

The petition was transmitted to the Office of Administrative Law ("OAL") on August 19, 2019, as a contested case, and was later assigned to Administrative Law Judge ("ALJ") Ernest M. Bongiovanni for review.

A telephone prehearing conference was held on September 16, 2019, before ALJ Bongiovanni, after which a prehearing order was issued on September 25, 2019. A public comment hearing was held on October 30, 2019, and all requisite notices were given, including notice by publication in the New Jersey Herald on September 27, 2019.

After appropriate notice, a public hearing was held at the Littell Community Center, Franklin New Jersey, at 5:30 p.m. on October 30, 2019 over which ALJ Bongiovanni presided. No members of the public were in attendance nor were any written comments received. Subsequent to the public hearing, the Parties reached a Stipulation resolving all issues in this matter.

On November 25, 2019, ALJ Bongiovanni issued his Initial Decision recommending adoption of the Stipulation executed by the Parties, finding that they had voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues and is consistent with the law. No exceptions were received by the Board.

DISCUSSION AND FINDINGS¹

As more fully discussed in the attached Stipulation, the Parties agreed that the following increases are reasonable and appropriate to allow the Petitioner to recover increased purchased sewerage treatment expenses.

Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the Sussex County Municipal Authority ("SCMUA"). The current PSTAC tariff was approved by the Board in an Order in Docket No. WR18080881, dated November 19, 2018, which examined PSTAC revenues and expenses applicable to the period ending December 31, 2017 and set prospective rates for calendar year 2019.

- 1) In this proceeding, the parties have examined the Company's actual revenues and actual SCMUA expenses for calendar year 2018, and the Company's projected SCMUA expenses for 2020 as well as the cost of this proceeding. Based on the foregoing, the Parties have determined that the current PSTAC rate should be increased to recover an additional \$8,782 in revenues. The \$8,782 PSTAC increase was calculated based on the following components:
 - a) an over-recovery of actual wastewater treatment charges of approximately \$11,266 for the calendar year ending December 31, 2018, with the interest on this over-recovery calculated to be \$107;
 - b) projected SCMUA charges for 2020 of \$148,586 based on SCMUA rates effective for 2019;

¹ Although described in this Order at some length, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions in this Order.

- c) The total costs of this proceeding are deemed to be \$8,000. These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$4,000; and
 - d) The pro forma PSTAC revenues at present rates are projected to be \$132,431.
- 2) As required in N.J.A.C 14:9-7.7, the Company has included in its filing an estimate of SCMUA costs for the calendar year 2020, which estimate has been used to determine the applicable PSTAC rate for 2020;
 - 3) Based on the estimated costs for 2020, the over-recovery for 2018, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be increased as indicated on Exhibit A. For the average residential customer, the PSTAC rate will increase from \$5.08 per thousand gallons to \$5.42 per thousand gallons, an increase of \$0.34 per thousand gallons or approximately 6.73%. (See Exhibit A, page 8). With respect to the total monthly rate for wastewater services, the total monthly rate for the average residential customer using approximately 3,900 gallons per month will increase from \$33.15 to \$34.46, an increase of \$1.30 or approximately 3.93% monthly.

The Petitioner is **HEREBY DIRECTED** to make a compliance filing with the Board effective January 1, 2020 incorporating this rate change.

Having reviewed the record in this matter, including ALJ Bongiovanni's Initial Decision and the Stipulation, the Board **HEREBY FINDS** that the Parties have voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. The Board **HEREBY FINDS** the Initial Decision, which adopts the Stipulation, to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Initial Decision and the Stipulation, attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if they were fully set forth at length herein, subject to the following:

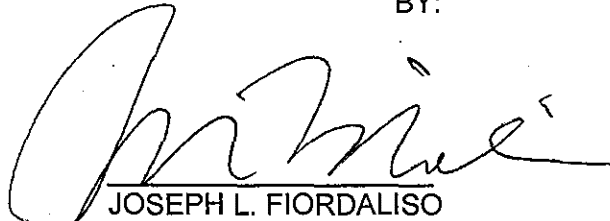
In accordance with the provisions of N.J.A.C. 14:9-7.4 and this Order, the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, a PSTAC true-up schedule in connection with this proceeding. Copies of the true-up schedule shall be served upon all parties to the present proceeding.

The Board **HEREBY APPROVES** the amount to be recovered through the 2020 PSTAC of \$8,782. The Board **HEREBY ACCEPTS** the tariff pages attached to the Stipulation as filed with the Board, to be effective January 1, 2020. The Board **ORDERS** that the Company comply with the terms of the Initial Decision and Stipulation as if set forth fully herein.

The effective date of this Order is December 30, 2019

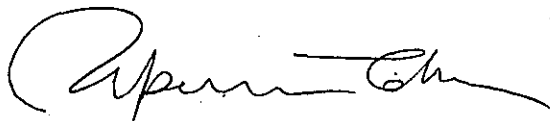
DATED: 12/20/19

BOARD OF PUBLIC UTILITIES
BY:

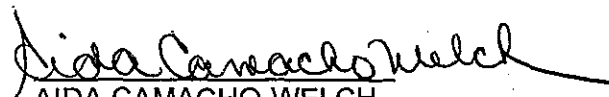

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUJULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities.

