

PSC NO: 2 - WATER
COMPANY: Mountain Lodge Park Water Corp.
INITIAL EFFECTIVE DATE: January 1, 2009

STATEMENT TYPE: SURC1
STATEMENT NO: 1

CAPITAL IMPROVEMENT SURCHARGE TO THE SEASONAL SYSTEM

Mountain Lodge Park Water Corp. is authorized to establish an escrow account with a maximum balance of \$50,000, excluding accrued interest, to cover the cost of capital improvements to its seasonal system. This account will be subject to the following conditions:

1. The account will be funded by a customer bill surcharge of \$40.00 per quarter, effective February 1, 2009 and shall continue until reaches its maximum of \$50,000 or is deemed by the Commission to be no longer needed.
2. The account will be established in a bank, in a separate interest bearing account, and will be under the control of the company.
3. The water company will have access to the funds in this account solely for the purposes noted above and any associated revenues taxes.
4. Any interest earned by the account shall remain in the account to cover the cost of the capital 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 30th of each year. 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: Arthur & Robert Parker, Owners, P.O. Box 545, Washingtonville, NY 10992