PUBLIC NOTICE

NEW JERSEY AMERICAN WATER COMPANY

NOTICE OF PUBLIC HEARINGS

NEW JERSEY AMERICAN WATER COMPANY NOTICE OF FILING OF
PETITION FOR APPROVAL TO CHANGE THE LEVEL OF ITS
PURCHASED WATER ADJUSTMENT CLAUSE AND
PURCHASED WASTEWATER (SEWERAGE) TREATMENT ADJUSTMENT CLAUSE
BPU Docket No. WR1311____
OAL Docket Number PUC

TO OUR CUSTOMERS:

Notice is hereby given that on November 15, 2013, New Jersey American Water ("Company") filed with the Board of Public Utilities, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:9-7.1 et seq., an application seeking to increase rates for water and sewer service through revisions to the Purchased Water and Purchased Wastewater (Sewerage) Treatment Adjustment Clauses ("PWAC" and "PSTAC", respectively). The proposed rates would increase annual revenues by \$4,483,878 or 0.69%. The proposed change in rates provides no profits to the Company. The change merely represents a pass-through of charges to the Company from purveyors who supply water to the Company and from the cost of wastewater treatment services. Those wastewater treatment services are provided by the Ocean County Utilities Authority, the Cape May County Municipal Utilities Authority, and Howell Township.

The existing rates for GENERAL METERED, GENERAL SALES FOR RESALE, COMMODITY-DEMAND, OFF-PEAK DEMAND, SERVICE TO OTHER SYSTEMS, PEAKING SERVICE, AND OPTIONAL INDUSTRIAL WHOLESALE WATER CUSTOMERS served throughout the State of New Jersey, are proposed to be adjusted as follows:

PURCHASED WATER ADJUSTMENT CLAUSE (PWAC)

In addition to all other charges for metered service, the following additional charges, per Rate Schedule O-1 of the Company's Tariff B.P.U. No. 8, per 100 gallons, per 1,000 gallons, per 10 cubic feet and per 100 cubic feet for all sales will be made to recover increases in purchased water costs not currently included in the consumption or any other charge:

	Gallons Per	Gallons Per	Rate Per 100	Rate Per
	<u>Month</u>	<u>Quarter</u>	<u>Gallons</u>	<u>1,000 Gallons</u>
Non-Exempt	All	All	\$0.04810	\$0.4810
Exempt	All	All	\$0.04148	\$0.4148
	Cubic Feet Per	Cubic Feet Per	Rate Per	Rate Per
	<u>Month</u>	Quarter	10 Cubic Feet	100 Cubic Feet
Non-Exempt	All	All	\$0.035979	\$0.35979
Exempt	All	All	\$0.031027	\$0.31027

NOTE: One cubic foot is equal to approximately 7.48 gallons.

SET FORTH IN THE CHART BELOW ARE THE PRESENT AND PROPOSED CHARGES FOR THE TYPICAL RESIDENTIAL WATER CUSTOMER CONSUMING 6,500 GALLONS PER MONTH AND THE RESULTING INCREASES:

	Present	Proposed	Amount	Percentage
	Per month	Per month	<u>Increase</u>	<u>Increase</u>
SA-1	\$52.05	\$52.34	\$0.29	0.56%
SA-1B	\$38.28	\$38.57	\$0.29	0.76%
SA-1D	\$45.58	\$45.87	\$0.29	0.64%
SA-2, SA-3 & SA1A	\$49.40	\$49.69	\$0.29	0.59%
SA-2 Manville	\$45.98	\$46.26	\$0.28	0.61%
SA-3 Southampton	\$42.57	\$42.86	\$0.29	0.68%

PURCHASED WASTEWATER (SEWERAGE) TREATMENT ADJUSTMENT CLAUSE (PSTAC)

In addition to all other existing charges for General Metered Sewer Service in OCEAN CITY, CAPE MAY COUNTY the following PSTAC charges per 100 gallons, per 1,000 gallons, per 10 cubic feet and per 100 cubic feet will be included within the Minimum Service Charge rates as set forth on Rate Schedule 1-A of the Company's Tariff B.P.U. No. 8 – Sewer:

	Gallons Per <u>Month</u>	Gallons Per <u>Quarter</u>	Rate Per 100 <u>Gallons</u>	Rate Per 1,000 <u>Gallons</u>
Non-Exempt and Exempt	All	All	\$2.55426	\$25.5426
	Cubic Feet Per Month	Cubic Feet Per Quarter	Rate Per 10 Cubic Feet	Rate Per 100 Cubic Feet
Non-Exempt and Exempt	All	All	\$1.910585	\$19.10585

NOTE: One cubic foot is equal to approximately 7.48 gallons.

THE TYPICAL RESIDENTIAL WASTEWATER SERVICE CUSTOMER IN OCEAN CITY WITH SUMMER QUARTER USAGE OF 20,000 GALLONS, 44,000 GALLONS ANNUALLY, PRESENTLY PAYING \$65.86 PER MONTH, WOULD PAY \$67.93 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$2.07 OR 3.14%.

