	per quarter
16" fire service connection	$1,992.02	per quarter

Terms of Payment:

Quarterly, in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Special Provisions:

(a) Each fire service installation is to be used solely and exclusively for fire protection. Water for any other purpose shall not be drawn from a private fire service connection, except that the Company will permit the use of water for test purposes upon three (3) days prior notification to the Company. The use of water in violation of the terms of this provision shall result in cancellation of service under this classification, whereupon the customer shall be rendered service under General Water Service Classification No. 1, Service Area 2, and shall pay the rates set forth therein.

(b) The Company reserves the right to install a meter at any time.

(c) The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 9 – SEA CLIFF DISTRICT

Applicable to the Sea Cliff District for the Use of Service for:

Private Fire Protection – Risers for hose connections and/or sprinkler heads.

Character of Service: Continuous

Rate:

2" or less fire service connection	$72.40	per quarter
3" fire service connection	$116.74	per quarter
4" fire service connection	$144.80	per quarter
6" fire service connection	$289.03	per quarter
8" fire service connection	$578.21	per quarter
10" fire service connection	$1,156.39	per quarter
12" fire service connection	$2,312.80	per quarter
16" fire service connection	$4,625.60	per quarter

Terms of Payment:

Quarterly, in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Special Provisions:

(a) Each fire service installation is to be used solely and exclusively for fire protection. Water for any other purpose shall not be drawn from a private fire service connection, except that the Company will permit the use of water for test purposes upon three (3) days prior notification to the Company. The use of water in violation of the terms of this provision shall result in cancellation of service under this classification, whereupon the customer shall be rendered service under General Water Service Classification No. 1, Service Area 2, and shall pay the rates set forth therein.

(b) The Company reserves the right to install a meter at any time.

(c) The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 9 – CAMBRIDGE DISTRICT

Applicable to the Cambridge District for the Use of Service for:

Private Fire Protection – Risers for hose connections and/or sprinkler heads.

Character of Service: Continuous

Rate:

2" or less fire service connection	$64.99	per quarter
3" fire service connection	$162.42	per quarter
4" fire service connection	$324.89	per quarter
6" fire service connection	$649.78	per quarter
8" fire service connection	$1,299.43	per quarter
10" fire service connection	$2,599.07	per quarter
12" fire service connection	$5,198.15	per quarter
16" fire service connection	$10,396.29	per quarter

Terms of Payment:

Quarterly, in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Special Provisions:

(a) Each fire service installation is to be used solely and exclusively for fire protection. Water for any other purpose shall not be drawn from a private fire service connection, except that the Company will permit the use of water for test purposes upon three (3) days prior notification to the Company. The use of water in violation of the terms of this provision shall result in cancellation of service under this classification, whereupon the customer shall be rendered service under General Water Service Classification No. 1, Service Area 1, and shall pay the rates set forth therein.

(b) The Company reserves the right to install a meter at any time.

(c) The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 9 – WILD OAKS DISTRICT

Applicable to the Wild Oaks District for the Use of Service for:

Private Fire Protection – Risers for hose connections and/or sprinkler heads.

Character of Service: Continuous

Rate:

2" or less fire service connection	$64.99	per quarter
3" fire service connection	$162.42	per quarter
4" fire service connection	$324.89	per quarter
6" fire service connection	$649.78	per quarter
8" fire service connection	$1,299.43	per quarter
10" fire service connection	$2,599.07	per quarter
12" fire service connection	$5,198.15	per quarter
16" fire service connection	$10,396.29	per quarter

Terms of Payment:

Quarterly, in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Special Provisions:

(a) Each fire service installation is to be used solely and exclusively for fire protection. Water for any other purpose shall not be drawn from a private fire service connection, except that the Company will permit the use of water for test purposes upon three (3) days prior notification to the Company. The use of water in violation of the terms of this provision shall result in cancellation of service under this classification, whereupon the customer shall be rendered service under General Water Service Classification No. 1, Service Area 1, and shall pay the rates set forth therein.

