

..DID: 13924
..TXT: PSC NO: 3 WATER STATEMENT TYPE: WRRC
COMPANY: OCEAN BAY PARK WATER CORPORATION STATEMENT NO: 4
INITIAL EFFECTIVE DATE: 12/31/00
STAMPS: Issued in compliance with Order in C. 99-W-1114 dated 11/27/00.
RECEIVED: 11/29/00 STATUS: Effective EFFECTIVE: 12/31/00

REVENUE RECONCILIATION ADJUSTMENT CLAUSE #3

All Water Service Customers (Service Classifications 1 through 3)

To protect the customers and the Company from inadequate or excess revenues, the rates applicable to metered customers' accounts are subject to automatic adjustment by way of surcharge or sur-credit for the calendar year.

At the end of each calendar year each customer's bill will be recalculated to provide the Company with the total base revenues permitted to the Company by the New York State Public Service Commission in its most recent rate decision. The target base revenue requirement will be increased or decreased based upon the actual cost of electricity, purchased water, and chemicals used during the period as compared with the amounts for these items permitted in the relevant rate decision.

For emergency sales to the Seaview Association of Fire Island, N.Y., Inc. of up to and including 4.5 million gallons per year, the Company may increase the base revenue requirement by \$0.20 per thousand gallons sold to Seaview.

In the last bill of the rate period, the metered rate for the entire rate period will be adjusted to a level that would have produced the full revenue requirement permitted to the Company. Each customer's bill for the last bill of the rate period will include a surcharge or sur-credit reflecting the full impact of the corrected metered rate for the entire rate year.

Issued By: David Ash, Secretary, 42 Memorial Plaza, Pleasantville, NY 10570-2913
(Name of Officer, Title, Address)