



Gary S. Prettyman
Senior Director - Regulatory Business
461 From Road, Suite 400
Paramus, NJ 07652
tel 201-784-7083
fax 201-750-5728
email Gary.Prettyman@suez-na.com

Via Federal Express

August 25, 2017

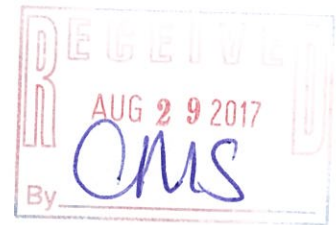
Irene Kim Asbury, Secretary of the Board
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

BOARD OF PUBLIC UTILITIES

AUG 29 2017

MAIL RECEIVED

**RE: In The Matter of The Petition of SUEZ Water Toms River, Inc.
Distribution System Improvement Charge Calculation
Pursuant to N.J.A.C. 14:9-10.4
BPU Docket No. WR15091103**



Dear Secretary Asbury,

The Company filed its DSIC calculation on July 17, 2017. Adjustments have been made to and agreed to among the parties. Attached are Revised Schedules which result in the DSIC amount to be recovered of \$1,087,291 effective August 29, 2017. Also included is Tariff Rate Schedule No. 7, Sixth Revised Sheet No. 13.

Please advise if you need additional information.

Very truly yours,

Gary S. Prettyman
Senior Director – Regulatory Business

cc: Service List

OMS
Water
Legal
DAG
RPA

RATE SCHEDULE NO. 7
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the facilities charge provided for in this Tariff in Rate Schedule No.1 Metered Service, the following charges will apply to all metered customers throughout the service territory of the Company.

<u>Size of Meter</u>	<u>Per Month</u>	* Exempt Rate <u>Per Month</u>
5/8 Inch	\$1.53	\$1.32
3/4 Inch	2.31	1.99
1 Inch	3.85	3.32
1-1/2 Inch	7.65	6.60
2 Inch	12.24	10.57
3 Inch	22.95	19.81
4 Inch	38.25	33.02
6 Inch	76.50	66.04
8 Inch	122.40	105.67
10 Inch	175.95	151.90
12 Inch	252.45	217.94

EXEMPTIONS:

*Sales to a public utility subject to a payment of Gross Receipts and Franchise Taxes shall be exempt from the applicable Gross Receipts and Franchise Taxes.

Issued: August 25, 2017

Effective: August 29, 2017

By: David Stanton, President
461 From Road, Suite 400, Paramus, NJ 07652

SERVICE LIST

I/M/O SUEZ Toms River, Inc.
Distribution System Improvement Charge
BPU Docket No. WR15091103

Maria L. Moran, Director
Division of Water
NJ Board of Public Utilities
44 South Clinton Avenue
Suite 314
P. O. Box 350
Trenton, NJ 08625-0350
maria.moran@bpu.nj.gov

Michael Kammer, Bureau Chief
NJ Board of Public Utilities
44 South Clinton Avenue
Suite 314
P. O. Box 350
Trenton, NJ 08625-0350
mike.kammer@bpu.nj.gov

Mona Mosser, Bureau Chief
NJ Board of Public Utilities
44 South Clinton Avenue
Suite 314
P. O. Box 350
Trenton, NJ 08625-0350
mona.mosser@bpu.nj.gov

Magdy Mekhaeil
Bureau of Rates
Board of Public Utilities
44 South Clinton Avenue
P. O. Box 350
Trenton, NJ 08625-0350
Magdy.mekhaeil@bpu.nj.gov

Yanina R. Lepore
Board of Public Utilities
44 South Clinton Avenue
9th Floor
P. O. Box 350
Trenton, NJ 08625-0350
yanina.lepore@bpu.nj.gov

Kenneth Welch
Board of Public Utilities
44 South Clinton Ave.
P.O. Box 350
Trenton, NJ 08625
kenneth.welch@bpu.nj.gov

Matthew J. Koczur
Board of Public Utilities
44 South Clinton Avenue
9th Floor
P. O. Box 350
Trenton, NJ 08625-0350
matthew.koczur@bpu.nj.gov

Alex Moreau, DAG
Division of Law
124 Halsey Street
P. O. Box 45029
Newark, NJ 07101
alex.moreau@dol.lps.state.nj.us

Andrew M. Kuntz, DAG
Division of Law
124 Halsey Street
P. O. Box 450029
Newark, NJ 07101
andrew.kuntz@dol.lps.state.nj.us

Stefanie A. Brand, Esq.,
Director
Division of Rate Counsel
140 East Front Street - 4th Floor
P.O. Box 003
Trenton, NJ 08625
sbrand@rpa.state.nj.us

