

PSC NO: 1 – WATER
COMPANY: EMERALD GREEN LAKE LOUISE
MARIE WATER COMPANY, INC.
INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2020
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STATEMENT TYPE: ESCROW
STATEMENT NO.: 1

(Issued in compliance with Commission Order issued and effective August 19, 2020 in Case 19-W-0783)

EMERGENCY REPAIR ESCROW ACCOUNT

The Company is authorized to establish and maintain a replenishable, interest bearing escrow account with a maximum balance of \$30,000, not including account interest, for the purposes of making emergency and extraordinary repairs that are not covered through base rates. The account will be subject to the following conditions:

1. The account will be funded by means of an initial monthly customer surcharge of \$5.00 per customer commencing with the first billing period after the effective date of this statement. This charge will continue for the first 12 billing periods following the effective date of this statement.
2. After the initial 12 billing periods, the maximum monthly customer surcharge will become \$3.00.
3. The account will be established in a bank and be kept in a separate account that will be under the control of the Company, which will have access to the funds in this account solely for the purposes noted above and will exclude any expenses incurred by the Town of Thompson's Sewer Project.
4. Funds may only be withdrawn from the account for the purposes noted above, provided the Company is not overearning in the annual period. An end of year reconciliation must be performed to refund any escrow account funds, so that overearnings are utilized to fund any incremental repair expense before the escrow account is drawn upon.
5. This account is replenishable, and whenever the balance in the account falls below the maximum approved level, the Company is permitted to surcharge customers a unit amount that will be determined by dividing the difference between the maximum approved level and the balance in the account at the end of the previous month by the number of customers at the time of billing for that month, but it shall not be greater than \$5.00 per customer for the first 12 billing periods or \$3.00 thereafter unless approved by the Commission.
6. A customer terminating service will not be entitled to a refund of payments made to the escrow account.

Issued by: Kenneth Herfield, President, PO Box 129, Rock Hill, NY 12775

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EMERGENCY REPAIR ESCROW ACCOUNT CONT.

7. By January 30 of each year, the Company shall submit copies of all bank statements and a complete accounting of the revenues and expenses for the escrow account in the prior calendar year to the Chief of the Downstate Rates and Tariffs Section, Office of Electric, Gas & Water, Department of Public Service. The Company must also provide verification that they are not overearning in the annual period. The Company shall also submit an annual end-of year reconciliation of withdrawals from its combined Repairs and Maintenance (R&M) accounts so that any advances made from the escrow account to offset a shortage in the R&M accounts at the time an emergency repair expense is incurred, are returned to the escrow account after applying the total annual amount approved for R&M in base rates.

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