STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on September 18, 2025

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 24-W-0163 - New Tariff Schedule P.S.C. No. 3 – Water, Filed by Bloomingburg Water Transportation Company, Inc. to Establish Expense-Based Rates and a Mechanism for Expansion of the Service Area.

ORDER APPROVING NEW TARIFF AND AUTHORIZING FINANCING

(Issued and Effective September 19, 2025)

BY THE COMMISSION:

INTRODUCTION

On March 14, 2024, Bloomingburg Water Transportation Company, Inc. (Bloomingburg or the Company) filed a new tariff schedule, P.S.C. No. 3 – Water, which sets forth the charges, rules, and regulations under which Bloomingburg proposes to provide service. The Company proposed to collect annual base delivery revenues in the amount of $385,317. The filed tariff schedule also includes terms and conditions for extending the service beyond the established service territory, including an applicant contribution. The proposed tariff filing would become effective December 28, 2025. Along with the tariff filing, Bloomingburg filed a petition requesting authorization under Public Service Law (PSL) §89-f, to enter into a long-term loan with a principal amount not to exceed $1.3 million. Bloomingburg proposes to use the funds to construct a filtration plant, as required by the Sullivan County Department of Health (DOH).

By this Order, the Commission: (1) authorizes Bloomingburg to collect annual base delivery revenues in the amount of $437,628; (2) directs the Company to file revised leaves to its tariff schedule P.S.C. No. 3 – Water, to effectuate the terms and provisions of this Order to become effective October 1, 2025; (3) denies the proposed tariff language requiring an applicant contribution for extending service beyond the authorized service territory; (4) authorizes the Company to enter into a long-term loan for a principal amount of up to $1.3 million and directs the Company to file the final terms of the loan; (5) directs the Company to develop and file meter testing plans and procedures; and (6) directs the Company to update its billing invoices and customer facing materials.

BACKGROUND

Service Area

Bloomingburg is a domestic transportation corporation, incorporated on June 22, 2010. The Company provides unmetered water service in the Village of Bloomingburg and Town of Mamakating, Sullivan County, to 107 customers that are members of The Villages of Chestnut Ridge Homeowners Association (Chestnut Ridge). Bloomingburg does not provide fire protection service.

System History

Bloomingburg filed its initial tariff schedule for water service to Chestnut Ridge and requested waiver of the Commission's rate setting authority pursuant to PSL §5(4) as the

Company’s water system was to be controlled by Chestnut Ridge.[1] While Chestnut Ridge did not have occupants to take water service at the time of the Commission’s review, the Commission approved this exemption as the Company had indicated Chestnut Ridge would control the water system for the purpose of distributing water only to its members, who would have an interest and voice in the Company’s operation.[2] Leaf No. 12 of Bloomingburg’s current tariff states rates are based on assessing the actual operating and maintenance costs equally among association members.

However, Bloomingburg did not ultimately transfer ownership of the water system to Chestnut Ridge, which Bloomingburg denoted in a proposed contract for water service to Chestnut Ridge and Winterton Condominium developments that identified the real estate developer of Chestnut Ridge as the sole owner of Bloomingburg.[3] Therefore, in the 2023 Withdrawal Order, the Commission determined that the Company was not eligible for exemption from the Commission’s rate setting authority and Bloomingburg’s proposed tariff to continue such an exception could not be approved. In the Commission’s 2023 Withdrawal Order, the Commission found that the ownership of Bloomingburg and its relation to the customer base did not align with PSL §5(4) and directed the Company to file a tariff

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[1] Case 15-W-0363, Bloomingburg Water Transportation Company, Inc. – Rates, Initial Tariff Schedule, P.S.C. No. 1 – Water (Home Owners Association) (filed June 19, 2015).

[2] Case 15-W-0363, supra, Order Approving Tariff Schedule and a Waiver of the Commission’s Rate Setting Authority (issued October 22, 2015) (Order Approving Waiver).

[3] Case 22-W-0499, Bloomingburg Water Transportation Company, Inc. – New Schedule, Order Approving Withdrawal of Tariff Filing (issued June 26, 2023) (2023 Withdrawal Order), p. 4.

schedule with expense-based rates with the Secretary to the Commission.

System Condition

According to a sanitary survey report issued by DOH on January 26, 2024, DOH cited the Company for seven deficiencies including: 1) the need to raise a well casing, 2) necessary repairs to an eye wash station, 3) the need for removal of a tree near the storage tank, 4) the need for recommended cleaning and inspection of the storage tank, 5) need for a groundwater under direct influence (GWUDI) evaluation of one of the supply wells, 6) the need for additional treatment to address excess iron and hydrogen sulfide levels, and 7) the need for repairs to the system access roads.[4] The Company explained that the eye wash station repair, well casing, and tree removal work were all scheduled to be completed by May 30, 2024.[5] The Company explained that it has contracted for the tank inspection and would abide by the resulting recommendation, and that it was assessing the road condition and seeking estimates for the necessary work. Additionally, the filtration upgrades discussed herein are meant to address the water quality issues.

Tariff and Petition Filings

On March 14, 2024, Bloomingburg filed a new tariff schedule, P.S.C. No. 3 – Water, in compliance with the 2023 Withdrawal Order, with proposed base delivery revenues of $385,317. This proposed tariff schedule would amend the current service territory (the Villages of Chestnut Ridge development) to include the Emerald Living Estates development and Winterton Condominiums complex. The Company proposes metered rates and estimates the average customer bill would be $57.10 per month

[4] Response to Information Request (IR) DPS-12.

[5] Response to IR DPS-21.

and $685.20 per year based on approximately 562 customers, inclusive of the additional customers anticipated from the full build out of the Company’s proposed expanded service area. The proposed tariff also includes provisions to allow the Company to extend service beyond these three developments, including a required applicant contribution of $8,720 per dwelling unit towards building additional supply facilities for prospective customers outside these developments. The proposed tariff had an effective date of September 1, 2024, but was suspended through December 28, 2025.[6]

In addition, the Company requests permission to enter into a long-term loan with a principal amount not to exceed $1.3 million, to be paid back over a 30-year term, bearing a 7.0 percent interest rate, and having a $104,762.32 annual payment. The Company proposes to use this loan to finance the construction of a filtration plant and states the filtration plant would be required with or without its proposed expansion of the Bloomingburg’s service area.

The Company also requests a waiver of the statutory requirements for newspaper publication outlined in PSL §89-c(10) and Title 16 of the New York Codes, Rules and Regulations (16 NYCRR) §720-8.1 for newspaper publication because it has individually notified its customers of the proposed tariff filing. On October 10, 2025, the Company provided a copy of the

[6] On August 21, 2024, the Commission approved postponing the tariff revisions to December 1, 2024. On October 23, 2024, the Commission approved further postponement of the tariff revisions to March 1, 2025. On February 14, 2025, the Commission issued the Order Suspending Tariff Filing, suspending the tariff revisions through June 28, 2025. On June 13, 2025, the Commission issued the Order Further Suspending Tariff Filing, further suspending the tariff revisions through December 28, 2025, to allow time to facilitate Department of Public Service (DPS) staff’s review.

letter it sent to its customers on May 22, 2024, notifying them of the rate filing.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking was published in the State Register on May 15, 2024 [SAPA No. 24-W-0163SP1]. The time for submission of comments pursuant to the Notice expired on July 15, 2024. No comments were received.

STATE ENVIRONMENTAL QUALITY REVIEW ACT

Under the State Environmental Quality Review Act (SEQRA), Article 8 of the Environmental Conservation Law, and its implementing regulations, (6 NYCRR Part 617 and 16 NYCRR Part 7), all State agencies must determine whether the actions they take, or grant approval of, may have a significant impact on the environment.

The proposed action is a request for approval for the Company to extend water service outside its franchise area to provide water service to the Emerald Living Estates development and Winterton Condominiums complex. The proposed action before the Commission would involve connecting the developments to existing water mains of Bloomingburg. The construction will occur in an already disturbed area, which meets the criteria for a Type II action found at 6 NYCRR §617.5(c)(13).[7] The Commission concludes, based upon the criteria for determining significance listed under 6 NYCRR §617.5(c), that the action proposed in the

[7] Six NYCRR §617.5(c)(13) provides: "extension of utility distribution facilities, including … water … connections to render service in approved subdivisions or in connection with any action on this list."

filing, as a Type II action, is not subject to review under SEQRA.