Debra F. Robinson, Esq.
Water & Wastewater
Managing Attorney
Division of Rate Counsel
140 East Front Street - 4th Floor
P.O. Box 003
Trenton, NJ 08625
drobinso@rpa.state.nj.us

Susan E. McClure, Esq.
Division of Rate Counsel
140 East Front Street - 4th Floor
P.O. Box 003
Trenton, NJ 08625
smcclure@rpa.state.nj.us

Christine M. Juarez, Esq.
Division of Rate Counsel
140 East Front Street - 4th Floor
P.O. Box 003
Trenton, NJ 08625
cjuarez@rpa.state.nj.us

Darlene Nichols, Paralegal
Division of Rate Counsel
140 East Front Street - 4th Floor
P.O. Box 003
Trenton, NJ 08625
dnichols@rpa.state.nj.us

Howard J. Woods, Jr., P.E.
Howard J. Woods, Jr. & Assoc., LLC
49 Overhill Road
East Brunswick, NJ 08816
howard@howardwoods.com

James C. Cagle, Vice President
Regulatory Business
SUEZ
461 From Road, Suite 400
Paramus, NJ 07652
Jim.Cagle@suez-na.com

Gary Prettyman
SUEZ
461 From Road, Suite 400
Paramus, NJ 07652
Gary.Prettyman@suez-na.com

James Mastrokalos
SUEZ Water Toms River
1451 Route 37 West
Toms River, NJ 08755-4968
James.mastrokalos@suez-na.com

Michael Willis
SUEZ Water Toms River
1451 Route 37 West
Toms River, NJ 08755-4968
Michael.willis@suez-na.com

Debra Visconti
SUEZ
461 From Road, Suite 400
Paramus, NJ 07652
Debra.Visconti@suez-na.com

Kathryn Hart
Division of Rate Counsel
140 East Front Street - 4th Floor
P.O. Box 003
Trenton, NJ 08625
khart@rpa.state.nj.us

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

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Revised 8/21/17

1/1/17 to
6/30/2017

Eligible Investment (page 2)	\$2,217,198
Less: Accumulated Depreciation (page 2)	(8,813)
Accumulated Depreciation from prior surcharges (page 2A)	(21,004)
Less: Deferred Tax (page 2)	(4,676)
Accumulated deferred Tax from Prior Surcharges (page 2A)	<u>(11,142)</u>
Eligible Net Investment	\$2,171,563
Pre-Tax Rate of Return (page 3)	<u>10.43%</u>
Pre-Tax Return on Investment	\$226,494
Add: Depreciation Expense (page 2)	<u>35,253</u>
Revenue Recovery	\$261,747
Revenue Factor (page 4)	<u>1.17213</u>
DSIC Revenue Requirement Recovery Amount	\$306,802
Plus DSIC Revenue Requirement from March Surcharge	756,092
RCR-4	(\$19,796)
Amount undercollected (8/29/16 to 8/29/17 estimated)	<u>44,193</u>
Total DSIC Revenue Requirement Recovery Amount	<u><u>\$1,087,291</u></u>
Approved revenues from Docket No. WR15020269 effective 8/29/15.	<u><u>\$33,707,087</u></u>
Percent Surcharge	<u><u>3.23%</u></u>

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

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	1/1/17 to 6/30/2017
Major Projects	\$ 2,275,262
Blanket Projects	404,648
Total DSIC Plant (page 7 & 8)	2,679,910
Less: Base Spend (\$925,424 / 2)	(462,712)
Eligible Investment	2,217,198
 <u>Accumulated Depreciation</u>	
Composite Depreciation Rate (match base spend year)	1.59%
Depreciation Expense	35,253
Half Year Convention	8,813
 <u>Deferred Taxes</u>	
Eligible Investment	\$2,217,198
MACRS Rate for First Year Water Plant	4.00%
Tax Depreciation First Year	22,172
Book Depreciation	8,813
Tax Depreciation Greater Than Book	13,359
Deferred Taxes at 35%	\$4,676

