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..TXT: PSC NO: 2 WATER STATEMENT TYPE: SURC  
COMPANY: MOUNTAIN LODGE PARK WATER CORP. STATEMENT NO: 1  
INITIAL EFFECTIVE DATE: 12/30/98  
STAMPS:  
RECEIVED: 12/28/98 STATUS: Effective EFFECTIVE: 12/30/98

**STATEMENT NO. 1**

**SURCHARGE RELATED TO THE REPAIR AND  
REPLACEMENT OF THE SEASONAL DISTRIBUTION SYSTEM**

Mountain Lodge Park Water Corp. is authorized to surcharge each seasonal customer \$148.20 per year to recover \$26,231 (\$25,000 including related revenue taxes) related to the repair and replacement of the seasonal above ground distribution system. The surcharge will be billed January 1 of each year commencing on January 1, 1999 and is due and payable when rendered. This surcharge will continue for ten years unless otherwise directed by the Commission.

The funds collected through the surcharge will be placed in a separate account and the use of these funds will be monitored by the staff of the Water Rates Section of the Department of Public Service.

The use of the first year funds will be contingent on the company submitting acceptable plans by March 1, 1999 for:

1. The upgrading, repair and replacement of the seasonal system including valving, blowoffs, location of new pipes, basis of authorization to place pipes and schedule of work.
2. The resolution of the exodus of customers due to the use of private wells. The company will work with the Town of Blooming Grove, the Orange County Health Department and customers in developing the plan. The plan should address the history of customers leaving the system (numbers per year for each of the seasonal and year round systems), and recommended actions in place or to be put in place to prevent customer loss.

The staff of the Department of Public Service will inform the company as to whether the plans are acceptable within 30 days.

Issued in compliance with the Order issued December 22, 1998 in Case 98-W-0866.

Issued By: Marvin Greene, President, 505 Clove Road, Monroe, NY 10950  
(Name of Officer, Title, Address)