

PSC NO: 2 - WATER
COMPANY: DEBORA A. LAMBERT, D/B/A
GREEN MEADOW PARK WATER COMPANY
INITIAL EFFECTIVE DATE: October 1, 2012

STATEMENT TYPE: ESCROW
STATEMENT NO: 1

CAPITAL RESERVE ACCOUNT
STATEMENT NO. 1

The company is authorized to open and maintain an interest-bearing capital reserve account with a maximum balance of \$12,035, not including account interest, for the purpose of recovering the cost of extraordinary mandated expenses incurred in 2010, and for future extraordinary repairs and/or plant improvements, including but not limited to: rehabilitation of the storage tanks, construction of a second well; periodic storage tank inspections etc. The account will be subject to the following conditions:

1. The account will be funded by means of a quarterly customer surcharge of \$33.81.
2. The account will be maintained in a separate bank account and will be under the control of the company.
3. The company will have access to the funds in this account solely for the purposes noted above and any taxes associated with the account.
4. Once the account has reached the maximum balance of \$12,035, not including account interest, the company should stop collecting the quarterly customer surcharge. However, if the company withdraws funds for the purposes noted above and the balance in the account falls below the \$12,035 approved level, the company will be permitted to surcharge the customers a pro-rata amount not to exceed \$33.81 per quarter in order to restore the account to the \$12,035 maximum approved level.
5. This account shall bear interest and such interest shall remain in the account and be used to cover expenses or reduce payments by customers when needed to replenish the account to its approved level.
6. A customer terminating service will not be entitled to a refund of payments made to the capital reserve account.
7. The company must submit copies of all bank statements and a complete accounting of the revenues and expenses for the account by January 30 of each year. All information should be sent to the Chief of Tariffs, Electric Supply & Small Utility Rates, Office of Electric, Gas & Water, Department of Public Service, Three Empire State Plaza, Albany, NY 12223-1350.

Issued By: Debora A. Lambert, d/b/a Green Meadow Park Water Company
PO Box 2042 Poughkeepsie, NY 12601