

PSC NO: 2- WATER
COMPANY: Mountain Lodge Park Water Company
EFFECTIVE DATE: January 1, 2009

STATEMENT TYPE: SEASI
STATEMENT NO: 1

SEASONAL SYSTEM IMPROVEMENT ESCROW ACCOUNT
STATEMENT NO. 1

The company will establish a replenishable, interest-bearing escrow account with a maximum balance of \$30,000, not including account interest, for the purpose of making extraordinary repairs and/or plant replacements and for securing replacement office space not included in base rates. The account will be subject to the following conditions:

1. The account will become effective January 1, 2009 and be funded by a seasonal quarterly customer bill surcharge of \$35.00.
2. The account will be established in a bank, in a separate account, and will be under the control of the company.
3. The water company will have access to the funds in this account solely for the purposes noted above and any taxes associated with the account.
4. Once the account has reached the maximum balance, the company will be permitted to resume the seasonal customer surcharge to bring the balance in the account back to the approved level only when the balance is reduced below the maximum level by the removal of money from the account for the purposes noted above and any taxes associated with the account. The seasonal customer surcharge in this case will be determined by dividing the difference between the maximum level and the balance in the account at the end of the previous quarter by the number of seasonal customers at that time of billing for that quarter. The company may not charge a seasonal customer charge greater than \$35.00 quarterly unless approved by the Commission.
5. This account shall bear interest and such interest shall remain in the account and be used to cover expenses or reduce payments by seasonal customers needed to replenish the account to its approved level.
6. A seasonal customer terminating service will not be entitled to a refund of payments made to the escrow account.
7. The company must submit to the Secretary of the Commission copies of all bank statements and a complete accounting of the revenues and expenses (including supporting invoices) for the account by January 30 of each year.

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