

PSC NO: 1 – WATER
COMPANY: EMERALD GREEN LAKE LOUISE
MARIE WATER COMPANY, INC.

STATEMENT TYPE: TSPE
STATEMENT NO.: 1

INITIAL EFFECTIVE DATE: SEPTEMBER 1, 2020
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(Issued in compliance with Commission Order issued and effective August 19, 2020 in Case 19-W-0783)

TOWN SEWER PROJECT ESCROW ACCOUNT

The Company is authorized to establish and maintain a replenishable, interest bearing escrow account with a maximum balance of \$50,000, not including account interest, for the funding of interference work expenses that result directly from the Town of Thompson's Sewer Project and 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 \$4.15 per customer commencing with the first billing period after the effective date of this statement.
2. 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.
3. Funds may only be withdrawn from the account for the purposes noted above, provided the Company is not overearning in the annual period.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 interference expense before the escrow account is drawn upon.
4. 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 \$4.15 per customer unless approved by the Commission.
5. This account will remain active until December 31, 2023 or until the Company makes its final payment for the Sewer Project, whichever comes first, provided an extension is not required and requested as directed in the Commission's Order Authorizing Deferral and Establishing Escrow Account in Case 19-W-0783. At that time, any remaining funds will be transferred to the Emergency Repair Escrow Account, and the Company will make an escrow filing according to the discussion in the above Order. Upon Staff's completion of the escrow review, the Company will file a cancellation supplement on not less than one day's notice.
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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TOWN SEWER PROJECT 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. The Company must also provide verification that they were not overearning in the annual period. All information should be sent to the Chief of the Downstate Rates and Tariffs Section, Office of Electric, Gas & Water, Department of Public Service. 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 a Sewer Project 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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