(b) The Company reserves the right to install a meter at any time.

(c) The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 9 – MT. EBO DISTRICT

Applicable to the Mt. Ebo District for the Use of Service for:

Private Fire Protection – Risers for hose connections and/or sprinkler heads, and residential hose bibs.

Character of Service: Continuous

Rate:

2" or less fire service connection	$24.90	per quarter
3" fire service connection	$50.20	per quarter
4" fire service connection	$100.42	per quarter
6" fire service connection	$200.83	per quarter
8" fire service connection	$401.63	per quarter
10" fire service connection	$702.80	per quarter
12" fire service connection	$1,204.91	per quarter
16" fire service connection	$2,008.16	per quarter
Hose Bibs	$17.78	per quarter

Terms of Payment:

Quarterly, in arrears. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Special Provisions:

(a) Each fire service installation is to be used solely and exclusively for fire protection. Water for any other purpose shall not be drawn from a private fire service connection, except that the Company will permit the use of water for test purposes upon three (3) days prior notification to the Company. The use of water in violation of the terms of this provision shall result in cancellation of service under this classification, whereupon the customer shall be rendered service under General Water Service Classification No. 1, Service Area 1, and shall pay the rates set forth therein.

(b) The Company reserves the right to install a meter at any time.

(c) The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 10

Applicable to All Districts for the Use of Service for:

Construction and other purposes when the supply of water is not metered.

Character of service: Continuous

1 - Water used in constructing one or two story dwellings:

	Unit	Rate
Frame	Each Structure	$87.59
Frame and half stucco	Each Structure	116.77
All stucco, cement or cinder block, hollow tile, brick veneer or various combinations	Each Structure	$145.96
Brick	Each Structure	175.13

2 - Structures other than dwellings

Concrete, stone, terra cotta Other masonry	Per cu. yd. of masonry	$0.91
Brick	Per 1,000 bricks	1.85

3 - Road Construction

Concrete, macadam or other roads	Per 100 sq. ft.	$3.41
Sidewalk	Per 100 sq. ft.	3.41
Curbing	Per 100 sq. ft.	3.63

4 - Flooding Ditches

Ditch 2 ft by 3 ft - $18.34 per 100 lineal feet
(Proportionate charges for excess of above)

5 - Jetting Planks

Minimum rate - $19.32 for four or less planks
First four planks $19.32, thereafter $1.36

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

SERVICE CLASSIFICATION NO. 10 (CONTINUED)

6 - Jetting Spiles

Minimum rate $19.32 four or less spiles
First four spiles $19.32, thereafter $2.92

7 - Water drawn from hydrants for the purposes other than fire protection and for purposes other than specified above.

Rate: $0.47870 per 100 gallons

Minimum charge of $95.96 payable in advance for which the customer will be entitled to use 20,000 gallons of water in the period stated in the permit. Water in excess of such allowances will be billed at the rate above stated, at the expiration of the permit, and the bill thereof will be due and payable when rendered. The quantities of water used will be estimated.

Hydrant Permits

(In addition to above charges)

Per hydrant	$95.96 per day
For services of Inspector (when required by Company)	145.96 per day

Terms of Payment:
Net Cash. A late payment charge of 1.5% per month will be assessed on the balance of any bill for service which has not been paid in full within 20 calendar days of the date payment was due.

Term: None

The above rates are subject to the local gross revenue taxes as set forth in Statement GRT of this tariff, where applicable.

INTEREST ON CUSTOMER OVERPAYMENTS TO WATER UTILITIES

The Corporation shall provide interest on customer overpayments that result from erroneous billings by the utility.

The rate of interest shall be the greater of the unadjusted customer deposit rate or the applicable late payment rate. Interest shall be paid from the date that the customer overpayment was made, adjusted for any changes in the deposit rate or late payment rate, and compounded monthly until the date when the overpayment was refunded.