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

	Effective August 29, 2016		Effective March 1, 2017	
	(a)	(b)	(a)	(b)
Major Projects	\$2,605,364		\$2,218,273	
Blanket Projects	647,504		738,376	
Total DSIC Plant (page 7 & 8)	3,252,868		2,956,649	
Less: Base Spend (page 5)	(840,812)		(84,612)	
Base Spend (July surcharge)				
Eligible Investment	2,412,056		2,872,037	
Accumulated Depreciation				
Composite Depreciation Rate (match base spend year)	1.59%		1.59%	
Depreciation Expense	38,352		45,665	
Half Year Convention				
Accumulated Depreciation	9,588	19,176	11,416	11,416
Included in Aug 2016 surcharge				
Included in Mar 2017 surcharge		19,176		11,416
Incremental amount for Aug 2017 surcharge			(9,588)	
Double Count in Mar 2017 surcharge			9,588	
Deferred Taxes				
Eligible Investment	\$2,412,056		\$2,872,037	
MACRS Rate for First Year Water Plant	4.00%		4.00%	
Tax Depreciation First Year	24,121	24,121	48,242	28,720
Book Depreciation	9,588	9,588	19,176	11,416
Tax Depreciation Greater Than Book	14,533	14,533	29,066	17,304
Deferred Taxes at 35%	\$5,087	\$5,087	\$10,173	\$6,056
Deferred Taxes				
Included in Aug 2016 surcharge	5,087	10,174		6,056
Included in Mar 2017 surcharge			10,173	6,056
Incremental amount for Aug 2017 surcharge			(5,087)	
Double Count in Mar 2017 surcharge			5,086	

Notes: (a) This period reflects the second 6 months of the 12 month period and therefore still reflects half year convention

(b) This reflects first 6 months of second 12 month period and therefore reflects a full 6 months of expense.

(c) Reflects full 6 month period

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

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Approved Capital Structure and Cost Rates

	<u>Capital Structure Ratio</u>	<u>Cost Rate</u>	<u>Weighted Cost of Capital</u>	<u>Pre-Tax Rate of Return</u>
Long Term Debt	47.00%	5.28%	2.48%	2.48%
Common Equity	53.00%	9.75%	5.17%	7.95%
Total	100.00%		7.65%	10.43%

1) capital structure and ROE per current authorized return Docket WR15020269, effective 8/29/15

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

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Revenue Factor

Dollar of Revenue	1.00000
Gross Receipts Tax for Municipal Use	0.07500
Franchise Tax for Municipal Use	0.04651
Gross Receipts Excise Tax for State Use	0.00938
Franchise Taxes Excise Tax for State Use	0.00582
Uncollectibles	0.00746
BPU Assessment	0.00211
Rate Payer Advocate	<u>0.00057</u>
Income Before Federal Taxes	<u>0.85315</u>
Revenue Factor	<u><u>1.17213</u></u>

1) Per current authorized Docket WR15020269, effective 8/29/15

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

DSIC Base Spending Schedule

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Line No.	Description	Account	Amount
1	Transmission and Distribution Mains	343	\$414,038
2	Services	345	441,392
3	Hydrants	348	<u>69,994</u>
4	Total Annual Base Spending		<u><u>\$925,424</u></u>

Note 1. All Accounts and Amounts are extracted from Page 21 of the United Water Toms River 2014 Annual Report to the BPU, Page 21.

Note 2. Referenced Accounts are those included in the definition of "Base Spending" per 44 NJR 1723(a)

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

Revised 8/21/17

DSIC Assessment Schedule

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	Total Number of Meters (3)	Meter Equivalent Ratios	Equivalent 5/8" inch Meters	DSIC Amount by equivalent Meter	Monthly Charge per Meter	Exempt Charge per Meter
Metered Sales:						
5/8"	40,106	1.00	40,106	\$736,346	\$1.53	\$1.32
3/4"	6,290	1.50	9,435	174,359	2.31	1.99
1"	1,461	2.50	3,653	67,498	3.85	3.32
1 1/2"	259	5.00	1,295	23,776	7.65	6.60
2"	259	8.00	2,072	38,042	12.24	10.57
3"	59	15.00	885	16,249	22.95	19.81
4"	40	25.00	1,000	18,360	38.25	33.02
6"	8	50.00	400	7,344	76.50	66.04
8"	4	80.00	320	5,875	122.40	105.67
10"		115.00			175.95	151.90
12"		165.00			252.45	217.94
	<u>48,486</u>		<u>59,166</u>	<u>\$1,087,849</u> [1]		

\$1,087,291
18.37696 [2]
1.5314

[1] Approved revenues from Docket No. WR15020269 effective 8/29/15.

