

PSC NO: 2 - WATER  
COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.  
INITIAL EFFECTIVE DATE: October 14, 2012  
Issued in compliance with order in Case 12-W-0217 dated 08/17/2012

LEAF: 51  
REVISION: 0  
SUPERSEDING REVISION:

THIRD: To provide all easements and rights of way which the Company considers necessary, without cost to the Company.

FOURTH: In addition, to pay a surcharge at the rate of nineteen (19%) percent per year of the actual, reasonable cost of such portion of the said main extension (excluding the cost of any service pipe, hydrants and their accessories) that is in excess of seventy-five (75) feet distant from the end of the nearest existing water main appropriate for the service requested. However, should the main extension be greater than six (6) inches in diameter, when not necessary for the service requested, the surcharge shall be limited to nineteen (19%) percent per year of the estimated cost of a six (6) inch main.

The surcharge shall be paid ratably at the end of each regular billing period, beginning at the date when water service is first available to the Applicant.

FIFTH: In the event that the Applicant ceases to be a customer of the Company, the Applicant's obligation to pay the surcharges provided herein shall continue, unless the new owner or occupant of the premises agrees to assume all obligations under this Agreement.

SIXTH: To furnish the Company with reasonable security upon the execution of this Agreement for the faithful performance of the covenants herein agreed to be performed by the Applicant. Reasonable security shall be by advance payment of the surcharge for a period of one (1) year and where an applicant's building does not yet exist, by completion of the foundation and construction of a substantial portion of the premises framing before main extension construction is commenced, or by deposit by the applicant of the entire estimated cost of the extension until said premises construction is complete.

### ARTICLE THREE

BOTH PARTIES AGREE THAT:

FIRST: Whenever more than one customer shall be connected to said extension, or extensions to said extension, the surcharge mentioned in Article Two shall be so pro-rated and adjusted as to yield to the Company not more than nineteen (19%) percent of the installation cost of the original extension for its remaining surcharge period in any one year from all customers served from said extension (including customers on any additional extensions).

SECOND: Customers served by the original extension shall bear no costs from any additional extensions.

Issued by: William M. Varley, President, 733 Sunrise Hwy., Lynbrook, NY 11563