

PSC NO: 1 - WATER
COMPANY: Stone Ridge Estates Water Corporation
INITIAL EFFECTIVE DATE: December 1, 2017

STATEMENT TYPE: ESCROW
STATEMENT NO. 1

ESCROW ACCOUNT STATEMENT

Stone Ridge Estates Water Corporation (the Company) is authorized to establish a replenishable interest bearing escrow account with a maximum balance of \$10,000, not including account interest, for the purpose of making repairs and/or plant replacements that exceed, in any calendar year, the allowance for Repairs and Maintenance included in the most recent decision of the Public Service Commission granting rates to the Company or to pay to the Town of East Fishkill for water purchased by the Company but not billed to the Company's customers.

The account is subject to the following conditions:

1. The account will be funded by means of a customer surcharge of \$30.00 per quarter.
2. The account shall be kept in a bank in a separate account that will be under the control of the Company, which will have access to the funds in the account solely for the purposes noted above and any associated taxes.
3. Funds may be withdrawn from the account as needed for the purposes noted above. This account is replenishable, and the Company is permitted to surcharge customers in order to bring the balance in the account to the maximum approved level, at which time the Company will stop collecting the surcharge. Should the balance in the account fall below the maximum approved level due to withdrawals for the purposes noted above, the Company will be permitted to reinstitute a surcharge to replenish the account to the maximum approved level. The unit customer surcharge would be determined by dividing the difference between the maximum approved level and the balance in the account at the end of the previous quarter by the number of customers at that time of billing for that quarter, but the Company will not be allowed to surcharge each customer more than the above amount unless approved by the Commission.
4. Any interest earned by the account shall remain in the account to cover the cost of the expenditures described above.
5. Customers terminating service will not be entitled to a refund of payments made to this account.
6. By January 30 of each year, the Company shall submit copies of all bank statements and a complete accounting of deposits to and withdrawals from the account in the prior calendar year to the Chief of the Gas & Water Rates Section, Office of Electric Gas & Water, Department of Public Service. 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: Sean E. O'Donnell, President, P.O. Box 526, Fishkill, NY 12524