The Corporation will not be required to pay interest on customer overpayments that are refunded within 30 days after such overpayment is received by the Corporation.

Issued under Authority by Order of the PUBLIC SERVICE COMMISSION dated June 24, 1992 in case No. 91-M-0667

TAX STATEMENT

A. Revenue based taxes by locality are as follows:

	Local Tax
1) Village of Atlantic Beach	1.0%
2) Village of Cedarhurst	1.0%
3) Village of East Rockaway	1.0%
4) Village of Hewlett Bay Park	1.0%
5) Village of Hewlett Harbor	1.0%
6) Village of Hewlett Neck	1.0%
7) Village of Island Park	1.0%
8) Village of Lawrence	1.0%
9) Village of Lynbrook	1.0%
10) Village of Malverne	1.0%
11) Village of Valley Stream	1.0%
12) Village of Woodsburgh	1.0%
13) Village of Hempstead	1.0%
14) Village of Sea Cliff	1.01%

B. Changes in the local utility tax rates from those stated above may be modified by the utility by filing a tariff statement, allowing the new rates to go into effect 15 days after such occurrence.

C. The revenue based tax will be shown as a surcharge on each customer's bill reflecting the percentage applicable for that customer's locality.

REVENUE AND PRODUCTION COST RECONCILIATION ADJUSTMENT CLAUSE AND PROPERTY TAX CLAUSE

Applicable to all Metered Customers in Service Classifications 1, 2, 5 and 6.

Revenues and Production Costs Targets

Commission Order in Case 16-W-0259, dated May 18, 2017, directed that the differences between the level of billed metered revenues and the level of production costs (fuel, power and chemicals) versus the targets presented below, as estimated and approved in the most recent rate case, in each Rate Year for the period April 1, 2017 through March 31, 2021, will be deferred and recovered or refunded, by way of a surcharge or credit, through the RPCRC Mechanism over a twelve month period.

The Company will submit its RPCRC filing within 60 days of the end of each Rate Year. The submitted net surcharge or credit will go into effect 45 days after submittal unless Staff submits a letter to the Company indicating that the reconciliation amounts should be adjusted. The then-current Rate Year's net revenue variance will be recovered or refunded annually through a percentage surcharge or credit to be applied to all metered customers' bills. Unless otherwise determined by the Commission, this surcharge or credit will be based on the projected revenues from metered water sales for the following Rate Year and will be recovered or refunded during the following Rate Year.

In accordance with Commission Orders in Cases 16-W-0259, 17-M-0815, and 18-W-0554, for purposes of reconciliation under the RPCRC, the target levels for metered revenues and production costs will be as follows, with the levels from the fourth Rate Year carrying forward for all future years until new target levels are set by the Commission in the next rate proceeding[1]:

Rate Year 1 Ending March 31, 2018	**Service Area 1**	**Service Area 2**
Metered Revenues	$55,214,909	$30,884,693
Fuel, Power, and Chemicals	$4,645,605	$2,029,824
Rate Year 2 Ending March 31, 2019	**Service Area 1**	**Service Area 2**
Metered Revenues	$64,644,943	$32,703,737
Fuel, Power, and Chemicals	$4,833,388	$2,041,756
Rate Year 3 Ending March 31, 2020	**Service Area 1**	**Service Area 2**
Metered Revenues	$69,560,986	$35,276,701
Fuel, Power, and Chemicals	$4,865,415	$2,053,753

[1] If the Company decides to not file for rate relief to be effective by April 1, 2021, monthly target levels beyond Rate Year 4 will be set using the monthly averages of metered revenue for the most-recent five years applied to the Rate Year 4 target level noted above. These monthly target levels are for calculating the RPCRC for any period of time not equivalent to a 12-month rate year for NYAW.

