

PSC NO: 2 - WATER
COMPANY: RIVER ROAD WATER DISTRICT
INITIAL EFFECTIVE DATE: October 1, 2020

STATEMENT TYPE: ESCROW
STATEMENT NO: 2

REPAIR AND MAINTENANCE ESCROW ACCOUNT STATEMENT

River Road Water District (the Company) is authorized to establish and maintain a replenishable escrow account with a maximum balance of \$4,000, excluding accrued interest, for the purpose of repairing, maintaining, and improving its infrastructure. To fund the account, each customer/premises taking service from the Company's water system will be billed \$100.00 semi-annually, and the surcharge will continue until the balance in the account reaches \$4,000, at which time the surcharge will cease. The final semi-annual surcharge will be adjusted as necessary to fully fund the account. The account will be subject to the following conditions:

1. 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 any associated revenue taxes.
2. Prior to withdrawing funds from the escrow account, the Company should consult with and provide appropriate justification to Department of Public Service Staff to ensure that the proposed withdrawals are for the purposes noted above.
3. If the account is fully funded and funds are withdrawn for appropriate purposes, the account can be replenished; however, the Company can only surcharge the per-customer amount that is determined by dividing the difference between the \$4,000 maximum authorized account balance and the actual account balance at the end of the prior semi-annual billing cycle by the number of customers taking service at that time, but in no case shall the per-customer semi-annual surcharge exceed \$100.00 unless approved by the Commission.
4. The Company shall provide written notice to its customers in each billing advising them what the escrow funds were used for in the prior semi-annual billing cycle.
5. Any interest earned by the account shall remain in the account to cover expenses or reduce payments by the customers needed to replenish the account to its approved level.
6. A customer terminating service will not be entitled to a refund of payments made to the escrow account.
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 account in the prior calendar year. All information shall be sent to the Office of Electric Gas & Water, Department of Public Service.

Issued by: Karen Angel, 7 Riverview Drive New Paltz, NY 12561