LEGAL AUTHORITY

Pursuant to PSL §§ 89-b and 89-c, the Commission has the legal authority over general operation of water-works corporations, including, the filing and maintenance of tariff schedules. Under PSL §89-f, a water utility may only issue evidence of indebtedness for periods of more than 12 months with authorization of the Commission. Therefore, the Commission has the authority to modify, reject, or approve the Company's requests addressed herein.

DISCUSSION

Bloomingburg's tariff filing requests Commission authorization to collect annual base delivery revenues in the amount of $385,317. The Company based its forecasted operation and maintenance (O&M) expenses, operating revenues, and delivery rates on the approximately 562 customers that it expects to serve by 2030.[8] The Company did not specify a rate year, but because the Commission is authorizing rates effective October 1, 2025, the Commission adopts a rate year of the twelve months ending September 30, 2026 (Rate Year). By this Order, the Commission authorizes total annual base delivery revenues of $437,628. The authorized base delivery revenues reflect updates to the Company's forecasted depreciation expense, rate base, and rate of return. Appendix B to this Order sets forth the revenue requirement, including a summary of the Commission's

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[8] Response to IR DPS-30. The Company currently has 107 customers and expects to add an average of about 75 customers each year until 2030.

adjustments. We discuss our review of the Company's filing and adjustments thereto below.

Operation and Maintenance Expenses

The Company forecasted O&M expenses in the amount of $226,608. The forecasted O&M expenses include the following: Officer's Salary (Management Fees); Contracted Operations; Purchased Power; Customer Relations, Billing, and Bookkeeping; and Repairs and Maintenance. Bloomingburg was unable to provide actual historical costs to justify its forecast as such costs were historically co-mingled with Chestnut Ridge's non-water utility costs; instead, the Company forecasted these expenses based on quotes and estimates provided by its management company and sub-contracted third-party operator, as both will be collectively responsible for overseeing the day-to-day operations, billing, and consumer services of the Company.[9] The Company's forecast reflects its anticipated service requirements as well as the O&M expenses that it would incur at full build out, including the increased operational requirements of the new filtration plant.

In addition to the quotes and estimates, the Company utilized the rates and expenses of a nearby water utility, Emerald Green Lake Louise Marie Water Company, Inc. (Emerald Green), for comparative purposes to support its proposal. Emerald Green is a well-maintained system with comprehensive staffing. Further, the Commission recently established rates for Emerald Green in Case 24-W-0688.[10] Thus, the Commission finds Emerald Green to be an appropriate point of comparison.

[9] Updated responses to DPS-07 and DPS-17.

[10] Case 23-W-0688, Emerald Green Lake Louise Marie Water Company, Inc. – Rates, Order Determining Revenue Requirement and Directing Cancellation of Emergency Repair Escrow Account (issued April 28, 2025).

Using Emerald Green as a benchmark, Bloomingburg's total revenue requirement per capita is significantly lower, and the expenses proposed are either commensurate or lower per capita. As a result, the Commission finds Bloomingburg's forecasted expenses to be reasonable as they are based on Bloomingburg's provided quotes and estimates and are commensurate with Emerald Green's expenses.[11]

However, going forward, we remind the Company to maintain detailed records related to the operation of its water system including, but not limited to, sales, O&M expenses, and operating revenues to provide the Commission sufficient records to make necessary determinations. Pursuant to 16 NYCRR §543.1, waterworks corporations are to: "retain possession of all accounts, books, contracts, records, documents and papers, and hold them for inspection by the Public Service Commission or its agents or employees at the principal office of such corporation, company, association, joint stock association, partnership and person under the jurisdiction of this commission until this commission has approved of the transfer of its or their property."

Depreciation Expense

Bloomingburg forecasted annual depreciation expense of $41,300 for the Rate Year. The Company's forecast utilized a depreciation rate of three percent for existing plant investments related to mains, valves, and hydrants, totaling $293,432 and a depreciation rate of two and a half percent for the new water filtration plant, which the Company forecasted to cost approximately $1.3 million based on its consultant's construction estimates. The existing plant investments and new filtration plant expenditures include organizational costs

[11] Response to IR DPS-20.

(legal), engineering and design work, water mains, and general plant/infrastructure.[12]

As is common for small water utilities, Bloomingburg did not provide a depreciation study. Therefore, the Commission determines depreciation expense by utilizing a straight-line depreciation methodology reflecting the depreciation rates and average service lives as adopted in other recent water utility rate proceedings. In this instance, the Commission uses the depreciation study approved in the most recent major rate proceeding for Veolia Water New York, Inc.[13] Appendix C to this Order sets forth the Commission-authorized plant model and the applicable depreciation rates applied to Bloomingburg's depreciable assets. Based on this calculation, the Commission authorizes an annual depreciation expense of $58,653, or an increase of $17,353 from Bloomingburg's forecasted amount.

Rate Base

The Company forecasted a rate base of $1,593,432 comprised solely of plant-in-service, stemming from existing plant investments of $293,432 and the investment for the new filtration plant of $1.3 million. The Commission makes no adjustments to the Company's forecasted plant-in-service balance of $1,593,432. However, the Commission adjusts the Company's filed rate base to reflect adjustments to accumulated depreciation and working capital, as discussed below. Cumulatively, the Commission's adjustments to accumulated depreciation and working capital result in a total rate base of $1,608,937. The Commission's adjustments to rate base and the

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[12] Response to IR DPS-09 and DPS-16.

[13] Case 23-W-0111, Veolia Water New York, Inc. – Rates, Order Adopting Joint Proposal as Modified and Establishing Rate Plan (issued May 16, 2024).

components of the Commission's authorized rate base are shown in Appendix B to this Order.

1. Accumulated Depreciation

The Company did not reflect any accumulated depreciation in its forecasted rate base. However, upon review, the Company installed several water main replacements prior to this pending rate filing. The annual depreciation on these assets needs to be reflected in the accumulated depreciation. Therefore, the Commission adjusts the accumulated depreciation to include the costs associated with these assets, totaling $12,821.

2. Working Capital Allowance

The working capital allowance recognizes a utility's need to have access to funds to pay for certain operating costs prior to receiving revenues from bills paid by customers. The working capital allowance for small water utilities generally consists of prepayments and a cash working capital allowance.

Bloomingburg did not show any forecasted prepayments in its filing. Regarding cash working capital allowance, the Commission calculates it by determining the Company's total O&M expenses subject to cash working capital or O&M expenses less any non-cash or prepaid expenses. The Company's total forecasted O&M expenses for the Rate Year are $226,608. Since the Company bills monthly in arrears, the Commission calculates a rate of 12.50 percent to reflect the lag of approximately 45 days between when the Company provides service and when the Company receives payment. The Commission then applies that rate to the O&M expenses subject to cash working capital to arrive at a working capital allowance of $28,326.

Long-Term Loan and Reimbursement Margin

Bloomingburg requested authorization to enter into a long-term loan of up to $1.3 million to fund the construction of a filtration plant. The Company provided a draft promissory note and loan agreement that reflects an interest rate of 7.0 percent and a term of 30 years.[14] Pursuant to PSL §89-f, a water-works corporation must receive authorization from the Commission prior to issuing evidence of indebtedness with a period greater than 12 months and may not incur such debts to pay for operational expenses. In accordance with PSL §89-f, the Commission applies a two-part test in considering such a financing petition: the corporation must demonstrate both an adequate basis for the amount sought and a need for the financing.

Generally, the Commission determines the adequacy of an amount of indebtedness by examining the utility's reimbursement margin. The reimbursement margin reflects the amount of net plant and other rate base items not funded by debt. The historical reimbursement margin measures the amount of actual net plant and other rate base items not funded by debt at a point in time. The pro-forma reimbursement margin reflects the change in the reimbursement margin over the period relevant to the financing request. It is calculated by forecasting regulated plant expenditures and planned loan redemptions, less internal sources of funds (e.g., depreciation expenses and associated deferred taxes) and any financing authority previously approved but not issued.