REVENUE AND PRODUCTION COST RECONCILIATION ADJUSTMENT CLAUSE AND PROPERTY TAX CLAUSE (CONTINUED)

Rate Year 4 Ending March 31, 2021	**Service Area 1**	**Service Area 2**
Metered Revenues	$73,099,385	$37,595,880
Fuel, Power, and Chemicals	$4,845,464	$2,065,531

Property Tax Targets

In accordance with the property tax mechanism approved by the Commission in Case 16-W-0259, the Company is permitted to reconcile forecasted property taxes to actual property taxes.

For each year of the Rate Plan, the variance between forecasted and actual property taxes will be tracked. For Rate Years 1 and 2, the Company will absorb 15% of any variance of actual property taxes above the forecasted level, and the remaining variance (85%) shall be deferred and fully recovered from ratepayers in the following 12-month period as part of the RPCRC Mechanism. For Rate Years 3, 4 and beyond, the Company will absorb 10% of any variance of actual property taxes above the forecasted level, and the remaining variance (90%) shall be deferred and fully recovered from ratepayers in the following 12-month period as part of the RPCRC Mechanism.

In the event that actual property taxes are below those forecasted for a Rate Year, the Company will be allowed to retain the same percentage of the savings established for overages, but only if the Company successfully demonstrates that the reduction in property tax expense was a direct result of the Company's intervention and action.

In accordance with Commission Orders in Cases 16-W-0259 and 17-W-0300, the forecasted property tax levels for utility assets for the four-year Rate Plan are:

	Service Area 1	**Service Area 2 Merrick District**	**Service Area 2 Sea Cliff District**
Rate Year 1[2]	$22,226,002	$10,382,025	$3,298,216
Rate Year 2	$23,115,042	$10,797,306	$2,608,119
Rate Year 3	$24,039,644	$11,229,198	$2,712,444
Rate Year 4	$25,001,230	$11,678,366	$2,820,941

[2] The original RY1 property tax target shown for Sea Cliff was corrected to reflect $2,571,536 and the differential was used in the calculation of the September 2018 sur-credit discussed on the following page.

REVENUE AND PRODUCTION COST RECONCILIATION ADJUSTMENT CLAUSE AND PROPERTY TAX CLAUSE (CONTINUED)

Billing

Any refunds due ratepayers from any net over-recovery in the rate year will be credited to customers' bills in the earliest month, as administratively practical, of the following Rate Year. Customer bills will be surcharged per customer per month, to recover any deferral of cost recovery in the Rate Year beginning in the earliest month, as administratively practical, of the following Rate Year and continue each month thereafter, as necessary, until the entire deferral is recovered. Any credit/surcharge is subject to the applicable local gross revenue taxes as set forth in the current tax statements.

Revenue Adjustment Clause (RAC) and Property Tax Reconciliation (PTR) Surcharge

RAC/PTR surcharge for Rate Year 4 ended April 30,2022 is as follows:

For New York American Water's Service Area 1 (SA1), in relation to the above-referenced targets, the surcharge is 10.92% on metered charges for metered customers.

For New York American Water's Service Area 2 (SA2) – Merrick District, in relation to the above-referenced targets, the surcharge is 3.14% on metered charges for metered customers.

For New York American Water's SA2 – Sea Cliff District, in relation to the above-referenced targets, the surcharge is 15.58% on metered charges for metered customers.

This surcharge will be applied to total metered charges beginning November 1, 2022.

INCREMENTAL PROPERTY TAX SURCHARGE STATEMENT

Pursuant to Commission Order issued May 18, 2017 in Case 16-W-0259, the Company is required to surcharge its Sea Cliff District customers for the property taxes in excess of the average property taxes of the Merrick District in Service Area 2. The surcharge is effective June 1, 2017, and will be in effect for the approved rate plan through March 31, 2021.

The charge is applied as a volumetric rate of $0.3449 per 100 gallons for water service customers beginning May 1, 2021.

