

PSC No: 2 – Water
COMPANY: Hopewell Service Corporation
Effective Date: NOVEMBER 1, 2011

STATEMENT TYPE: WSUR
STATEMENT NO: 2

(Filed in compliance with Public Service Commission Order issued and effective October 19, 2011 in Case 11-W-0087)

2011 SURCHARGE STATEMENT NO. 2

By January 1, 2012, the original loan amount of \$57,798 would grow to \$66,793. Hopewell Service Corporation (Hopewell) is authorized to establish a quarterly surcharge of \$26.50 per customer starting with the January 1, 2012 bill, to repay the loan \$66,793 with interest at 3.35%, for a five year period that was borrowed from Sagamor Water Corporation (Sagamor). The loan was used to pay for extraordinary expenses, repairs and system improvements to the Hopewell water system.

In connection with this surcharge mechanism, the owners of both Hopewell and Sagamor will be required to file annual reconciliations providing details of the annual collections from all Hopewell customers and the annual payments to all Sagamor customers. Such annual reconciliations are to be submitted to the Secretary's Office by March 1 of the following year for review of Staff of the Office of Accounting & Finance. These reconciliations will continue until the loan has been paid in-full to all Sagamor customers. This could result in the payment period exceeding five years. Hopewell customers terminating service will not be entitled to a refund of such surcharge loan payments.

Issued By: Michael E. Gillespie, President, Hopewell Service Corporation, 847 Route 376, Wappingers Falls, NY 12590
(Name of Officer, Title, Address)