However, in this case, the Company is constructing a new filtration plant and has no existing historical reimbursement margin. Bloomingburg forecasted investing $650,000 in the new filtration plant in 2025 and using the remining $650,000 in 2026. The Commission developed a pro-forma reimbursement margin of $1,520,116, which reflects the Company's

[14] Response to IR DPS-24.

proposed financing. After considering the $1.3 million request to fund the filtration plant, the Commission finds that Bloomingburg will have an estimated excess margin of $220,116 based on projections through the period ending December 31, 2026. As shown in Appendix D to this Order, the reimbursement margin is sufficient to support the Company's financing request. Therefore, the Commission finds there is an adequate basis for the amount sought.

With respect to ascertaining Bloomingburg's need for the $1.3 million request, the Commission typically considers a Company's forecast of its net cash flow from operations, excluding net income, together with its projected capital expenditures and planned financing activities. To construct the new filtration plant, the Company projects capital expenditures of approximately $650,000 in 2025 and $650,000 in 2026. The capital expenditures include excavation, plumbing, electrical and engineering fees.[15] Bloomingburg's internal sources of funds consist of depreciation, which we forecast to be $73,316 for the period ending December 31, 2026. Therefore, Bloomingburg has a need for roughly $1,226,684 to cover the cost of the new filtration plant. As such, the Commission finds there is sufficient need for the requested amount to provide the Company sufficient flexibility, and authorizes Bloomingburg to enter into a long-term loan to borrow up to $1.3 million to fund the construction of the new filtration plant.[16] Additionally, the

[15] Response to IR DPS-16.

[16] As previously noted, the Company currently serves 107 customers and forecasts that it will build out to serve approximately 562 customers by 2030. In the event the Company does not have enough revenues to fund the loan payments during the initial expansion, the Company indicates on page 2 of its petition that its stockholders will fund any remaining annual loan balances.

Commission directs the Company to file with the Secretary to the Commission a copy of the final loan terms, a timetable specifying the Company's schedule of payments, and the resulting date the debt will be paid off no later than 30 days after issuance of the long-term debt.

Rate of Return

The Company requested a Pre-Tax Rate of Return (PTROR) of 7.37 percent in its filing. As of August 14, 2025, the PTROR for small water utilities ranges from 8.97 to 9.97 percent. The PTROR for small water utilities is calculated based on the most recent PTRORs authorized by the Commission for investor-owned utilities under its jurisdiction, over the past two years, utilizing at least five or more data points.[17] In this instance, the Commission utilized the PTROR from five electric and gas rate proceedings.[18] In assessing the risk level between a typical small water utility compared to an investment grade electric, gas, or water utility, an upward adjustment to the average PTROR is necessary by taking 50 percent of the bond

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[17] Case 24-W-0085, Rainbow Water Company, Inc. – Rates, Order Determining Revenue Requirement, Rate Design, and Directing Cancellation of the Escrow Account Statement (issued October 17, 2024).

[18] Cases 24-E-0461 and 24-G-0462, Central Hudson Gas & Electric Corporation - Rates, Order Adopting Terms of a Joint Proposal and Establishing Electric and Gas Rate Plans (issued August 14, 2025); Cases 24-E-0322 and 24-G-0323, Niagara Mohawk Power Corporation d/b/a National Grid – Rates, Order Adopting Terms of Joint Proposal and Establishing Rate Plans (issued August 14, 2025); Case 24-G-0447, Corning Natural Gas Corporation – Rates, Order Adopting Terms of Joint Proposal and Establishing Gas Rate Plan (issued June 12, 2025); Cases 24-E-0060 and 24-G-0061, Orange and Rockland Utilities, Inc. – Rates, Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans (issued March 20, 2025); and Case 23-G-0627, National Fuel Gas Distribution Corporation – Rates, Order Adopting Terms of Joint Proposal and Establishing Gas Rate Plan with Minor Modifications (issued December 19, 2024).

yield differential between BB and A-rated corporate bonds. This adjustment is necessary because smaller water utilities do not have the ability to access credit markets and would generally not be considered investment grade.

Historically, to determine the appropriate PTROR, the Commission considers the overall operational condition as well as the daily management quality of a utility to determine a reasonable PTROR from within the calculated range.[19] In this instance, Bloomingburg is proposing significant changes to its operations in order to fulfill DOH requirements, will be implementing metered service without seeking recovery of such cost, will improve customer operations through licensed operators and management, and will be heavily subsidizing operations to mitigate bill impacts during the proposed build out of the system. Accordingly, the Commission finds it reasonable to authorize a PTROR at the mid-point of the range of 9.47 percent.

Rate Design

The Company proposed a monthly charge of $25.50 with a usage allowance of 3,000 gallons and a volumetric rate of $8.54 per 1,000 gallons above the allowance for a 5/8-inch meter. The Company also provided rates for a 3/4-inch meter, but states that it expects all current and forecasted customers will utilize a 5/8-inch service connection.[20]

[19] See Case 22-W-0281, Heritage Estates Homeowners Association, LTD. - Rates, Order Determining Revenue Requirement and Approving Electronic Tariff (issued November 21, 2022) and Case 20-W-0423, Bristol Water Works Corporation – Rates, Order Determining Revenue Requirement (issued December 17, 2021).

[20] Response to IR DPS-30. The Company proposed a monthly minimum charge of $34.15 for a 3/4-inch meter, with an allowance of 4,000 gallons, using the same volumetric rate as it proposed for a 5/8-inch meter.

At an anticipated monthly usage of 6,700 gallons, the Company's proposed rates result in a monthly bill of $57.09 and an annual customer bill of $685.10. The Company forecasted annual sales and designed its rates based on average demand per bedroom of 110 gallons and an average of 2 bedrooms per unit (6,700 gallons per month).[21] This monthly per capita demand results in a total annual demand forecast of 45,128,600 gallons. By dividing Bloomingburg's proposed annual revenue requirement by this volume, the Company determined its volumetric consumption rate and the minimum charges based on the respective water usage allowances.

The Commission finds this anticipated demand and the resulting rate design and revenue allocation to be reasonable, until such time the actual customer base is known and the associated demand and sales are recorded via meters. As described above, the Commission authorizes annual base delivery revenues of $437,628. Utilizing the Company's demand forecast, this results in a volumetric rate of $9.70 per thousand gallons. Based on this, the Commission authorizes a minimum charge of $29.09 for a 5/8-inch meter with an allowance of 3,000 gallons. The implementation of the volumetric rate does, of course, necessitate the installation of meters, and the Company states that it expects such installations will take between three and five months following a Commission decision.[22] Until such time as a customer has a meter installed, the Company shall only bill the minimum charge for service. Therefore, prior to meter installation, the average monthly bill will be $29.09, with an average annual customer bill of $349.08. After meter

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[21] Response to IR DPS-18. Per the Company's response, this figure also aligns with figures from the New York State Department of Health on demand per bedroom.

[22] Response to IR DPS-29.

installation, the Commission estimates that the average monthly bill will be $64.97, with an average annual customer bill of $779.67.[23] Appendices E and F to this Order show the Commission authorized rates and the resultant bill impacts when compared to the Company's proposed rates after meter installation, respectively.

Service Territory and Territory Extensions

As part of its tariff filing, the Company proposed to redefine its current service territory to include the Emerald Living Estates and Winterton Condominium developments, in addition to the existing Villages of Chestnut Ridge development. The Company states it has received approval from both the Village of Bloomingburg and the Department of Environmental Conservation to serve the additional two developments. In addition, according to the petition, the Company has a water main in front of the Winterton properties, which the condominium development can connect to, and the proposed action to expand territory would not involve the construction of any new water mains.[24] The Company estimates that these new developments would, over the course of several years, result in the current customer base growing by approximately 450 customers, resulting in a larger customer base over which the Company could spread the recovery of its operating costs. This larger customer base could create a more stable economy of scale, improve the Company's viability, and help mitigate the impact of the necessary capital improvements. Additionally, the Company has indicated it has sufficient water capacity to serve these

[23] The Commission utilizes the same methodology and authorizes a minimum charge of $34.15 for a 3/4-inch meter, based on an allowance of 4,000 gallons.