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY INC., WALLKILL SEWER
DIVISION FOR APPROVAL OF A 2018 PURCHASED WASTEWATER TREATMENT
ADJUSTMENT CLAUSE TRUE-UP AND OTHER REQUIRED APPROVALS

BPU DOCKET NO. WR19080920
OAL DOCKET NO. PUC 11578-2019

SERVICE LIST

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State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 11578-19

AGENCY DKT. NOS. WR19080920

**IN THE MATTER OF THE PETITION OF
AQUA NEW JERSEY, INC., WALLKILL
SEWER DIVISION, FOR APPROVAL OF A
2018 PURCHASED WASTEWATER TREATMENT
ADJUSTMENT CLAUSE TRUE-UP
AND OTHER REQUIRED APPROVALS.**

Courtney L. Schultz, Esq., for petitioner Aqua New Jersey Inc. (Saul Ewing
Arnstein & Lehr, attorneys)

Peter Van Brunt and Patricia A. Krogman, Deputy Attorneys General, for the
Staff of the Board of Public Utilities (Gurbir S. Grewal, Attorney General of
New Jersey, attorney)

Susan McClure, Esq., Assistant Deputy Rate Counsel, for Division of Rate
Counsel (Stefanie A. Brand, Director, attorney)

Record Closed: November 18, 2019

Decided: November 25, 2019

BEFORE ERNEST M. BONGIOVANNI, ALJ:

Petitioner Aqua New Jersey Inc., Wallkill Sewer Division (Petitioner, or the
Company) filed a petition on August 14, 2019 for approval of a purchased wastewater
treatment adjustment clause (PSTAC) true for calendar year 2018 and to set

prospective rates for calendar year 2020, as required by N.J.A.C. 14:9-7.1(d) and 14L9-7.7. The file was transmitted to the Office of Administrative Law (OAL) for hearing as a contested case pursuant to N.J.S.A. 52:14B-1 to-15 and N.J.S.A. 52:14F-1 to- 13, on or about August 19, 2019.

A telephone prehearing conference was held on September 16, 2019, after which a Prehearing Order, dated September 25, 2019, was entered. The Public Hearing was held at 6:30 p.m. on October 30, 2019 at the Littell Community Center. No members of the public appeared at the hearing, nor were any written comments by the public received.

On November 18, 2019, the parties filed a Stipulation of Settlement which resolves all the issues in the proceeding. (J-1.) Said Stipulation of Settlement has been signed by the attorney for the petitioner, by Staff of the Board and the New Jersey Division of Rate Counsel. That agreement more completely sets forth the terms and conditions of the settlement of all issues raised by the filing of the Company.

I have reviewed the record and terms of the Stipulation and **FIND:**

1. The parties have voluntarily agreed to the settlement as evidenced by their signatures or their representatives' signatures on the attached document.
2. The settlement fully disposes of all issues in controversy and is consistent with law.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

November 25, 2019

DATE



ERNEST M. BONGIOVANNI, ALJ

Date Received at Agency:

Date Mailed to Parties:

id

APPENDIX

EXHIBITS

Jointly Submitted

J-1 Stipulation of Settlement.

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

RECEIVED

2019 NOV 18 A 9:10

STATE OF NEW JERSEY
OFFICE OF ADMIN. LAW

IN THE MATTER OF THE PETITION :
OF AQUA NEW JERSEY, INC., : STIPULATION OF SETTLEMENT
WALKKILL SEWER DIVISION, FOR :
APPROVAL OF A 2018 PURCHASED : BPU DOCKET NO. WR19080920
WASTEWATER TREATMENT : OAL DOCKET NO. PUC11578-2019N
ADJUSTMENT CLAUSE TRUE-UP :
AND OTHER REQUIRED APPROVALS :
_____ :

APPEARANCES:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, on behalf of the Petitioner, Aqua New Jersey, Inc., Walkkill Sewer Division

Debra F. Robinson, Deputy Rate Counsel, and Susan E. McClure, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Paul Youchak, Deputy Attorney General, (Gurbir S. Grewal, Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:

The Parties that have participated in this proceeding are Aqua New Jersey, Inc., Walkkill Sewer Division ("Aqua," "Company," or "Petitioner"), the Division of Rate Counsel ("Rate Counsel"), and the Staff of the Board of Public Utilities ("Staff") (collectively, the "Parties"). There were no intervenors in this proceeding. As a result of an analysis of Aqua's Petition and exhibits, discovery conducted by Rate Counsel and Staff, conferences, and negotiations, the Parties to this proceeding have come to the within agreement. The Parties hereto agree and stipulate as follows:

1. Petitioner operates a sewage collection and transmission system within a portion of the Township of Hardyston, County of Sussex, New Jersey. Petitioner serves approximately

409 customers within this portion of its service territory. Aqua is a public utility corporation of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (the "Board"). Aqua's principal business office is located at 10 Black Forest Road, Hamilton, New Jersey 08691.

