

PSC NO: 3 – 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: 26**REVISION: 0****SUPERSEDING REVISION:****GENERAL INFORMATION****5. O. Late Payment Charge**

1. Bills are due upon presentation. Bills shall be deemed presented when delivered to the customer personally or when mailed to the customer at the premises supplied, or at the last known address of the customer, or when left at either address or any mailing address provided. After the bill is presented, failure to receive such bill from the Company will not entitle the customer to any delay in the settlement of the customer's account nor to any extension of the date after which the late payment charge becomes applicable.

2. The late payment charge becomes due unless all arrears for service are paid. A request by the customer for adjustment of bills or any other complaint does not extend the due date of the undisputed portion of current bills.

3. A late payment charge at the rate of one and one half percent (1-1/2%) per month will be applied to the accounts of all customers taking service under Service Classification Nos. 1, 2, 3 and 4. Under said classification, the charge will be applied to all arrears, and unpaid late payment charge amounts, which are not received by the Company on or before a date specified on the bill. The date so specified shall not be less than 20 days after the first day of each billing period under Service Classification No. 4 and 20 days after the last day of each billing period under Service Classification Nos. 1, 2 and 3.

4. In lieu of the late payment charges specified in Section (3), above, customers that are qualifying State Agencies will be subject to an interest charge calculated at the corporate tax rate. This interest charge will be applied to all accounts not paid within 45 days of the first day of each billing period under Service Classification No. 4 and within 45 days of the last day of each billing period under Service Classification Nos. 1, 2 and 3. State Agencies are defined to include State Government Agencies, the City University of New York, when acting on behalf of its senior colleges, the Facilities Development Corporation or the State University Construction Fund.

5. Returned Check Charge – A fee equivalent to the fee imposed upon the Company by the bank will be charged to the customer for any dishonored or returned checks, plus an additional sum of \$4 per such check.

P. Deferred Payment Agreements – Residential Service

1. The Company will provide a written offer of a payment agreement to an eligible customer or applicant at the following times: (a) not less than five calendar days before the date of scheduled termination of service for nonpayment of arrears, as indicated on a final termination notice, or eight calendar days, if mailed; (b) when payment of outstanding charges is a requirement for acceptance of the customer's application for service; (c) when it renders a backbill which is more than \$100; provided however, that a utility is not required to offer an agreement where the customer's culpable conduct caused or contributed to the underbilling.

Issued by: William M. Varley, President, 733 Sunrise Hwy., Lynbrook, NY 11563
(Name of Officer, Title, Address)