The charge is applied as 18.89% of current fire service charges for fire customers beginning May 1, 2021.

SYSTEM IMPROVEMENT CHARGE (SIC)

The SIC mechanism will apply to costs associated with the construction of specific, Commission-reviewed and approved projects. The mechanism will allow recovery of carrying costs (i.e., return and depreciation expense) on specific capital projects that have been reviewed by Commission Staff and approved by the Commission when those projects are placed in service in Rate Years Two, Three, Four and beyond. Under Case 16-W-0259, the use of the SIC mechanism is approved for the following projects and associated capital expenditures:

SIC Improvement Projects	2/6/2020 Rate Order
Plant #20 Portable Iron Removal Facility	$1,500,000
Plant #22 Portable Iron Removal Facility	$1,900,000
Plant #7 Tank Roof Replacement	$1,600,000
Plant #1 Iron Removal Facility	$9,000,000
Submarine Crossing	$2,000,000
Transmission Main – Baldwin Plant 12-13	$4,000,000
Demott Tank and Booster Station	$3,000,000
Cambridge Main Replacements	$1,500,000
Plant 5 Filter House Covers	$2,800,000
Plant 5 Caustic	$3,200,000
Plant 5 Generator and Electric Service	$2,500,000
Plant 20 Building Enclosures	$500,000
Meters – AMI Initiative	$3,074,433
Meters – AMI Initiative	$495,100
Newbridge Rd Filter Plant Expansion	$3,300,000
Jefferson St. Well Redrill	$1,700,000
Main Replacement for Municipal Paving	$4,000,000
Fire Improvement Projects	$4,800,000

The SIC surcharge will be a percentage, carried to two decimal places, and will be applied to the customer service charge and the volumetric charges billed to each metered customer. The formula for the calculation of the SIC surcharge for projects approved under Case 16-W-0259 is as follows:

SIC surcharge = (((NRB x Pre-Tax ROR) + D)/GF) / AR

Where:

NRB = Cost of the Specific Approved Facilities Listed Above, Net of Associated (i) Retirements, Including COR and Any Related Tax Benefits, (ii) ADIT, and (iii) Accumulated Depreciation Reserve

Pre-Tax ROR = 8.15% for replacement and 7.94% for incremental projects

D = Annual Depreciation Expense on the Net Additions

GF = Gross-up Factor Before Income Tax (99.348%)

AR = NYAW's Projected Annual Metered Revenues

When the Company has incurred actual expenditures for projects listed above and the new facilities have been placed in service, the amount of those expenditures (net of the associated (i) retirements, including cost of removal and any related tax benefits, (ii) accumulated deferred income taxes ("ADIT"), and (iii) accumulated depreciation reserve, i.e., the net rate base ["NRB"]) will constitute the incremental rate base investment subject to the SIC.

The SIC filing will be made within 30 days after the project has been placed into service. The Company will provide Commission Staff with detailed project information regarding the SIC (such as in-service dates, actual expenditures incurred, retirements, etc.). Staff will have 60 days to analyze and verify such data. The SIC surcharge rate may only be updated in conjunction with the annual reconciliation filing, submitted within 60 days of the end of the Rate Year, as described below.

SYSTEM IMPROVEMENT CHARGE (SIC) (CONTINUED)

Safeguards

A reconciliation between authorized collections and actual collections related to the SIC surcharge will be conducted annually and filed with the Secretary to the Commission within 60 days of the end of each Rate Year. Any under collections or over collections will accrue interest at the "other customer capital interest rate" established by the Commission each year. Adjustments of under collections and over collections, as well as updates related to accumulated depreciation reserve, will be reflected in the next SIC surcharge filing.

NYAW will be permitted to collect carrying costs via a SIC surcharge not to exceed 2.5% of operating revenues, capped for the approved capital projects, unless waived by the Commission.

