

This information is not the official version of the Official Compilation of the Rules and Regulations of the State of New York (NYCRR). No representation is made as to its accuracy, nor may it be used as an official business record of the New York State Department of Public Service. To ensure accuracy and for evidentiary purposes, reference should be made to the official NYCRR. The Official NYCRR is available from West Publishing: 1-800-344-5009.

§ 501.1 Definitions

- (a) Water main - a pipe carrying water which is generally available to more than one service line.
- (b) Extension - the extension of water main including the pipe, elbows, tees, valves, reducers, service taps, and other appurtenances which may be part of the facilities extended to provide water service.
- (c) Service line or lateral - the pipe and valves which are used to deliver the water from the main into the customer premises; the company portion being that between the main and the customer property line, and the customer portion being that from the property line into the premises.
- (d) Service connection - the facilities necessary to provide the customer service, including the service line, the main tap, meter, and other related facilities.
- (e) Extension costs - as used in this Part shall include the costs of labor, equipment and materials used in the extension installation, all paving charges for the repair or replacement of street or sidewalk which may be disturbed in the course of such installation, the costs of inspection, amounts paid to governmental authorities for permits to do the work required, and other costs or taxes that are legally imposed by any governmental authority.
- (f) Applicant - a person, developer, builder, partnership, association, corporation, or governmental agency requesting service to a specific location.
- (g) Developer - a business or person who will subdivide or prepare real estate for residential or commercial occupancy, who requires the installation of utility plant in advance of occupancy, and whose success resulting in utility customers can be considered speculative since it is dependent upon the success of the real estate venture.
- (h) Residential service - water service for sanitary and potable domestic use.
- (i) Surcharge - a charge billed to the customer in addition to the regular bill for service.
- (j) Gross annual utility revenue - the total of customer charges for utility service billed in one year.
- (k) Advance or deposit - money advanced by the applicant to the utility subject to refund.
- (l) Contribution - money paid by the applicant to the utility, usually to pay for the cost of installing plant, which will not be refunded.
- (m) Water-works tariff - the schedule of rules and charges for water service, filed with and approved by the Commission, under which the utility is required to provide service.
- (n) Service area - the area in which the utility has required government authorization to provide utility service.

§ 501.2 Construction of facilities

(a) Facilities within highway. All water-works corporations subject to the jurisdiction of this commission shall hereafter furnish, place, construct, operate, maintain and when necessary replace at their own cost and expense all mains, service pipes, service connections and other facilities within the territorial limits of any street, avenue, road or way that is for any highway purpose under the jurisdiction of the legislative body of any city, town, village, county or the State of New York, or other public place open to the general public for highway purposes, provided all necessary easements are furnished without cost to such corporation.

(b) Facilities outside highway. Where such facilities will be constructed without the territorial limits of any street, avenue, road or way, or other public place open for highway purposes, the applicant shall be allowed to construct the facilities, where such diligence* results in lower cost or better time performance, using contractors and materials acceptable to the water-works corporation, pursuant to its water system specifications, based on safety and compatibility and, as to contractors, reputable past performance, and subject to inspection and approval by the water-works corporation based on such specifications. The additional cost of said inspections is to be paid by the applicant. * So in original

§ 501.3 Applicant within specified distance

Upon written application of the owner or occupant of any property abutting on any such street, avenue, road or way or other public place within the distance specified in section 501.4(d) of this Part of any main of a water-works corporation, appropriate to the service requested, such water-works corporation shall furnish, place and construct at its own cost and expense such mains, service pipes, service connections and facilities as are necessary to render the service requested.

§ 501.4 Applicant beyond specified distance

Whenever an owner or occupant of any property abutting on any street, avenue, road or way or other public place as hereinbefore defined in which there is no water main within the distance specified in subdivision (d) of this section from said property makes a written application for service to the water-works corporation having authority to render service to said applicant, such corporation shall extend its system so as to serve said property, provided:

(a) Said applicant shall first have assured said corporation that he will be a reasonably permanent customer by meeting the following conditions:

(1) the applicant will own or occupy a premises in a permanent structure and on a building lot which both comply with governmental building codes and requirements;

(2) the applicant will take service for at least one year continually on an annual or seasonal basis; and

(3) the applicant will take service within 60 days of completion of the main extension.

(b) The applicant shall first have executed an agreement, the terms of which shall provide substantially as follows:

(1) applicant shall agree to pay to said corporation the rates charged to customers served under section 501.3 of this Part and in addition a surcharge of 19 percent (return, depreciation, taxes and maintenance) per year of the actual, reasonable cost of such portion of said main extension (excluding the cost of any service pipe, hydrants, and their accessories) that is in excess of the distance specified in subdivision (d) of this section from the end of the nearest water main appropriate to the service requested if the size of said extension be six inches or less in nominal diameter or if the service requested requires a main larger than six inches in diameter or 19 percent of the estimated cost of a six-inch main if said corporation lays a main greater than six inches in diameter when not necessary for the service requested; provided, however, that said surcharge shall begin at the date when water service is first available to the applicant and shall cease 10 years from that date;