[24] Petition, p. 3.

developments.[25] Therefore, this expansion of service area to include Emerald Living Estates and Winterton Condominium developments and the associated tariff amendment is approved.

Leaves three, seven and eight of the Company's proposed tariff schedule contain proposed language and procedures for extending service to additional customers beyond the Emerald Living Estates and Winterton Condominiums developments. These amendments generally state that main extensions service installations would abide by 16 NYCRR Parts 501 and 502, with the exceptions of funding provisions. Specifically, the applicant would either construct at its cost or purchase the necessary mains, services, and appurtenances required to provide service and connect to the Company's existing mains. Upon completion, the applicant would then convey the mains and appurtenances to the Company, along with any necessary easements. Additionally, the Company would require the applicant to make a contribution in aid of construction of $8,720 per dwelling unit to fund additional supply-related facilities. In its filing, the Company specified that this contribution would fund additional water supply, necessary to serve an additional 250 units beyond the Emerald Living Estates and Winterton Condominium developments.[26]

Bloomingburg stated that these contributions and associated additional facilities would involve acquisition of land to house a new well, and potential treatment for said well water.[27] However, the Company acknowledges the estimated cost would vary greatly depending on the location of this future well, and it has not yet identified or acquired the required

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[25] Response to IR DPS-30.

[26] Petition, p. 3.

[27] Response to IR DPS-28.

land.[28] Further, as previously mentioned, the Company does not anticipate the completion of the build out of the system for the Emerald Living Estates and Winterton Condominium developments until 2030. In addition, the requests or need for further expansion is uncertain.

Therefore, the proposed contribution in aid of construction and exemptions from certain parts of 16 NYCRR Parts 501 and 502 are premature and not adequately justified. As such, the Commission denies Bloomingburg's proposed tariff language for further service territory extensions beyond Emerald Living Estates and Winterton Condominium and the proposed contribution in aid of construction. We instead direct the Company to adopt the language in the standard small water company tariff pertaining to service territory extensions and service line installations.[29] Appendix E to this Order presents this language, along with other necessary tariff revisions.

Consumer Services

As previously discussed, many of the Company's functions and operations have been co-mingled with those of the Chestnut Ridge. Going forward, Bloomingburg will be fully regulated by the Commission, and its operating revenues will exceed the annual gross revenue threshold of $250,000. Accordingly, Bloomingburg must comply with 16 NYCRR Part 14 regarding residential consumer protections. As such, with guidance from DPS staff, the Company is directed to create customer billing invoices, customer notices, offer deferred payment agreements, and establish customer complaint resolution procedures that are compliant with 16 NYCRR Part 14. Also, the

[28] Id.

[29] Case 07-W-0929, Electronic Tariff Filings for Water Corporations, Order Delegating Authority Concerning Water Company Tariffs (issued June 12, 2008).

Company shall provide a customer notification letter advising customers of the Company's schedule for meter-related work in its service area no later than October 15, 2025. The Company shall update its customer bills to properly inform customers how they may contact the Department of Public Service to file complaints and receive assistance, as shown in the memorandum contained in Appendix G to this Order. The Company is directed to file sample copies of each of the documents, with any personal customer information redacted, with the Secretary to the Commission, no later than October 15, 2025. Finally, the Company estimates it will install meters for each of its existing customers before April 1, 2026.[30] Therefore, Bloomingburg is directed to prepare and submit a meter testing plan compliant with 16 NYCRR §§500.1, 500.5, and 500.6, no later than October 15, 2026.

Tariff Schedule and Further Revisions

As discussed above, the Commission denies the Company's proposed language concerning extension of service to customers outside of the three developments and the associated applicant contribution. The Commission also directs other further revisions, as discussed below.

On Leaf No. five, the Company added a new bullet B to General Rules stating, "Any changes in the identity of the contracting customer at a premises will require a new application and the Company may, after reasonable notice, discontinue the water service until a new application has been made and accepted." Generally, this language is unnecessary as a new application is necessary for a new customer. Further, the

[30] In its response to IR DPS-27.2(c), Bloomingburg states it planned to install meters after receiving approval from the Commission. Further, Bloomingburg anticipates installing meters for the existing customers will take between three and five months.

Company will now be subject to 16 NYCRR Part 14 as its annual revenues will exceed the threshold of $250,000. The terms governing the termination of service under 16 NYCRR Part 14 addresses situations in which service may be terminated. As such, the Commission denies this proposed tariff addition.

To ensure compliance with 16 NYCRR Part 14, the Commission also directs a number of other revisions. The Company is directed to revise Leaf No. seven to contain No Access Procedures, as described in 16 NYCRR §14.12. The terms for "Discontinuance of Service – Non-Payment" require revisions to comply with 16 NYCRR §14.4 to specify the instances in which service may be discontinued, and the dates and periods when service will not be terminated. The Company is directed to remove language that permits Bloomingburg to disconnect a customer's service when a customer fails to protect the meter and connection as well as when a customer fails to provide access under the subsection for "Discontinuance of Service – Other". Finally, the Commission directs Bloomingburg to revise part A of the subsection "Discontinuance of Service – Special Provisions" to adopt the language in 16 NYCRR §14.5(c)(1).

The Commission also directs the inclusion of Juneteenth in the list of public holidays identified on leaf No. 10 and to add the term "in arrears" to Leaf No. 13 under the subsection "Terms of Payment" to clarify when bills will be issued to customers. In addition, the Commission notes two references to "member" on Leaf No. 11, which should be revised to "customer" for consistency and clarity.

These directed revisions, along with the Commission authorized rates, are shown in tariff leaves contained in Appendix E to this Order. The Commission directs Bloomingburg to file a cancellation supplement, cancelling P.S.C. No. 1 –

Water in its entirety and to file revised tariff leaves under schedule P.S.C. No. 3 – Water, consistent with this Order.

Reporting Service Interruptions

The Commission also takes this opportunity to remind the Company that it must immediately notify DPS staff of all interruptions to, or major impairments of, water service, which are events with a duration of four hours or more that affect five or more customers or one percent of the total number of customers served, whichever is larger, or that affect the availability of water at fire hydrants.[31] DPS staff distributed a letter dated December 18, 2024, to all small water companies reminding them of this requirement. Appendix H contains a copy of that letter.

Customer Notification

The Commission waives the requirement of newspaper publication as required by PSL §89-c(10) and 16 NYCRR §720-8.1 for the Company's rate filing and the further tariff revisions directed in this Order. The Company previously notified its customers of its proposed tariff revisions by letter dated April 15, 2024. Bloomingburg is directed to provide direct notification to its customers of the Commission's determination in this Order and file a copy with the Secretary to the Commission no later than 30 days after the issuance of this Order.

CONCLUSION

Based on the foregoing, the Commission authorizes Bloomingburg to establish rates designed to collect annual base delivery revenues of $437,628 and to extend its existing service territory to include the Emerald Living Estates and Winterton

[31] Sixteen NYCRR §503.3(b).

Condominium developments. The Commission denies the Company's request to include terms in its tariff regarding the extension of service beyond the Villages of Chestnut Ridge, Emerald Living Estates, and Winterton Condominium developments, including the proposed applicant contribution, as the request has not been properly justified and is currently premature. We also direct Bloomingburg to make further tariff revisions for compliance with 16 NYCRR Part 14 and for clarity.

The Commission also authorizes the Company to enter into a long-term loan agreement for a principal amount of up to $1.3 million, which will be used exclusively for the construction of a new filtration plant. The Company is directed to file a timetable specifying the Company's schedule of payments and the resulting date the debt will be paid off.

The Commission waives the requirements for newspaper publication for the tariff revisions addressed in this Order, directs the Company to notify its customers of the Commission's determination in this Order, and directs Bloomingburg to file a copy of said notice with the Secretary to the Commission.

<u>The Commission orders</u>:

1. Bloomingburg Water Transportation Company, Inc. is directed to file a cancellation supplement, on not less than five days' notice, effective October 1, 2025, cancelling its tariff schedule, P.S.C. No. 1 – Water, in its entirety.