The System Improvement Charge (SIC) surcharge for the period ending July 31, 2023, will be applied to total metered charges is as follows:

For New York American Water's Service Area 1, in relation to the above-referenced targets, a surcharge of 2.83%.

For New York American Water's Service Area 2 – Merrick District, in relation to the above-referenced targets, a surcharge of 1.28%.

For New York American Water's Service Area 2 – Sea Cliff District, in relation to the above-referenced targets, a surcharge of 1.28%.

PSC No. 5 - WATER **STATEMENT TYPE: SURC**
COMPANY: NEW YORK AMERICAN WATER COMPANY, INC. **STATEMENT NO.: 2**
INITIAL EFFECTIVE DATE: AUGUST 1, 2017
(Issued in compliance with Order in Case 16-W-0284 dated April 21, 2017)

DRINKING WATER SURCHARGE STATEMENT

New York American Water Company, Inc. is authorized to surcharge the bills of its Beaver Dam Lake water system customers in order to pay in full Beaver Dam Lake Water Corp.'s prior loan with the Environmental Facilities Corporation (EFC) in the amount of $893,472.

There are currently 154 active service taps in the Beaver Dam Lake water system, and the monthly surcharge is $59.82 per service tap. This monthly surcharge will continue for 10 years (August 1, 2017 – July 31, 2027).

If New York American Water Company, Inc. experiences any under-collections/over-collections or changes in the required annual payments and associated charges, it will file a new surcharge statement, to become effective on not less than 30 days' notice.

Note: Any new statements the Company files with the Commission will be audited by Staff of the Office of Electric, Gas & Water.

Issued by: Carmen P. Tierno, President, 60 Brooklyn Avenue, Merrick, New York 11566

TAX CUTS AND JOBS ACT OF 2017
RATE REDUCTION

Pursuant to Commission Order issued August 9, 2018 in Case 17-M-0815, New York American Water is required to issue a consumption-based credit to the rates of metered water customers and a percentage credit to the amount billed to public and private fire service customers.

	Credit
Service Area 1 Metered Customers	$0.0337 per 100 gallons
Service Area 1 Public and Private Fire Customers	3.76%
Service Area 2 Metered Customers	$0.0191 per 100 gallons
Service Area 2 Public and Private Fire Customers	2.75%

Annual Sur-Credit Reconciliation

Because the sur-credit rates are based on normal weather, a variance in customer annual usage from the forecasted normal usage from which the Company's sur-credit rate is established will result in either excessive or insufficient net tax benefits being passed back to customers. Until all aspects of the Tax Act are fully incorporated into base rates and sur-credits are eliminated, the Commission requires an annual sur-credit reconciliation, the results of which are to be included in the next year's annual sur-credit calculation, to adjust for prior year activity overages or shortfalls.

PSC No. 5 - WATER **STATEMENT TYPE: RLSS**
COMPANY: NEW YORK AMERICAN WATER COMPANY, INC. **STATEMENT NO.: 5**
INITIAL EFFECTIVE DATE: MAY 1, 2021
Issued in compliance with Commission Order issued December 30, 2020 in Case 16-W-0259

RATE LEVELIZATION SURCHARGE STATEMENT

On May 18, 2017, the New York State Public Service Commission (PSC) issued an Order Establishing Rates for Water Service (Order) that approved a four-year rate plan for New York American Water beginning on April 1, 2017. Rate Year 1 was effective April 1, 2017 through March 31, 2018; Rate Year 2 from April 1, 2018 through March 31, 2019; Rate Year 3 from April 1, 2019 through March 31, 2020; and Rate Year 4 from April 1, 2020 through March 31, 2021. On February 6, 2020, the PSC issued an order postponing the levelization surcharge for Service Area One.