Five percent "DSIC Cap" per 44 NJR 1723(a)
Maximum amount of Annual DSIC Revenues X 5%
\$1,685,354

[2] Amount per equivalent meter (\$1,087,291 / 59,166)

[3] Active meters pro forma at December 31, 2015

Project Limits	Foundational Filing Project Number	Foundational Filing Project Extension	Project Number	DISC Category	Bid Date	DISC Approval	First Day of Construction	Estimated Cost	Actual Costs 6/30/2017	Engineering In-Service Date	Original Install Year	Actual Install Year	Comments
Main Street and Route 37	C160601		C160701	Main Replacement	1/15/2016		5/9/2016	\$ 350,000	\$ 24,324.73	6/15/2016	N/A	2016	Additional costs included final restoration work and planning, survey and design expenditures transferred into project.
Lookout Drive	C160601	0.01	C160603	Main Replacement	4/12/2016	12/16/2015	10/28/2016	\$ 360,000	\$ 80,107.84	11/30/2016	2016	2016	Completion of final restoration items and work.
Starboard Court	C160601	0.02	C160603	Main Replacement	4/12/2016	12/16/2015	10/28/2016	\$ 230,000	\$ 52,291.09	12/15/2016	2016	2016	Completion of final restoration items and work.
Compass Court	C160601	0.03	C160603	Main Replacement	4/12/2016	12/16/2015	10/28/2016	\$ 230,000	\$ 38,792.45	12/15/2016	2016	2016	Completion of final restoration items and work.
Ensign Court	C160601	0.04	C160603	Main Replacement	4/12/2016	12/16/2015	10/28/2016	\$ 230,000	\$ 39,259.03	12/15/2016	2016	2016	Completion of final restoration items and work.
Main Street TR (Rt. 166) and Washington Street Intersection	N/A	N/A	C170601	Main Replacement	1/4/2017		3/6/2017	\$ 85,000	\$ 109,650	3/9/2017		2017	Additional cost due to required third right of construction, additional traffic control and restoration costs.
Broad Street	C200601	0.09	C170606	Main Replacement	3/30/2017	12/16/2015	3/6/2017	\$ 288,750	\$ 179,032	5/15/2017	2020	2017	Moved forward in schedule to complement work completed in Toms River downtown area in 2016 and due to NIDOT paving in May/June 2017
Dover Street	C200601	0.11	C170606	Main Replacement	3/30/2017	12/16/2015	3/6/2017	\$ 192,500	\$ 132,134	5/15/2017	2020	2017	Moved forward in schedule to complement work completed in Toms River downtown area in 2016 and due to NIDOT paving in May/June 2017
Messenger Street	C200601	0.07	C170606	Main Replacement	3/30/2017	12/16/2015	3/6/2017	\$ 288,750	\$ 145,607	6/9/2017	2020	2017	Moved forward in schedule to complement work completed in Toms River downtown area in 2016 and due to NIDOT paving in May/June 2017
Union Street	C200601	0.12	C170606	Main Replacement	3/30/2017	12/16/2015	3/6/2017	\$ 159,500	\$ 125,956	5/15/2017	2020	2017	Moved forward in schedule to complement work completed in Toms River downtown area in 2016 and due to NIDOT paving in May/June 2017
Walton Street	C200601	0.13	C170606	Main Replacement	3/30/2017	12/16/2015	3/6/2017	\$ 159,500	\$ 133,043	5/15/2017	2020	2017	Moved forward in schedule to complement work completed in Toms River downtown area in 2016 and due to NIDOT paving in May/June 2017
Park Street	C200601	0.10	C170606	Main Replacement	3/30/2017	12/16/2015	3/6/2017	\$ 247,500	\$ 159,266	6/19/2017	2020	2017	Moved forward in schedule to complement work completed in Toms River downtown area in 2016 and due to NIDOT paving in May/June 2017
Main Street STR (Rte. 166)	N/A	N/A	C170606	Main Replacement	3/30/2017		3/6/2017	\$ 110,000	\$ 69,446	5/5/2017	2017	2017	NIDOT Spring Paving Schedule for Route 166
Pinebrook Drive	N/A	N/A	C170603	Main Replacement	4/28/2017		6/13/2017	\$ 49,500	\$ 30,607	6/19/2017		2017	Combined with work on South Shore to minimize mobilization costs and optimize main installation production
Hollybrook Drive	N/A	N/A	C170603	Main Replacement	4/28/2017		6/13/2017	\$ 134,750	\$ 70,688	6/26/2017		2017	Combined with work on South Shore to minimize mobilization costs and optimize main installation production
Sage Road	N/A	N/A	C170603	Main Replacement	4/28/2017		6/13/2017	\$ 90,750	\$ 51,012	6/23/2017		2017	Combined with work on South Shore to minimize mobilization costs and optimize main installation production
South Shore Drive	C170601	0.01	C170603	Main Replacement	4/26/2017	12/16/2015	5/22/2017	\$ 637,000	\$ 400,809	6/19/2017	2017	2017	
South Shore Drive	C170601	0.02	C170603	Main Replacement	4/26/2017	12/16/2015	5/22/2017	\$ 570,000	\$ 349,797	6/19/2017	2017	2017	
Cobleskill Drive	N/A	N/A	C170605	Main Replacement	3/30/2017		3/6/2017	\$ 82,500	\$ 43,221	5/9/2017		2017	Dead-end loop in address system while mobilized in the area
TOTAL \$760									\$	2,275,303.45			