2. Bloomingburg Water Transportation Company, Inc. is directed to file a cancellation supplement, on not less than five days' notice, effective October 1, 2025, cancelling the tariff amendments and supplements listed in the Appendix A.

3. Bloomingburg Water Transportation Company, Inc. is directed to file revisions to P.S.C. No. 3 - Water, on not less than five days' notice to become effective October 1, 2025, to

effectuate the rates and charges authorized by this Order and those further revisions discussed herein, as shown in Appendix E to this Order.

4. The Commission authorizes Bloomingburg Water Transportation Company, Inc. to enter into a long-term loan agreement to fund construction of a filtration plant, as discussed in the body of this Order.

5. Bloomingburg Water Transportation Company, Inc. is directed to file with the Secretary to the Commission, no later than October 15, 2025, sample copies of the customer notification letter advising customers of the Company’s schedule for the utility work in its service area to install, remove, test, or replace its meters and equipment, annual customer notifications and forms it will use, inclusive of the content contained in Title 16 of the New York Codes, Rules and Regulations (16 NYCRR) §14.10 for deferred payment agreements, customer complaint resolution procedures, and 16 NYCRR §14.16 for notice requirements, as discussed in this Order.

6. Bloomingburg Water Transportation Company, Inc. is directed to file with the Secretary to the Commission, no later than October 15, 2025, a redacted sample copy of its customer billing statement inclusive of the required contents contained in Title 16 of the New York Codes, Rules and Regulations §14.15 and the Department of Public Service contact information, as discussed in this Order.

7. Bloomingburg Water Transportation Company, Inc. is directed to file a meter testing plan that conforms with Title 16 of the New York Codes, Rules and Regulations §§500.1, 500.5, and 500.6 with the Secretary to the Commission, no later than October 15, 2026.

8. The requirements of Public Service Law §89-c(10) and Title 16 of the New York Codes, Rules and Regulations §720-8.1 as to newspaper publication are waived.

9. Bloomingburg Water Transportation Company, Inc. is directed to provide its customers with notification of the Commission's determination in this proceeding no later than October 15, 2025.

10. Bloomingburg Water Transportation Company, Inc. is directed to file with the Secretary to the Commission, no later than October 31, 2025, a copy of the customer notification identified in Ordering Clause No. 9, and an attestation that the Company has complied with Ordering Clause No. 9

11. Bloomingburg Water Transportation Company, Inc. is directed to file with the Secretary to the Commission a copy of the final loan terms, a timetable specifying the Company's schedule of payments, and the resulting date the debt will be paid off no later than 30 days after issuance of the long-term debt.

12. In the Secretary's sole discretion, the deadlines set forth in this Order may be extended. Any request for an extension must be in writing, must include a justification for the extension, and must be filed at least three days prior to the affected deadline.

13. This proceeding is closed pending compliance with Ordering Clause Nos. 1, 2, 3, 5, 6, 7, 9, 10, and 11.

By the Commission,

(SIGNED) MICHELLE L. PHILLIPS
Secretary

Subject: Filing by BLOOMINGBURG WATER TRANSPORTATION COMPANY, INC.

New Tariff Schedule P.S.C. No. 3 – Water

Original Leaves Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13

Suspension Supplement Nos. 3, 4

Issued: March 14, 2024 Effective: September 1, 2024
Suspended through December 28, 2025

SAPA: 24-W-0163SP1 – STATE REGISTER – May 15, 2024

NEWSPAPER PUBLICATION: Waived

Bloomingburg Water Transportation Company, Inc.
Revenue Requirement
For Rate Year October 1, 2025 through September 30, 2026

	Rate Year As Filed	Adj. No.	Adjustments	Rate Year as Adjusted by Commission	Revenue Increase	Commission Approved	Percent Increase
Total Operating Revenues	$ 385,317			$ 385,317	$ 52,311	$ 437,628	13.6%
Operating & Maintenance (O&M):							
Officer's Salary (Management Fees)	$ 56,000			$ 56,000		$ 56,000	
Contracted Operations	$ 90,000			90,000		90,000	
Purchased Power	$ 27,000			27,000		27,000	
Customer Relations, Billing, & Bookkeeping	$ 47,208			47,208		47,208	
Repairs & Maintenance	$ 6,400			6,400		6,400	
Total O&M Expenses	$ 226,608		$ -	$ 226,608	$ -	$ 226,608	
Depreciation Expense	$ 41,300	1	$17,353	$58,653		$ 58,653	
Operating Taxes:							
Total Deductions	$ 267,908		$17,353	$ 285,261		$ 285,261	
Net Operating Income	$ 117,409			$ 100,056	$ 52,311	$ 152,366	
Rate Base	$ 1,593,432	2	$ 15,505	$ 1,608,937		$ 1,608,937	
Pre-Tax Rate of Return	7.37%					9.47%	

Revenue Requirement Calculation	
Rate Base	$ 1,608,937
Rate of Return (ROR)	9.47%
Required Net Income	$ 152,366
Net Income	$ 100,056
Earnings Deficiency	$ 52,311
Retention Factor	100%
Revenue Increase	$ 52,311

Bloomingburg Water Transportation Company, Inc.
Rate Base
For Rate Year October 1, 2025 through September 30, 2026

	As Filed	Adj. No.	Adjustments	Commission Approved
Water Plant				
Water Plant In-Service (WPIS)	$ 293,432			$293,432
Add: Additions for New Filtration Plant	1,300,000			1,300,000
Less: Accumulated Depreciations	-		($12,821)	($12,821)
Net Water Plant In-Service	$ 1,593,432		$ (12,821)	$1,580,611
Working Capital	$ -		$ 28,326	$ 28,326
Total Rate Base	$ 1,593,432		$ 15,505	$ 1,608,937

Working Capital Allowance

	As Filed	Adjustments	Commission Approved
Cash Working Capital Allowance			
Total O&M Expense			$ 226,608
Less:			
Adjustments	$ -		$ -
Total Adjustments	$ -		$ -
Total O&M Expense Subject to CWC Allowance	$ -		$ 226,608
Cash Working Capital Allowance @ 12.5%	$ -	$ 28,326	$ 28,326
Total Working Capital	$ -	$ 28,326	$ 28,326

Monthly Billing Allowance

	As Filed	Commission Approved
Average Service Lag	15	15
Delay in Collections	30	30
Total	45	45
45 Days/360 Days	12.50%	12.50%

Bloomingburg Water Transportation Company, Inc.
Explanation of Adjustments
For Rate Year October 1, 2025 through September 30, 2026

		Adjustment Amount
1	Depreciation	
	To reflect adjustments to depreciation rates	$17,353
2a	Rate Base	
	To track adjustments in depreciation rates, accumulated depreciation and working capital.	($12,821)
2b	Working Capital	
	To track Cash Working Capital Allowance adjustment.	$ 28,326

Rate Base Funded From Equity		Cost	Contributed by Developer	Water Plant in Service	Annual Deprc %	Annual Depreciation Expense	Years In Service	Accumulated Depreciation
12/30/2022	**Organization Costs, Attorney Fees**	8,200	$0	$8,200	0.00%			
12/30/2022	**Organization Costs, Engineering Fees**	36,032	$0	$36,032	0.00%			
12/30/2022	**Water Mains-Pro Site Work Inc.**	105,771	$0	$105,771	1.47%	$1,554.83	3.5	$5,442
12/30/2022	**Water Mains-Joe the Plumber**	63,958	$0	$63,958	1.47%	$940.18	3.5	$3,291
12/30/2022	**Water Mains-Laser East Inc**	14,006	$0	$14,006	1.47%	$205.89	3.5	$721
12/30/2022	**Water Mains-RSBM Excavating LLC**	58,576	$0	$58,576	1.47%	$861.06	3.5	$3,014
12/30/2022	**Water Mains-General Contractor**	6,890	$0	$6,890	1.47%	$101.28	3.5	$354
TBD	**Struct/Imprvmnt- Gen Plant-**	1,300,000	$0	$1,300,000	4.23%	$54,990.00	0.0	$0
TBD	**Water Meters**	62,588	$62,588	$0				
	Total	$1,656,020	$62,588	$1,593,432		$58,653		$12,821

Bloomingburg Water Transportation Company, Inc.
Reimbursement Margin
Pro-Forma at December 31, 2026
Balance Sheet Method

	As Filed	Staff Adjustments	As Adjusted
Net Utility Plant	$ 293,432	$ -	$ 293,432
Long Term Debt	-	-	-
Reimbursable Margin	293,432	-	293,432
Proforma Adjustments:			
New Filtration Plant	1,300,000		1,300,000
Depreciation	(41,300)	(32,016)	(73,316)
Total Pro-Forma Adjustments	1,258,700	(32,016)	1,226,684
Reimbursable Margin before Encumbrances	1,552,132	(32,016)	1,520,116
New Debt	1,300,000	-	1,300,000
Excess Reimbursment Margin	$ 252,132	$ (32,016)	$ 220,116

PSC NO. 3 – WATER

BLOOMINGBURG WATER TRANSPORTATION COMPANY, INC.