Under the original rate plan, the Commission authorized levelized revenue increases for a portion of the levelized revenue increases for RY3 (ending March 31, 2020) and RY4 (ending March 31, 2021), and ordered New York American Water to collect the costs through levelization surcharges as opposed to base rate charges. At the end of the rate plan, the surcharge will end so that base rates are not higher than they would have been if the revenue increases had not been levelized. The planned increases and levelized surcharges in the original rate plan, and amended on February 6, 2020 and March 25, 2020, are as follows:

Levelized Base Revenue Increases and Levelization Surcharges* ($ millions)						
Rate Year	SA1 Levelized BASE Revenue Increase	Deferred SA1 Levelization Surcharge	Total SA1	SA2 Levelized BASE Revenue Increase	SA2 Levelization Surcharge	Total SA2
1	$10.14	-	$10.14	$3.07	-	$3.07
2	$10.14	-	$10.14	$3.07	-	$3.07
3	$5.64	$4.49	$10.14	$3.07	-	$3.07
4	$4.34	$5.80	$10.14	$2.61	$0.46	$3.07
	$30.25	$10.29	$40.54	$11.82	$0.46	$12.27
4-year average			$10.14			$3.07

*Does not include declining consumption adjustment

The RY4 Levelization Surcharge for Service Area 2 is embedded in the make whole surcharge from May 1, 2021 through March 31, 2022.

Issued by: Lynda DiMenna, President, 60 Brooklyn Avenue, Merrick, New York 11566

PSC No. 5 - WATER **STATEMENT TYPE: MWSS**
COMPANY: NEW YORK AMERICAN WATER COMPANY, INC. **STATEMENT NO.: 3**
INITIAL EFFECTIVE DATE: MAY 1, 2021
Issued in compliance with Commission Order issued December 30, 2020 in Case 16-W-0259

MAKE WHOLE SURCHARGE STATEMENT

Pursuant to Commission Orders issued March 25, 2020, September 1, 2020, and December 30, 2020 in Case 16-W-0259, New York American Water is permitted to recover under-collected revenues from April 1, 2020 to April 30, 2021 and associated carrying charges from September 1, 2020 to April 30, 2021 (the "postponement period") for the delayed implementation of Rate Year 4 rates, as well as the deferred System Improvement Charge ("SIC") and Revenue Adjustment Clause/Property Tax Reconciliation ("RAC/PTR") surcharge via a "make whole" surcharge.

There are two surcharges to account for the difference between sales revenues and all other surcharges that New York American Water would have billed during the postponement period.

The following sur-charge accounts for the difference in sales revenues that would have been collected under Rate Year 4 base rates and Rate Year 3 base rates, including interest. In order to avoid a double count of this make whole provision, the Revenue Adjustment Clause for Rate Year 4 will adjust for the make whole deferral amount. This surcharge will be applied on customer bills commencing May 1, 2021 and conclude effective March 31, 2022:

The following surcharge accounts for the SIC surcharge that would have gone into effect on August 1, 2020 through April 30, 2021, and the RAC/PTR that would have gone into effect November 1, 2020 through April 30, 2021, including interest. This surcharge will be applied on customer bills commencing May 1, 2021 and conclude effective March 31, 2022:

Base Rate Make-Whole Surcharge

	Service Area 1	Service Area 2 Merrick*	Service Area 2 Sea-Cliff*
Price per 100 Gallons			
Service Classification 1	$ 0.0527	$ 0.0536	$ 0.0943
Service Classification 2	$ 0.0369	$ 0.0448	$ 0.0516
Service Classification 6	$ 0.0435		

*Includes Levelization

Service Classification 7 and 9	10.81%	7.58%	4.11%
Service Classification 8	10.80%	7.49%	4.54%

RAC/PTR/SIC Make-Whole Surcharge

	SA1	SA2 Merrick	SA2 Sea-Cliff
Residential	4.40%	3.14%	4.69%
Commercial and OPA	4.40%	3.14%	4.69%
Irrigation	4.40%		

Issued by: Lynda DiMenna, President, 60 Brooklyn Avenue, Merrick, New York 11566