

..DID: 17477
..TXT: PSC NO: 2 WATER STATEMENT TYPE: ESCW
COMPANY: WHISTLE TREE DEVELOPMENT CORP. STATEMENT NO: 1
INITIAL EFFECTIVE DATE: 11/01/01
STAMPS: Issued in compliance with Commission Order in C. 01-W-0108 dated 10/29
RECEIVED: 10/30/01 STATUS: Effective EFFECTIVE: 11/01/01

Repairs and Plant Replacement
Escrow Account

Whistle Tree Development Corp. will establish an escrow account with a maximum balance of \$5,000 not including account interest, for the purpose of making repairs and/or plant replacements. The account will be subject to the following conditions:

1. These funds will be kept in a separate account established in a local bank. The account will be under the company's control.
2. The company will surcharge each customer its appropriate share¹. Initially the shares will be billed over two consecutive billing cycles each consisting of: (duplexes and single family homes \$37.47; triplexes \$62.57; motel \$1,125.00; and two-family homes \$74.93) and deposit the money collected into the escrow account. When the amount of money collected reaches \$5,000, Whistle Tree will stop billing each customer. As money is used from the escrow account for repairs and plant replacements, Whistle Tree will be permitted to replenish the escrow account to the \$5,000 level. This will be accomplished by billing each customer an appropriate share of the money required to replenish the escrow account to the \$5,000 level.
3. This account shall bear interest and such interest shall remain in the account and be used to cover expenses or reduce replenishment amounts. In addition, the company will have access to the funds in this account solely for the purposes noted above and any associated revenue taxes.
4. The company will submit to the Chief, Water Rates Section within 30 days after the end of each calendar year, copies of all escrow account bank statements with a complete accounting of all deposits and withdrawals. A complete explanation of what all withdrawals were used for including copies of bills will also be required with this submission.

Issued By: Guy Chirico, Pres., Route 23A, Hunter, NY 12442
(Name of Officer, Title, and address)

¹Duplexes and single-family homes - 1.5%, Triplexes - 2.5%, Motel - 45%, two-family homes - 3%.