SCHEDULE

FOR

WATER SERVICE

APPLICABLE IN

PORTIONS OF THE

VILLAGE OF BLOOMINGBURG
TOWN OF MAMAKATING
SULLIVAN COUNTY

(Note: It will not be necessary to replace this title page in case at a later date the schedule is made to apply to additional territory or area.)

Subsequent changes will be effective as shown on individual leaves.

PSC NO: 3 – WATER **LEAF: 2**
COMPANY: Bloomingburg Water Transportation Company, Inc. **REVISION: 1**
INITIAL EFFECTIVE DATE: October 1, 2025 **SUPERSEDING REVISION: 0**
Issued in Compliance with Commission Order in Case 24-W-0163, dated XXX, 2025

TABLE OF CONTENTS

Issued By: Israel Berkowitz, President, 1 Cherry Ct., Bloomingburg, New York 12721
(Name of Officer, Title, Address)

PSC NO: 3 – WATER **LEAF: 3**
COMPANY: Bloomingburg Water Transportation Company, Inc. **REVISION: 1**
INITIAL EFFECTIVE DATE: October 1, 2025 **SUPERSEDING REVISION: 0**
Issued in Compliance with Commission Order in Case 24-W-0163, dated **XXX**, 2025

GENERAL INFORMATION

1. Territory

"The Villages of Chestnut Ridge" housing development, the "Emerald Living Estates" development, and the "Winterton Condominium" complex of the Village of Bloomingburg and Town of Mamakating, County of Sullivan, State of New York.

2. Application for Water Service

For service within The Villages of Chestnut Ridge, Emerald Living Estates, or the Winterton Condominium:

(i) a written application for service may be required;

(ii) a separate application may be required for each premise;

(iii) the premises may be subject to inspection by the Company;

(iv) applications need not be accepted from customers with charges due on any water accounts with the Company, but the Company will accept an application if the customer enters into a deferred payment agreement; and

(iv) service pipe installations are subject to Company approval.

3. Deposits – Security

A. As a condition of receiving service, the Company may require a deposit from customers that are delinquent (having a bill remaining unpaid 23 days from the date mailed), seasonal, short term or temporary or who have had service terminated for non-payment during the preceding 6 months. In addition, a deposit may also be required from a non-residential customer whose credit has not been established with the Company. A delinquent customer shall be provided with a written notice 20 days before the deposit is assessed which states that failure to make timely payments will permit the Company to require a deposit from such customer.

B. Deposits from applicants and customers may not exceed two times the estimated average monthly bill for a calendar year, except in the case of customers whose usage varies widely where deposits may not exceed twice the average monthly bill for the peak season.

Issued By: Israel Berkowitz, President, 1 Cherry Ct., Bloomingburg, New York 12721
(Name of Officer, Title, Address)

GENERAL INFORMATION

C. The Company shall perform an annual review of the billing history of every customer who has a deposit with the Company to assure that a deposit is still required under (3A) above and that the amount of the deposit conforms with (3B) above. The Company reserves the right to review the deposit at any time. If a review shows that the deposit held falls short of the amount the Company may require by 25 percent or more, the Company may require the payment of an additional amount. If a review shows that the deposit held exceeds the amount required by 25 percent or more, the Company shall refund the excess to the customer. The customer may request a downward revision of the deposit.

4. <u>Deposits – Interest</u>

Every deposit shall earn simple interest at the rate per annum prescribed by the Public Service Commission. The interest must be paid to customers when the deposit is returned. If the deposit has been held for 12 consecutive months or more, the interest must be credited to the customer no later than the first bill rendered after the next succeeding first day of October and at the end of each succeeding 12-month period.

5. <u>Deposits – Return</u>

A. The Company shall return to a customer a deposit or portion of a deposit and all interest thereon no more than 30 days after:

(1) the day the account is closed and all bills are paid; or

(2) the date of the first bill for service rendered after a 12-month period during which time the customer was not delinquent, provided there is no other basis for the Company to request a deposit; or

(3) a review of the deposit shows that a reduction of the deposit is warranted.

B. A deposit or portion of a deposit plus interest thereon that is subject to return may be credited to the customer's account in the amount of any outstanding charges. If any balance remains, a refund check shall be issued.

6. <u>Deposits – Other</u>

A. In the event that the applicant desires service for a trailer or other non-permanent structure, he shall deposit with the Company all costs of the connection of such service. Said deposit shall bear simple interest as required above and shall be refunded at the end of 10 years, or sooner in the event that a permanent structure for such service connection is completed.

B. The Company may also require deposits from customers to guarantee future payments as set forth in lawn sprinkler, main extension, or other forms of contracts which are in a form approved by the Public Service Commission. The interest rates for these deposits will be the same as the interest rates for security deposits and such interest will be credited to the customer as prescribed by Commission rules.

GENERAL INFORMATION

7. General Rules

A. Customers must provide 10 days' written notice prior to the date on which termination of service is requested or prior to a change of occupancy, until which date the customer will be responsible for payment of service.

B. Fire hydrants shall not be used without the written permission of the Company or unless in conformance with filed fire protection tariff provisions.

C. The Company will not be liable for damage resulting from the presence of its facilities, supply, or use of water service, except damage resulting from gross negligence of the Company.

D. The Company may shut off water in its mains to make repairs and extensions. Where possible, proper advance notice will be made to customers affected.

E. The use of water for sprinkling, swimming pools, or other less essential uses may be restricted or prohibited where such use may unreasonably reduce the adequacy of service for other domestic purposes.

F. There must be a separate service for each premise and each dwelling unit.

G. Installation of service pipes and mains will not normally be made when the ground is frozen.

H. The customer is responsible for service pipes and plumbing within the property line. Any plumbing work done on the customer's service pipe is subject to approval by the Company. No underground work shall be covered up until it has been inspected and approved by the Company.

I. All leaks on customer premises or the customer portion of the service pipe must be repaired as soon as possible.

J. All mains, services (up to the property line) and other water system facilities will be maintained and replaced by the Company.

K. The Company will supply water in the distribution system at pressures between 20 and 100 pounds per square inch (psi) and will strive, where practicable, to maintain a normal working pressure of 60 psi with a minimum of 35 psi. If the Company makes changes to its system which cause the pressure to increase to over 100 psi to existing customers, the Company will be responsible for the first installation of the necessary equipment in the customer's premises. From that point on the equipment will be considered part of the customer's internal plumbing and the customer will be responsible for its maintenance or replacement. If a water pressure reducing valve, in the customer's or applicant's opinion, is necessary or desired to safeguard the plumbing, it is the customer's or applicant's responsibility to purchase, install and maintain this equipment. Where a pressure reducing valve is used it is also advisable to install a suitable pressure relief valve. All installations will comply with the local building codes and standards and are considered a part of the customer's internal plumbing.

GENERAL INFORMATION

L. Where an applicant is seeking service at an elevation or gradient which could not otherwise be adequately serviced by existing plant, the Company will require that the applicant bear the additional cost of providing such extraordinary service, or in the alternative, require the applicant to purchase, install and maintain the necessary special equipment, such as a hydro-pneumatic system, needed to serve the premises. The installation of a hydro-pneumatic system as part of the customer's internal plumbing may be subject to approval of the Health Department and should comply with local building codes and standards.