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
Main Replacement Projects
January 1, 2017 to June 30, 2017

Additional Comments

All main replacement work impacting the NJDOT ROW of Route 166 (Main Street) through Toms River and South Toms River had to be completed prior to May 2017 pursuant to NJDOT requests. This was to ensure that the work was completed prior to the NJDOT paving project that would see a moratorium of 5 years established after paving. To ensure that the Company completed the roads planned for 2020 and to work off of the 2016 work located in downtown Toms River, the Company moved and added the following roadways to its 2017 projects;

1. Main Street (Route 166) and Washington Intersection – the relocation of a main from within an existing drainage manhole and realignment to provide improved access and separation of sanitary sewer. All work was located within the NJDOT ROW and required to be completed prior to May 2017.
2. Dover, Union and Walton Street – work required tapping the main within the Route 166 ROW which had to be completed prior to May 2017. This replacement also connected to work completed in 2016 on Hyers Street. Additionally, as part of the preparation of the Company's Master Plan it was determined through a criticality analysis completed utilizing InfoMaster that the downtown area of Toms River is an area of critical replacement.
3. Broad Street, Messenger and Park Street - work required tapping the main within the Route 166 ROW which had to be completed prior to May 2017. Additionally, as part of the preparation of the Company's Master Plan it was determined through a criticality analysis completed utilizing InfoMaster that the downtown area of Toms River is an area of critical replacement.
4. Main Street (Route 166 – South Toms River) – the work was located within the NJDOT ROW and had to be completed prior to May 2017. The work included replacing an undersized 2" main with a 6" and providing a hydrant for flushing.
5. Pinebrook, Hollybrook and Sage Road – these roadways are located off of South Shore Road. While completing the main replacement on South Shore these roadways were added to minimize mobilization costs and optimize installation.
6. Colonial Drive – main installation work was being completed in the area and this was identified as a dead-end loop adjacent to a public school. The completion of the loop would improve water reliability, water quality and fire flow.

SUEZ WATER TOMS RIVER				
1/1/17 to 6/30/17				
PROJECT NAME	PROJECT ID	BLANKET REPLACEMENT	ESTIMATED EXPENDITURE	EXPENDITURE
Hydrant Replacement	C16D501	6	\$ 28,000.00	\$ 35,560.00
Replaced Domestic Service	C16F501	108 ¹	\$ 339,000.00	\$ 351,328.00
Replaced Fire Service	C16F503	1	\$ 28,250.00	\$ 17,760.00
Unreimbursed Utility Relocation				\$ -
Valve Replacements				\$ -
Total			\$ 395,250.00	\$ 404,648.00

1 Includes domestic service replacements and curb stop cut in (31 and 77, respectively).

SUEZ Water Toms River Inc.
 1/1/17 to 6/30/17

Date	Location	Township	Work Completed	Age of Material	Engineering in-Service Date
1/10/2017	Near 1882 Monitor Trail	Toms River	Replaced Public Hydrant		1/10/2017
1/12/2017	Near 85 Venus Lane	Toms River	Replaced Public Hydrant		1/12/2017
2/1/2017	Marian Street Between Route 37 & Terrace Avenue	Toms River	Replace Public Fire Hydrant		2/1/2017
2/3/2017	Front of # 740 Route 37 West	Toms River	Replace Public Fire Hydrant		2/3/2017
3/23/2017	Overlook Drive & Neville Street	Toms River	Replaced Public Hydrant		3/23/2017
4/11/2017	Royal Lane Near # 831	Toms River	Replaced Public Fire Hydrant		4/11/2017

