

**PSC NO: 4 - WATER**  
**COMPANY: EDGEWOOD LAKES, INC.**  
**INITIAL EFFECTIVE DATE: May 1, 2009**

**STATEMENT NO: 4**  
**STATEMENT TYPE: ESCW**

### **ESCROW ACCOUNT FOR MAJOR RENOVATIONS**

#### **STATEMENT NO. 4**

The escrow account will be funded by means of a surcharge of \$ 100 per customer per quarter; its maximum balance will be \$10,000 not including any accrued interest. Under its current escrow statement the company will bill its customers \$40 on April 1, 2009. Since the company has outstanding bills it will bill its customers an additional \$60 on May 1, 2009. In all subsequent quarters the company will bill its customers \$100. These funds are to be used for extraordinary repairs and the replacement of failing infrastructure. This account will be subject to the following conditions:

1. This account should be kept in a local bank and will be under the control of the company.
2. The water company will have access to the funds in this account solely for the purposes noted above and any associated taxes.
3. Once the account becomes fully funded at \$ 10,000 and funds are removed for appropriate purposes, the customer charge to replenish the account will be determined by dividing the difference between the maximum level and the balance in the account by the number of customers at that time. The company may not charge a unit customer charge greater than \$100 per quarter unless approved by the Commission. Whenever the company replenishes the account, it will also collect any associated revenue taxes.
4. Any interest earned by the account shall remain in the account to cover the cost of the improvements.
5. Customers terminating service will not be entitled to a refund of payments made to the escrow account.
6. The company must submit copies of all bank statements and a complete accounting of the revenues and expenses for the account by January 30<sup>th</sup> of each year until the account is depleted. all information should be sent to the Water Rates Section. In addition, the company may be required to submit, at Staff's request, prioritized plans for the improvements and use of funds as well as additional account information.

Issued By: Evelyn Haas, President, 3 California Avenue, Liberty, NY 12754

(Name of Officer, Title, Address)