

PSC NO. 1 - WATER
COMPANY: EASTDALE VILLAGE WATER-WORKS CORP.
EFFECTIVE DATE: July 1, 2020

STATEMENT NO.: 1
STATEMENT TYPE: PWA

PURCHASED WATER ADJUSTMENT STATEMENT NO. 1

Applicable to all Metered Customers

Purpose: To recover from customers or provide credit to customers for any change in the cost of water purchased from the Town of Poughkeepsie (Town) from the Town's August 1, 2018 average rate of \$2.50/Ccf (Ccf = one hundred cubic feet).

Calculation: As early as possible after notification by the Town of a rate change, the Company shall make a compliance filing to be effective on the same date of the Town's new rate.

Surcharge Amount: The surcharge will be expressed in dollars per thousand gallons, carried to two decimal places, applied to the total gallons used by each customer.

Formula for Purchased Water Adjustment Surcharge (PWAS):

$$\begin{aligned}\text{Surcharge Amount} &= \text{Effective Rate} \times \text{Percent of Change} \times 1.05\% \times 1000 \\ &\quad / 748 \\ &= \$2.50/\text{Ccf} \times \text{Percent of Change} \times 1.05 \times 1000 / 748\end{aligned}$$

PWAS Provisions:

1. If the Town changes the cost of water from the August 1, 2018 rate of \$2.50/Ccf, Eastdale Village Water-Works Corp. (the Company) will be allowed to file on not less than three days' notice, a new PWAS Statement that would automatically go into effect on the same date that the Town changes its rates, using the methodology shown above.
2. The Company's compliance filing will include a cover letter setting forth the details of the surcharge calculation and a copy of the Town's notice regarding the effective date of the new rate.
3. The Department of Public Service Staff (Staff) will have 90 days upon receipt to verify the Company's calculations.
4. If Staff agrees with the Company's filing, the PWAS will remain in effect until the Town's next rate change. However, if Staff believes that the Company's filing does not correctly reflect the Town's rate increase, Staff, in consultation with the Company, will propose a methodology to retroactively correct any discrepancies.
5. If Staff and the Company cannot reach agreement on a methodology, the matter would be handled through the Commission's dispute resolution procedures.

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