REPLACEMENT SERVICES							
Date	Location	Township	Work Completed	Diameter (Inch)	Material	Installation	Engineering In-Service Date
1/1/2017	153 Westwood Drive	Berkeley	Replaced Services	1	CP	Replaced Service	1/1/2017
1/4/2017	20 Cornell Road	South TR	Replaced Services	3/4	CP	Replaced Curb Stop	1/4/2017
1/4/2017	34 Osprey Drive	Toms River	Replaced Services	3/4	PE	Replaced Curb Stop	1/4/2017
1/4/2017	442 Applegate Street	South TR	Replaced Services	3/4	CP	Replaced Curb Stop	1/4/2017
1/5/2017	49 Tuyahov Boulevard	Toms River	Replaced Services	3/4	PE	Replaced Curb Stop	1/5/2017
1/5/2017	76 Sea Breeze Road	Toms River	Replaced Services	1	CP	Replaced Service	1/5/2017
1/6/2017	1194 Audubon Drive	Toms River	Replaced Services	3/4	CP	Replaced Curb Stop	1/6/2017
1/11/2017	33 Channel Road	Toms River	Replaced Services	3/4	PE	Replaced Curb Stop	1/11/2017
1/11/2017	337 Silver Lagoon Drive	Toms River	Replaced Services	3/4	CP	Replaced Curb Stop	1/11/2017
1/12/2017	24 Leone Road	Toms River	Replaced Services	3/4	CP	Replaced Curb Stop	1/12/2017
1/12/2017	812 West Briar Avenue	Toms River	Replaced Services	1	CP	Replaced Service	1/12/2017
1/16/2017	210 Barbara Lane	Toms River	Replaced Services	3/4	CP	Replaced Curb Stop	1/16/2017
1/18/2017	127 Attison Avenue	South TR	Replaced Services	3/4	CP	Replaced Curb Stop	1/18/2017
1/18/2017	888 Bellwood Drive	Toms River	Replaced Services	3/4	PE	Replaced Curb Stop	1/18/2017
1/19/2017	47 Woodhaven Road	Toms River	Replaced Services	3/4	PE	Replaced Curb Stop	1/19/2017
1/31/2017	8 Green Ridge Drive	South TR	Replaced Services	3/4	CP	Replaced Curb Stop	1/31/2017
2/2/2017	71 15th Street	Toms River	Replaced Services	3/4	PE	Replaced Curb Stop	2/2/2017
2/2/2017	79 Kettle Creek Road	Toms River	Replaced Services	3/4	CP	Replaced Curb Stop	2/2/2017
2/2/2017	240 Aldo Drive	Toms River	Replaced Services	3/4	PE	Replaced Curb Stop	2/2/2017
2/6/2017	25 Hatfield Road	Berkeley	Replaced Services	1	CP	Replace Service	2/6/2017
2/6/2017	37 Cory Drive	Toms River	Replaced Services	3/4	CP	Replaced Curb Stop	2/6/2017
2/9/2017	33 Fort De France Avenu	Berkeley	Replaced Services	1	CP	Replace Service	2/9/2017
2/8/2017	2 Goyave Street	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	2/8/2017
2/8/2017	106 Deauville Avenue	South TR	Replaced Services	3/4	CP	Replace Curb Stop	2/8/2017
2/10/2017	617 Woodside Place	Toms River	Replaced Services	1	CP	Replaced Service	2/10/2017
2/14/2017	344 Suburban Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/14/2017
2/15/2017	9 Hummel Drive	South TR	Replaced Services	3/4	CP	Replace Curb Stop	2/15/2017
2/15/2017	539 Hollywood Avenue	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/15/2017
2/16/2017	1107 Ruby Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/16/2017
2/1/2017	8 Legion Court	Toms River	Replaced Services	4	DI	Legion Village Project	2/1/2017
2/17/2017	65 Bay Breeze Drive	Toms River	Replaced Services	1	CP	Replaced Service	2/17/2017
2/21/2017	40 Mount Lane	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/21/2017
2/21/2017	123 Leaf Lane	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/21/2017
2/21/2017	1025 Lucy Lane	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/21/2017
2/22/2017	1094 June Court	Toms River	Replaced Services	1	CP	Replace Curb Stop	2/22/2017
2/23/2017	9 Camelot Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/23/2017
2/23/2017	11 Green Ridge Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/23/2017
2/27/2017	18 Bamberry Lane	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	2/27/2017
2/28/2017	19 Cornell Road	South TR	Replaced Services	3/4	CP	Replace Curb Stop	2/28/2017
3/2/2017	176 Stowe Street	Toms River	Replaced Services	1	CP	Replaced Service	3/2/2017
3/3/2017	16 Corinth Place	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	3/3/2017
3/7/2017	4 Harrington Drive South	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	3/7/2017
3/8/2017	11 Anchorage Drive	Toms River	Replaced Services	1	CP	Replaced Service	3/8/2017
3/9/2017	32 Pembroke Lane	Berkeley	Replaced Services	1	CP	Replaced Service	3/9/2017
3/9/2017	16 Cadillac Drive	Berkeley	Replaced Services	3/4	CP	Replace Curb Stop	3/9/2017
3/21/2017	19 Amherst Road	South TR	Replaced Services	3/4	CP	Replace Curb Stop	3/21/2017
3/24/2017	348 Estate Point Road	Toms River	Replaced Services	1	CP	Replaced Service	3/24/2017
3/27/2017	337 Cheryl Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	3/27/2017
3/27/2017	1206 Bewick Street	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	3/27/2017
3/29/2017	1199 & 1211 Route 37 V	Toms River	Replaced Services	2	CP	Replaced Service	3/29/2017
3/30/2017	70 Lark Spur Court	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	3/30/2017
4/4/2017	298 Lillian Lane	Toms River	Replaced Services	1	CP	Replaced Service	4/4/2017
4/10/2017	28 Joyce Street	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	4/10/2017