Present Rate per Month	Proposed Rate per Month	<u>Difference</u>	% Increase
\$65.86	\$67.93	\$2.07	3.14%

In addition to all other existing charges for General Metered Sewer Service in LAKEWOOD TOWNSHIP, OCEAN COUNTY, the following PSTAC charges per 100 gallons, per 1,000 gallons, per 10 cubic feet and per 100 cubic feet for all sales will be made to recover

purchased wastewater treatment and disposal costs not included in the Sewer Usage Charge or any other charges set forth on Rate Schedule 2-A of the Company's Tariff B.P.U. No. 8 – Sewer:

	Gallons Per	Gallons Per	Rate Per 100	Rate Per 1,000
	<u>Month</u>	<u>Quarter</u>	<u>Gallons</u>	Gallons
Non-Exempt and Exempt	All	All	\$0.40035	\$4.0035
	Cubic Feet Per	Cubic Feet Per	Rate Per 10	Rate Per 100
	<u>Month</u>	Quarter	Cubic Feet	Cubic Feet
Non-Exempt and Exempt	All	All	\$0.299463	\$2.99463

NOTE: One cubic foot is equal to approximately 7.48 gallons.

THE TYPICAL RESIDENTIAL WASTEWATER SERVICE CUSTOMER IN LAKEWOOD WITH WINTER QUARTER USAGE OF 18,000 GALLONS, 72,000 GALLONS ANNUALLY, PRESENTLY PAYING \$57.74 PER MONTH, WOULD PAY \$59.54 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$1.80 OR 3.12%.

Present Rate per Month	Proposed Rate per Month	<u>Difference</u>	% Increase
\$57.74	\$59.54	\$1.80	3.12%

In addition to all other existing charges for General Metered Sewer Service in the Adelphia section of the TOWNSHIP OF HOWELL, MONMOUTH COUNTY the following PSTAC charges per 100 gallons and per 1,000 gallons for all sales will be made to recover purchased wastewater treatment and disposal costs not included in the Sewer Usage Charge or any other charges set forth on Rate Schedule 3-A of the Company's Tariff B.P.U. No. 8 – Sewer:

	Gallons Per	Gallons Per	Rate Per 100	Rate Per 1,000
	<u>Month</u>	<u>Quarter</u>	<u>Gallons</u>	Gallons
Non-Exempt and Exempt	All	All	\$0.67920	\$6.7920

THE TYPICAL RESIDENTIAL WASTEWATER SERVICE CUSTOMER IN
HOWELL WITH USAGE OF 48,000 GALLONS ANNUALLY, PRESENTLY PAYING
\$52.08 PER MONTH, WOULD PAY \$54.88 PER MONTH UNDER PROPOSED RATES,
WHICH IS A DECREASEOF \$2.80 OR 5.38%.

Present Rate per Month	Proposed Rate per month	<u>Difference</u>	% Increase
\$52.08	\$54.88	\$2.80	5.38%

NO INCREASES ARE PROPOSED FOR PUBLIC OR PRIVATE FIRE
PROTECTION SERVICE CUSTOMERS NOR ARE ANY INCREASES PROPOSED
FOR ANY OF THE COMPANY'S FIXED SERVICE CHARGES OR DEMAND
CHARGES APPLICABLE TO METERED WATER SERVICE, NOR TO SALES FOR
RESALE—UNINTERRUPTABLE MANASQUAN SERVICE.

PLEASE TAKE FURTHER NOTICE that public hearings on the Company's Petition have been scheduled for

[Date/Time To Be Inserted] Ocean City Council Chambers 861 Asbury Avenue, 3 rd Floor Ocean City, New Jersey 07090

[Date/Time To Be Inserted]
Westampton Municipal Building
710 Rancocas Road
Westampton, New Jersey 08060

[Date/Time To Be Inserted] Westfield Memorial Library 550 East Broad Street Westfield New Jersey 07090

[Date/Time To Be Inserted] Howell Township Municipal Building 251 Preventorium Road Howell, New Jersey 07731

A Hearing Officer designated by the Board of Public Utilities will preside over the public hearings. Hearings will continue, if necessary, on such additional dates and at such locations as determined by the Board of Public Utilities or the Office of Administrative Law. Members of the public are invited to attend and express their views on the proposed rate increase. Such comments will be made a part of the final record in the proceeding. Written comments may be submitted to Kristi Izzo, Secretary of the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350, or the Clerk, Office of Administrative Law, P.O. Box 049, Trenton, New Jersey 08625-0049. Such written comments should contain the BPU Docket Number WR1311____ and OAL Docket Number PUC ____-2013N assigned to this case.

Further information and copies of the Petition may be obtained at the Board Offices located at 44 South Clinton Avenue, 9th Floor, Trenton, New Jersey 08625 or by calling the Company at 856-782-2351. Additionally, the Petition and applicable attachments as well as the Public Hearing Notice for this proceeding can be viewed on the Company's website at www.newjerseyamwater.com by first selecting Customer Service and then Rates Information.

Any relief determined by the Board of Public Utilities to be just and reasonable may be applied by the Board in such manner as the Board may deem appropriate.

IN ORDER TO ENCOURAGE FULL PARTICIPATION IN THIS OPPORTUNITY FOR PUBLIC COMMENT, PLEASE SUBMIT ANY REQUESTS FOR NEEDED ACCOMMODATIONS, INCLUDING INTERPRETERS OR MOBILITY ASSISTANCE, 48 HOURS PRIOR TO THIS HEARING.

NEW JERSEY AMERICAN WATER COMPANY

BY: WILLIAM M. VARLEY PRESIDENT

NEW JERSEY AMERICAN WATER COMPANY 1025 Laurel Oak Road Voorhees, NJ 08043