(2) whenever more than one customer shall be connected to said extension, said surcharge shall be so adjusted as to yield to said corporation not more than said 19 percent in any one year from all customers served from said extension and said surcharge shall be reasonably allocated to the several customers served from said extension, taking into account that the distance of main hereinafter specified and a service are to be allowed without surcharge for each customer connected thereto;

(3) whenever the number of customers on a main extension multiplied by the distance specified hereinafter shall equal or exceed the length of the main extension, all surcharges shall cease; and

(4) in lieu of the above surcharge, the applicant may at his option pay the cost of the main extension in excess of the distance hereinafter specified subject to annual refunds without interest related to the number of new customers added to the extension each year multiplied by the distance hereinafter specified; however, refunds shall cease after 10 years or when the total of all refunds equals the amount of the original payment made by the applicant.

(c) The applicant shall first have furnished reasonable security as to performance of his agreement if so required by said water-works corporation; said reasonable security as to performance shall be by advance payment of the surcharge for a period not to exceed one year, or where an applicant's premises does not yet exist, by completion of the foundation and construction of a substantial portion of the premises framing before main extension construction is commenced, or by deposit by the applicant of the entire estimated cost of the extension until said premises construction is complete.

(d) The specified distance allowed for each applicant taking service from the main extension shall be 75 feet for "Class A" water-works corporations as defined in the Uniform System of Accounts and section 561.1 of this Title. For corporations that do not qualify as "Class A" corporations, the Commission staff may allow a main extension of less than 75 feet, at the corporation's request, based on the corporation's financial ability and existing investment in main.

§ 501.5 Maintenance of service line beyond highway limits

That portion of the service pipe without the limits of a street, avenue, road or way as hereinbefore defined or easement area shall be provided, placed, constructed and maintained by the property owner or the customer but in accordance with such reasonable specification for the construction and maintenance thereof as may be filed in the tariff schedules of said water-works corporation.

§ 501.6 Cost of installation before service required

Whenever, at the request of an owner or occupant, a service pipe is provided through which service is not immediately desired, said property owner or occupant shall bear the entire reasonable expense of providing, placing and constructing the service pipe and accessories, but he shall be entitled to a refund whenever water service is begun for such part of the expense as the water-works corporation is hereinbefore required to assume. Such refund shall be the cost of said service pipe and accessories, less depreciation at the rate of three percent per annum for the period which said pipe has been in the ground.

§ 501.7 Responsibility for maintenance and replacement

All water-works corporations shall hereafter be solely responsible for the maintenance and replacement of all mains, service pipes and facilities placed within a street, avenue, road or way as hereinbefore defined or easement area used by said water-works corporations for supplying water to its customers; and if adequate maintenance requires the reconstruction or replacement of such mains, service pipes and facilities, said mains, service pipes and facilities shall be reconstructed or replaced by the water-works corporation responsible for maintenance as hereinbefore provided. However, replacement or reconstruction of mains and service pipes less than two inches in diameter in excess of 75 feet in length heretofore installed and privately owned, shall be governed by the provisions of section 501.4 of this Part.

§ 501.8 Applicants who cannot qualify as reasonably permanent customers

An applicant who cannot qualify as a reasonably permanent customer may be required to deposit the entire cost of the main extension and installed services with the water-works corporation. The portion of the deposit related to the length of main extension within the specified distance, as set forth in section 501.4(d) of this Part, and the cost of the service, hydrants and accessories shall be refunded without interest within 30 days of the applicant taking service and demonstrating reasonable permanency. For developers who are subdividing or preparing real estate for residential or commercial occupancy, who require the installation of utility plant in advance of occupancy, the water-works corporation may retain as a deposit the cost of the entire extension, subject to annual refunds without interest determined as the proportion of the number of customers connected to the extension that year multiplied by the distance specified in section 501.4(d) of this Part, related to the total extension length. No further refunds will be made after five years after the date construction of the extension is completed and approved or after the total of all refunds equals the amount of the deposit.

§ 501.9 Filing of main extension agreements

All line extensions shall require a line extension agreement setting forth the terms and conditions under which the extension will be made, duly signed by the water-works and applicant. No charges or conditions shall be obtained from or imposed upon the applicant for the provision and extension of water service, other than those contained in the line extension agreement in compliance with the water-works tariff or as approved by the commission. One copy of each main extension agreement shall be filed with the commission within 30 days of execution; or where such agreements may exceed ten in number in any calendar year, the utility may instead maintain a file at company offices of such agreements and file a summary of such agreements by January 31 of the following year.

§ 501.10 Petition for waiver

As provided in Part 5 of this Title, petition may be made in writing in a specific case for waiver, modification or relief from any of the provisions of these rules by stating the supporting facts and reasons for waiver. However, such petition shall not be made for waiver of Part 501 until the water-works has first obtained approval by the Department of Environmental Conservation and the town of service area modification which may be necessary to include the applicant within the water-works' service area or franchised service territory. Nor shall the petition for waiver contain provisions which would not reasonably apply to any other similar applicant, or in any way be discriminatory.