4/12/2017	327 Maria Drive	Toms River	Replaced Services	1	PE	Replace Curb Stop	4/12/2017
4/14/2017	20 Banning Court	Berkeley	Replaced Services	1	CP	Replaced Service	4/14/2017
4/19/2017	3 New Castle Court	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	4/19/2017
4/19/2017	401 Killarney Drive	Toms River	Replaced Services	1	PE	Replace Curb Stop	4/19/2017
4/24/2017	135 Larch Drive	Toms River	Replaced Services	3/4	PE	Replace Curb Stop	4/24/2017
4/27/2017	53 13th Street	Toms River	Replaced Services	3/4	PE	Replace Curb Stop	4/27/2017
4/27/2017	34 Mahlon Court	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	4/27/2017
4/28/2017	709 Main Street	Toms River	Replaced Services	1	CP	Replaced Service	4/28/2017
4/30/2017	11 Pechanga	Berkeley	Replaced Services	1	CP	Replaced Service	4/30/2017
5/1/2017	228 Torrey Pines Drive	Berkeley	Replaced Services	1	CP	Replaced Service	5/1/2017
5/2/2017	45 Dreyfus Court	Berkeley	Replaced Services	1	CP	Replaced Service	5/2/2017
5/3/2017	971 Meredith Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	5/3/2017
5/3/2017	9 North Charlottesville Dr	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	5/3/2017
5/16/2017	28 Grenada Street	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	5/16/2017
5/14/2017	368 Port Royal Drive	Berkeley	Replaced Services	1	CP	Replaced Service	5/14/2017
5/23/2017	111 Barbados Drive	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	5/23/2017
5/23/2017	124 Leaf Lane	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	5/23/2017
5/23/2017	204 Terrace Avenue	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	5/23/2017
5/25/2017	7 Pechanga Street	Berkeley	Replaced Services	1	CP	Replaced Service	5/25/2017
5/30/2017	2269 Hovsons Blvd	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	5/30/2017
5/30/2017	1847 Monitor	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	5/30/2017
6/5/2017	2 Saint Christopher Court	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/5/2017
6/5/2017	157 Davenport Road	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/5/2017
6/5/2017	312 Curacao Street	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/5/2017
6/7/2017	2560 Balfrey Drive	Toms River	Replaced Services	3/4	PE	Replace Curb Stop	6/7/2017
6/12/2017	882 Roundtree Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	6/12/2017
6/13/2017	13 Ray Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	6/13/2017
6/13/2017	25 Gem Avenue	Toms River	Replaced Services	1	PE	Replace Curb Stop	6/13/2017
6/13/2017	60 Castle Harbor Drive	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/13/2017
6/15/2017	1503 Serene Way	Toms River	Replaced Services	1	CP	Replaced Service	6/15/2017
6/15/2017	1504 Serene Way	Toms River	Replaced Services	1	CP	Replaced Service	6/15/2017
6/15/2017	1505 Serene Way	Toms River	Replaced Services	1	CP	Replaced Service	6/15/2017
6/14/2017	274 Barbados Drive North	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/14/2017
6/14/2017	3 Palmetto Point Street	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/14/2017
6/15/2017	274 Kim Court	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	6/15/2017
6/19/2017	137 Biabou Drive	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/19/2017
6/19/2017	8 Falmouth Street	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/19/2017
6/19/2017	17 Barbuda Street	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/19/2017
6/20/2017	1059 Crystal Drive	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	6/20/2017
6/20/2017	18 Manassas Drive	Berkeley	Replaced Services	3/4	PE	Replaced Service	6/20/2017
6/20/2017	654 Ridgeview Drive	Toms River	Replaced Services	3/4	PE	Replace Curb Stop	6/20/2017
6/21/2017	2 Banning Court	Berkeley	Replaced Services	1	CP	Replaced Service	6/21/2017
6/21/2017	24 Center Street	South TR	Replaced Services	3/4	PE	Replace Curb Stop	6/21/2017
6/17/2017	1 Lakeview Drive	South TR	Replaced Services	1	CP	Replaced Service	6/17/2017
6/22/2017	19 Sea Breeze Road	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	6/22/2017
6/22/2017	540 West Earl Court	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	6/22/2017
6/23/2017	936 Hazelwood Road	Toms River	Replaced Services	3/4	CP	Replace Curb Stop	6/23/2017
6/23/2017	1861 Skiff Court	Toms River	Replaced Services	1	CP	Replaced Service	6/23/2017
6/25/2017	185 Biabou Drive	Berkeley	Replaced Services	1	CP	Replaced Service	6/25/2017
6/28/2017	5 Bolingbroke Drive	Berkeley	Replaced Services	1	CP	Replaced Service	6/28/2017
6/27/2017	26 Spanish Wells Street	Berkeley	Replaced Services	3/4	PE	Replace Curb Stop	6/27/2017
6/27/2017	292 Barbados Drive North	Berkeley	Replaced Services	3/4	CP	Replace Curb Stop	6/27/2017
6/29/2017	326 Kettle Creek Road	Toms River		3/4	PE	Replace Curb Stop	6/29/2017
6/29/2017	4 Glenwood Road	Toms River		3/4	CP	Replace Curb Stop	6/29/2017
6/27/2017	145 Pinewood Drive	Toms River		1	CP	Replaced Service	6/27/2017