M. Cross connections to water sources other than the Company's or with other facilities are strictly prohibited. Customers must, at their expense, install and maintain such backflow prevention devices as may be required by the Company in accordance with good water works practice or applicable laws or regulations.

N. Customers must permit Company representatives to enter their premises on reasonable request for purposes relating to the operation and maintenance of the Company's system, including inspection of the customer's and the Company's facilities, installation, reading, testing, replacement and removal of meters, and terminating and restoring service.

O. No person shall maliciously, willfully or negligently break, damage, destroy, uncover, deface, block access to or tamper with any pipe, valve, meter, structure, appurtenance or equipment which is a part of the water works system.

8. Metered Service (if applicable and provided for in Service Class No.1)

A. A meter of a type approved by the Public Service Commission is required for each dwelling unit.

B. The Company will furnish, install, and maintain the meter. Unless the meter register is set at zero, the Company shall attach a tag with the date and meter dial reading at the time of installation.

C. The customer will provide a location for the meter acceptable to the Company and will be responsible for the cost of repairing damage resulting from human interference, frost, backflow of hot water, or other such causes.

D. Where the Company agrees it is necessary to set a meter outside the building, it shall be installed at the expense of the customer in a pit acceptable to the Company which is both water-tight and frost proof. The cover of the pit shall be fastened with a convenient locking device. Where the distance from the property line to the front wall of the building is greater than 75 feet, the Company may require that the meter be set in a pit at or near the property line. If the pit is to be installed on property not owned or controlled by the customer, written consent of the owner of the property shall be obtained prior to the installation.

E. The Company reserves the right to remove, test, and replace the meter.

F. The Company shall afford the customer an opportunity to verify the final reading of any water meter removed from the premises and obtain the customer's signature on a meter removal card which shows the date removed and the reading.

GENERAL INFORMATION

G. Meters will be tested in conformance with rules of the Public Service Commission. In the case of a disputed account involving the accuracy of the meter, the Company will have the meter tested upon the request of the customer. Should the customer request to have a second meter test within 1 year, the customer will be responsible for the actual cost incurred to have the meter tested including the cost to remove the meter, payable in advance to the Company. This fee will be refunded if the meter's final weighted average is found to register in excess of 100 percent. Adjustments in bills for over-registration of the meter will be made in accordance with the current rules of the Public Service Commission.

H. Bills will show meter readings and the dates read.

I. Bills will be reasonably estimated where a meter has been inaccessible and will be so indicated on the bill.

J. Where a meter has ceased to register or its percentage of accuracy cannot be determined, an estimated bill for the current period may be rendered. For all other periods the bill shall be the minimum applicable charge.

9. <u>No Access Procedures</u>

(1) The Company will begin issuing No Access notices with the next billing cycle issued after a customer's bill is estimated for six consecutive months.

(2) The No Access notices and charges will be directed to the access controller, unless the access controller is not the customer of record, in which case a copy of the notices will be sent to the customer.

(3) The series of No Access notices is listed in Title 16 of the New York Codes, Rules and Regulations Section 14.12 (c)(3)(i-iv).

(4) The No Access charge added to any single bill will be $25 per building or premises.

(5) The Company will, at its discretion, suspend temporarily the issuance of No Access notices and penalties if the access controller contacts the Company and provides a legitimate reason for postponing the provision of access.

10 <u>Unmetered Service</u>

All applicable provisions of this tariff shall apply.

11. <u>Extension of Water Service to an Applicant</u>

Mains will be extended in conformance with the Commission Rules and Regulations found in Title 16 of the New York Codes, Rules and Regulations (16 NYCRR) Part 501.

GENERAL INFORMATION

12. Discontinuance of Service – Non –Payment

A. Service may be discontinued under the following provisions: for non-payment of any amount due for water supplied, for failure to make any payment due under a deferred payment agreement or for meter repairs (see Section 8C), for failure to make a payment for equipment and installation charges relating to the initiation of service, or for failure to post a required deposit.

B. A bill not paid within 23 days of mailing is considered delinquent, and the Company may discontinue service after complying with 16 NYCRR, Part 533 which requires: (1) 15 days written notice if served personally, or (2) 15 days after a registered letter containing such notice has been signed or refused, or (3) 18 days after mailing written notice in a post-paid wrapper. Service will not be re-established until payment of all proper arrears, charges and deposits is made or a deferred payment agreement is entered into. Receipt of a subsequently dishonored negotiable instrument in response to a notice of discontinuance shall not constitute payment of the customer's account and the Company shall not be required to issue additional notice prior to discontinuance. There will be a charge for processing all returned checks equal to the bank charge plus a handling fee of $5.00 (not to exceed the maximum allowed by Section 5-328 of General Obligations Law).

C. The Company will not discontinue service to residential premises for non-payment of bills on a Friday, Saturday, Sunday, public holiday (as defined in General Construction Law), a day the offices of the Public Service Commission are closed, or on a day on which the utility's main office is closed. Discontinuance can only take place from Monday to Thursday between the hours of 8 a.m. and 4 p.m.

D. The Company will not terminate service during the two-week period spanning December 21 through January 4.

E. The Company will not discontinue service to residential premises for non-payment of any amount due for water service supplied before the preceding 12 months unless there was a billing dispute during the preceding 12-month period, the Company has an excusable delay, customer's conduct caused or contributed to the delay in billing, or changes are necessary to adjust estimated bills.

F. The Company will not discontinue service for non-payment of bills to any person or entity receiving public assistance if the payment for such service is to be paid directly by the Department of Social Services or by the local Social Services representatives.

13. Discontinuance of Service – Other

A. Service rendered under any application, contract or agreement may be discontinued by the Company after reasonable notice for any of the following reasons:

1. For willful or indifferent waste of water due to any cause or for non-authorized use of water that affects the reliability of the system.

2. For tampering with any meter, connections, service pipe, curb cock, seal or any other appliance of the Company controlling or regulating the customer's water supply.

GENERAL INFORMATION

3. In case of vacancy of the premises.

4. For cross connections.

5. For submetering or reselling water.

6. For violation of any rule or regulation of the Company as filed with the Public Service Commission, provided such violation affects the reliability or integrity of the water system.

B. Written notice of discontinuance of service shall contain the information required by 16 NYCRR Section 533.3 and will be given except in those instances where a public health hazard exists.

C. The Company may, at any time, temporarily discontinue water service in case of accident, or for the purpose of making connections, alterations, repairs, changes, etc.

D. Except as stated in the preceding paragraph, or in the case of a violation that threatens the integrity of the water system, the Company shall not discontinue service to any customer on a Friday, Saturday, Sunday, Public Holiday, a day the offices of the Public Service Commission are closed, or on a day when the Company is not open for business. Public Holiday shall refer to those holidays defined in the General Construction Law.

14. <u>Discontinuance of Residential Service – Special Procedures</u>

If termination of service would result in serious impairment to health and safety, the Company must delay the termination of service or, if service has already been terminated, must restore service, for thirty days under the following conditions.

A. The Customer and any other residents of the household are known to or identified to the utility to be blind, disabled, 62 years of age or older or 18 years of age or under;

B. a medical emergency exists; or

C. if heating would be affected between November 1 and April 15.

It is the customer's responsibility to notify the Company that such conditions exist and to provide any required documentation. The Company may require that the customer make appropriate arrangements to pay any arrears as well as pay current bills.

15. <u>Deferred Payment Agreements</u>

In addition to those circumstances in Section 14, the Company will consider granting customers reasonable payment terms in cases where a customer is threatened with termination of service, or where the Company has issued a backbill to a customer. Any such agreement may require the customer to make a reasonable down payment, and to pay bills when issued.

Payment agreements will allow for installments as low as $10 per month and no down payment when the applicant demonstrates financial need for such terms but need not provide for monthly installments of less than $10. A payment agreement may provide for any size or no down payment and installments on any schedule over any period of time, and cover any outstanding charges, if mutually agreed to by the parties.

