

..DID: 9364
..TXT: PSC NO: 3 WATER LEAF: 13
COMPANY: OCEAN BAY PARK WATER CORPORATION REVISION: 0
INITIAL EFFECTIVE DATE: 10/01/99 SUPERSEDING REVISION:
STAMPS:
RECEIVED: 07/09/99 STATUS: Effective EFFECTIVE: 10/01/99

GENERAL INFORMATION

VII. RULES RELATING TO THE INSTALLATION OF MAINS, SERVICES, CONNECTIONS AND FACILITIES AND EXTENSIONS (Continued)

FORM OF EXTENSION AGREEMENT (Continued)

- 2a. The said Applicant agrees to pay to the said Company the scheduled rates for water service and in addition a surcharge of twelve percent (12%) (return, depreciation, taxes and maintenance) per year of the actual reasonable cost of such portion of said main extension (excluding the cost of any service pipe and accessories) that is in excess of seventy-five (75) feet distance from the end of the nearest water main appropriate to the service requested, if the size of said extension be six (6) inches or less in nominal diameter, or twelve percent (12%) of the estimated cost of a six (6) inch main, if said Company lays a main greater than six (6) inches in diameter provided, however, that if a hydrant be connected to said main extension, the amount of main allowed without surcharge shall be increased twenty (20) feet for each hydrant connected thereto; said surcharge to be paid ratably at the end of each regular billing period; provided, however, that said surcharge shall begin at the date when water service is first available to the applicant and shall cease ten (10) years from that date.

- 2b. Whenever more than one customer shall be connected to said extension, said surcharge shall be so adjusted as to yield to said Company not more than said twelve percent (12%) in any one (1) year from all customers served from said extension, and said surcharge shall be reasonably allocated to the several customers served from said extension, taking into account that seventy-five (75) feet of main and a service are to be allowed without surcharge for each customer and twenty (20) feet of main allowed without surcharge for each hydrant connected thereto.

- 2c. Whenever the number of customers on a main extension, multiplied by seventy-five (75) feet, plus the number of hydrants on the same extension multiplied by twenty (20) feet, shall equal or exceed the length of the main extension, or whenever the total revenue in one (1) year from all customers on the main extension shall exceed one-fourth (1/4) of the total cost of said main extension, said cost to be the actual or estimated cost as provided in paragraph (2a), all surcharges shall cease; and no surcharge shall be imposed if the total estimated revenue in one (1) year shall exceed one-fourth (1/4) of said total actual or estimated cost as provided in paragraph (2a).

This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors or assigns.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement the day and year first above written.

(NAME OF COMPANY)

By _____

(NAME OF APPLICANT)

By _____

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