RATE SCHEDULE NO. 7
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the facilities charge provided for in this Tariff in Rate Schedule No.1 Metered Service, the following charges will apply to all metered customers throughout the service territory of the Company.

<u>Size of Meter</u>	<u>Per Month</u>	* Exempt Rate <u>Per Month</u>
5/8 Inch	\$1.54	\$1.33
3/4 Inch	2.31	1.99
1 Inch	3.85	3.32
1-1/2 Inch	7.70	6.65
2 Inch	12.32	10.64
3 Inch	23.10	19.94
4 Inch	38.50	33.24
6 Inch	77.00	66.47
8 Inch	123.20	106.36
10 Inch	177.10	152.89
12 Inch	254.10	219.36

EXEMPTIONS:

*Sales to a public utility subject to a payment of Gross Receipts and Franchise Taxes shall be exempt from the applicable Gross Receipts and Franchise Taxes.

Issued:

Effective: August 29, 2017

By: David Stanton, President
461 From Road, Suite 400, Paramus, NJ 07652

DSIC REVENUES COLLECTED

SUEZ Water Toms River Inc.
Proposed DSIC Calculation
January 1, 2017 to June 30, 2017

Revised 8/20/17

<u>Revenues Collected</u>			
		Per RCR-3 and HJW calculation	
Sep	\$8,018.32		
Oct	28,200.27		
Nov	29,018.44		
Dec	<u>29,036.49</u>		
	\$94,273.52		
Jan	29,865.30		Difference
Feb	28,864.54		
Mar	37,379.05	63,063.00	(25,683.95)
Apr	62,846.95	63,063.00	(216.05)
May	63,826.81	63,063.00	763.81
Jun	<u>64,228.51</u>	63,063.00	1,165.51
	287,011.16		
Estimated			
Jul	64,000.00	63,063.00	937.00
Aug	64,000.00	63,063.00	<u>937.00</u>
			(22,096.68)
			(44,193.36) Annualized
Total	\$509,284.68		

DSIC EARNINGS CALCULATION

SUEZ Water Toms River
Income Statement

Line No.	<u>Description</u>	Actual 12 Months Ending <u>6/30/2017</u>
1	Operating Revenues (includes DSIC)	<u>\$34,616,951</u>
	Operating Expenses	
2	Operation and Maintenance Expenses	13,198,416
3	Depreciation and Amortization	4,928,336
4	Taxes Other Than Income	<u>5,328,312</u>
5	Operating Expenses Before Income Taxes	<u>23,455,064</u>
	Pre-tax utility operating income	11,161,887
6	Federal Income Taxes	<u>2,965,118</u>
7	Utility Operating Income	<u>\$8,196,769</u>
8	Rate Base	<u>\$ 108,354,908</u>
9	Return on Rate Base	<u>7.56%</u>
10	Allowed Return on Rate Base	<u>7.65%</u>

**SUEZ Water Toms River
Rate Base Summary**

<u>Line Number</u>	<u>Description</u>	<u>Actual at 6/30/2017</u>
1	Utility Plant in Service	\$ 185,447,053
2	Accumulated Depreciation	<u>(37,553,776)</u>
3	Net Plant	147,893,277
4	Contributions in Aid of Construction	(19,687,667)
5	Customer Advances for Construction	(2,850,735)
6	Accumulated Deferred Income Taxes	(18,225,182)
7	Materials and Supplies	402,483
8	Prepaid Expenses	313,580
9	Working Capital	671,564 Current case 2015
10	CTA Adjustment	(162,411) Current case 2015
11	Total Rate Base	<u>\$ 108,354,908</u>