PSC No. 1 - Water United Water South County Water Inc. Initial Effective Date: 06/01/05 Leaf No. 12 Revision: 0 Superseding Revision: 0

GENERAL INFORMATION

IV. RESIDENTIAL SERVICE DEPOSITS

A. <u>Deposit Requirements</u>

- 1. The Corporation may require the payment of a security deposit from:
 - (1a) a seasonal, short-term or temporary customer;
 - (1b) a delinquent customer, as long as at least 20 calendar days before its request for a deposit, the Corporation provides the customer with written notice that the failure to make a specified payment before a specified date may result in a request for a deposit and states how the deposit would be calculated: or
 - (1c) a customer whose service was terminated for nonpayment during the preceding six Months.
- 2. The Corporation will not require a deposit from:
 - (2a) a customer or applicant who is known to the Corporation as a recipient of public assistance, supplemental security income benefits or additional state payments; or
 - (2b) a customer or applicant who is known to the Corporation as an elderly, blind or disabled person, unless that customer's service was terminated for nonpayment within the preceding six months.
- 3. If a deposit is authorized by this section, the Corporation will offer a customer, except for a seasonal, short-term or temporary customer, the opportunity to pay the deposit in installments, considering the customer's financial circumstances.
- B. <u>Deposit Calculation</u>
 - 1. The amount of a deposit for residential service will not be more than the cost of twice the customer's average monthly usage, except in the case of customers whose usage varies widely, where the deposit will not be more than the cost of twice the average monthly usage for the peak season.
 - 2 The amount of the deposit will be based on service used during the previous 12month period, as shown by any relevant billing history, and any relevant information concerning expected use.

Issued in compliance with order in Case 02-W-0949 dated 05/21/2004

Issued by: Robert J. Iacullo, President, 360 West Nyack Rd., West Nyack, NY 10994