

PSC No. 5 - WATER**COMPANY: NEW YORK AMERICAN WATER COMPANY, INC.****INITIAL EFFECTIVE DATE: JUNE 1, 2017**

Issued in compliance with Commission Order issued May 18, 2017 in Case 16-W-0259

LEAF NO.: 15**REVISION: 1****SUPERSEDING REVISION:****IV. SERVICE DEPOSITS**

See Section II, Definitions, beginning at Leaf No. 6 for the definition of terms used in this section.

A. Deposit Requirements

1. Residential

1.1. The Company will require the payment of a security deposit from:

- 1.1.1. a seasonal, short-term or temporary or nonresidential customer;
- 1.1.2. a delinquent customer, as long as at least twenty (20) calendar days before its request for a deposit, the Corporation Company 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
- 1.1.3. a customer whose service was terminated for nonpayment during the preceding six (6) months.

1.2. The Company will not require a deposit from:

- 1.2.1. a customer or applicant who is known to the Corporation Company as a recipient of public assistance, supplemental security income benefits or additional state payments; or
- 1.2.2. a customer or applicant who is known to the Corporation Company as an elderly, blind or disabled person, unless that customer's service was terminated for nonpayment within the preceding six (6) months.
- 1.2.3. If a deposit is authorized by this subsection, the Company 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.

2. Non-residential

2.1. The Company may require payment in full of a security deposit from any nonresidential customer.

B. Deposit Calculation

1. The amount of a deposit 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 12-month period, as shown by a relevant billing history, and any relevant information concerning expected use.

C. Deposit Review

1. The Company will, at least annually, review the billing history of every customer who has a deposit with the Company to assure that a deposit may still be required and that the amount of deposit is no more than the amount allowed in Subsection B – Deposit Calculation. The Company reserves the right to review the deposit at any time.

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