GENERAL INFORMATION

16. Complaint Handling Procedures

A. The Company will promptly investigate and evaluate all complaints received from customers regarding bills for service rendered or required deposits. The results of the Company's findings will be reported to the customer. During the period of investigation and evaluation, service will not be discontinued, nor shall a new notice of termination be issued, provided, however, that the customer will be required to pay the undisputed portion of any balance due, which may include for current usage.

B. After the completion of such an investigation, if the Company determines that the disputed service has been rendered, or that the disputed charge or deposit is proper in whole or in part, the Company may require that the full bill or deposit be paid. Appropriate notices of the determination shall be given to the customer, and where notice of discontinuance of service was previously sent, or is served with the determination, such notice shall include a statement advising the customer of the availability of the Commission's complaint handling procedures, including the address and telephone number of the Department's Consumer Services Division. Where prior notice of discontinuance was sent, Company procedure provides for discontinuance of service if customer fails to pay the proper amount due and owing within 5 days after notice of the Company determination was served personally on the customer or at least 8 days after mailing of the notice. Under no circumstances will discontinuance of service occur if so precluded by the Commission.

C. In situations where the complaint procedures of the Commission have been invoked and it is determined that the disputed service has been rendered or that the disputed charge or deposit is proper and prior notice of discontinuance was sent, a customer's service will not be discontinued for failure to pay the amount found due and owing until at least 5 days after notice of the Commission's determination, where personal service is made, or at least 8 days after mailing of such a notice.

17. Restoration of Service

A charge will be made to restore service after discontinuance at the customer's request, for non-payment, or for violation of these rules.

This charge will be $50.00 during normal business hours (8:00 a.m. to 4:00 p.m., Monday through Friday), $75.00 outside of normal business hours Monday through Friday, and $100.00 on weekends or public holidays. The holidays for which the $100.00 charge will apply are as follows:

New Year's Day
Dr. Martin Luther King Jr. Day
Lincoln's Birthday
Washington's Birthday
Memorial Day
Juneteenth
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving
Christmas Day

GENERAL INFORMATION

In a case where service is being restored after discontinuance for non-payment, the Company may require full payment of all arrears as well as the restoration of service charge. If the Company and the customer have entered into some form of payment agreement, the agreed-upon down payment may be required before service will be restored.

If it becomes necessary to disconnect service at the main because of willful acts of a customer, the service restoration charge will include the actual costs incurred by the Company to disconnect and reconnect the service.

18. <u>Interest on Customer Overpayments</u>

The Company will provide interest on a customer overpayment as follows:

A. A customer overpayment is defined as payment by the customer to the Company that is in excess of the correct charge for water service supplied to the customer that was caused by erroneous billing by the Company.

B. The rate of interest on such amounts shall be the greater of the unadjusted customer deposit rate or the applicable late payment rate, if any, for the service classification under which the customer was billed. Interest shall be paid from the date when the customer overpayment was made, adjusted for any changes in the deposit rate or late payment rate, and compounded monthly, until the date when the overpayment was refunded.

C. The Company will not pay interest on customer overpayments that are refunded within 30 days after such overpayment is received by the Company.

19. <u>Regulation</u>

All matters, rules and other situations concerning the rendering of water service which are not specifically covered herein or in a provision of the New York State Codes, Rules and Regulations and which are subject to the jurisdiction of the Public Service Commission, and for which a customer and the Company cannot agree as to an equitable and fair solution will be referred to said Commission to be resolved. Either the customer or the Company may request that a rule or provision of this tariff be changed for a particular situation.

SERVICE CLASSIFICATION NO. 1

Applicable to Use of Service for:

Residential, small commercial and general use.

Character of Service

Continuous.

Rate

$9.70 per thousand gallons.

Minimum Charge:

Monthly for customers who take service through 5/8” or 3/4” meters, as follows:

Size of Meter	Minimum Usage (Gallons)	Charge
5/8”	3,000	$29.09
3/4”	4,000	38.79

Terms of Payment

Bills shall be rendered monthly in arrears and are due and payable upon receipt. Bills not paid within 23 days of mailing are delinquent and the late payment charge becomes applicable, and service may be discontinued after proper notice as required by law.

Late Payment Charge

A late payment charge to be computed at the rate of 1.5 percent per month, compounded monthly, shall be applied to all balances left unpaid 23 days following mailing of the bill.

Term

Terminable by the customer upon 10 days’ written notice to the Company.

Special Provisions

A handling charge of $5.00 plus the actual bank charges shall be applied for a customer’s check returned by a bank.

Bloomingburg Water Transportation Company, Inc.
Rate Comparison and Bill Impacts
For Rate Year October 1, 2025 through September 30, 2026

Comparison of Proposed and Commission Authorized Rates

Meter Size	Company Proposed Minimum Charge	Commission Authorized Minimum Charge	Usage Allowance (gallons)	Company Proposed Volumetric Rate per 1,000 gallons	Commission Authorized Volumetric Rate per 1,000 gallons
5/8 Inch	$ 25.50	$ 29.09	3,000	$ 8.54	$ 9.70
3/4 Inch	$ 34.15	$ 38.79	4,000	$ 8.54	$ 9.70

Proposed Monthly Bills

Meter Size	Company Proposed Monthly Bill	Commission Forecasted Monthly Bill	Impact	
5/8 Inch	$ 57.09	$ 64.97	$ 7.88	13.8%
3/4 Inch	$ 57.21	$ 64.97	$ 7.77	13.6%

NEW YORK STATE | Department of Public Service

KATHY HOCHUL
Governor

RORY M. CHRISTIAN
Chief Executive Officer

DPS Contact Information Update
NYS Regulated Water Companies:

The New York State Department of Public Service (DPS) requests that all regulated water utilities update their consumer-facing materials to include the various ways consumers can contact the Department. (e.g., on billing invoices, payment agreements, termination notices, websites, annual notices, etc.) The Office of Consumer Services at DPS provides customers consumer assistance, for utility related questions, comments, or to file a complaint. To facilitate this your Company should inform consumers about their complaint filing options:

- **Utility Contact Information**: Your Company's contact information should be listed prominently, because Customers must contact their utility with a complaint, before contacting the DPS.
  Your Company Name, phone number, hours of operation, website or e-mail

- **DPS Contact Information**: Bills are based on rates in the tariff set by the New York State Public Service Commission. For consumer complaints that cannot be resolved with the Company, you may contact the **New York State Department of Public Service/Office of Consumer Services**
  Website: www.dps.ny.gov/complaints
  Phone: Helpline 1-800-342-3355 HOTLINE 1-800-342-3377 (Mon.-Thurs. 7:30 am-7:30 pm, Fri. 7:30 am-7:00 pm); or
  Mail: Office of Consumer Services, NYS Department of Public Service, 3 Empire State Plaza, Albany, NY 12223

Please feel free to reach out to me with questions or concerns at my direct email below.

Sincerely,

David R. LaBombard

Dave LaBombard
Manager, Complaint Analysis – Albany
Office of Consumer Services David.LaBombard@dps.ny.gov

NEW YORK STATE | Department of Public Service

KATHY HOCHUL
Governor

RORY M. CHRISTIAN
Chief Executive Officer

December 18, 2024

Notification Requirements for Interruption or Impairment in Water Service

To the Owners of Small Water Companies:

Pursuant to Title 16 of the New York Codes, Rules and Regulations §503.3 (b), New York State Department of Public Service Staff (Staff) must immediately be notified of all interruptions to, or major impairments of, service for a duration of four hours or more which affects five or more customers or one percent of the total number of customers served, whichever is larger, or which affect the availability of water at fire hydrants.

The Staff personnel to be contacted in instances of interruptions or impairment to service, as explained above, is Joshua Gonyea at (518) 408-1061. All email correspondences regarding interruptions or impairment to service should be sent to both PSCWater@dps.ny.gov and Joshua.Gonyea@dps.ny.gov.

Thank you for your cooperation in this matter. Should you have any questions, please contact Joshua Gonyea by his phone number or email address mentioned above.

Sincerely,

Nicola Jones-Hall

Nicola Jones-Hall
Chief, Downstate Rates and Tariffs
Office of Rates and Tariffs