2. On August 15, 2019, pursuant to N.J.A.C. 14:9-7.1 to 7.7, Aqua filed the above-captioned Petition with the Board, which was later assigned BPU Docket No. WR19080920, for approval of a true-up of purchased wastewater treatment adjustment clause ("PSTAC") costs and revenues for calendar year 2018, and to set prospective rates for calendar year 2020 as required by N.J.A.C. 14:9-7.1(d) and 14:9-7.7. Aqua will true-up 2019 PSTAC revenues and rates in its 2020 PSTAC filing, and commits that it will make this filing on a timely basis.

3. On August 19, 2019, the matter was transmitted to the Office of Administrative Law ("OAL") and was later assigned to the Honorable Administrative Law Judge ("ALJ") Ernest Bongiovanni for review and disposition.

4. On September 12, 2019, a telephonic prehearing conference was held before ALJ Bongiovanni, after which a Prehearing Order was issued by ALJ Bongiovanni on September 25, 2019.

5. A public comment hearing was scheduled for October 30, 2019, and all requisite notices were given, including notice by publication in the New Jersey Herald on September 27, 2019.

6. On October 30, 2019 a public hearing was held at the Littell Community Center, at 5:30 p.m., over which ALJ Bongiovanni presided. No members of the public appeared.

7. Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the Sussex County Municipal Utilities Authority ("SCMUA"). The current PSTAC tariff was

approved by the Board in an Order in Docket No. WR18080881, dated November 19, 2018, which examined PSTAC revenues and expenses applicable to the period ending December 31, 2017 and set prospective rates for calendar year 2019.

8. In this proceeding, the Parties have examined the Company's actual revenues and actual SCMUA expenses for calendar year 2018, and the Company's projected SCMUA expenses for 2020, as well as the costs of this proceeding. Based on the foregoing, the Parties have determined that the current PSTAC rate should be increased to recover an additional \$8,782 in revenues. The \$8,782 PSTAC increase was calculated based on the following components:

- a) an over-recovery of actual wastewater treatment charges of approximately \$11,266 for the calendar year ending December 31, 2018 (See Exhibit A, attached hereto, pages 1 to 3), with the interest on this over-recovery calculated to be \$107 (See Exhibit A, page 10);
- b) projected SCMUA charges for 2020 of \$148,586 based on SCMUA rates effective for 2019 (See Exhibit A, page 5);
- c) the total costs of this proceeding are deemed to be \$8,000 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$4,000 (See Exhibit A, page 7); and
- d) the pro forma PSTAC revenues at present rates are projected to be \$132,431 (See Exhibit A, page 6).

9. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of SCMUA costs for calendar year 2020, which estimate has been used to determine the applicable PSTAC rate for 2020.

10. Based on the estimated costs for 2020, the over-recovery for 2018, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be increased as indicated on Exhibit A. For the average residential customer, the PSTAC rate will increase from \$5.08 per thousand gallons to \$5.42 per thousand gallons, an increase of \$0.34 per thousand gallons or approximately 6.73%. (See Exhibit A, page 8). With respect to the total monthly rate for wastewater services, the total monthly rate for the average residential customer using approximately 3,900 gallons per month will increase from \$33.15 to \$34.46, an increase of \$1.30 or approximately 3.93% monthly.

11. Consistent with the provisions of N.J.A.C. 14:9-7.1 to 7.7, the Parties agree that the Company will file with the Board a PSTAC petition to reconcile calendar year 2019 actual SCMUA costs with the estimated SCMUA costs (as reflected in the rates identified on Exhibit A) for the same period. Additionally, the Company will include in its filing an estimate of SCMUA costs for calendar year 2021, which estimate will be used to determine the applicable PSTAC rate for 2021, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.

12. The Parties have engaged in full discovery. The Parties agree that the within Stipulation reflects a mutual balancing of various issues and positions, and that it is being entered into in the spirit of compromise and to avoid protracted and costly litigation.

13. This Stipulation is the product of negotiations by the Parties, and it is an express condition of the settlement embodied by this Stipulation that it be presented to the Board in its entirety without modification or condition. It is also the intent of the Parties to this Stipulation that this settlement, once accepted and approved by the Board, shall govern all issues specified and agreed to herein. The Parties to this Stipulation specifically agree that if adopted in its

entirety by the Board, no appeal shall be taken by them from the order adopting same as to those issues upon which the Parties have stipulated herein.

14. The Parties agree that each term within this Stipulation reflects a mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation as a whole, since the Parties hereto expressly and jointly state that they would not have signed this Stipulation had any terms been modified in any way. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, then any Party hereto materially affected thereby shall not be bound to proceed under this Stipulation.

15. The Parties further agree that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Parties shall be prohibited from, or prejudiced in, arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposedly underlying any agreement provided herein in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

16. This Stipulation may be executed in as many counterparts as there are Parties to this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

AQUA NEW JERSEY, INC.
WALLKILL SEWER DIVISION

11/14/2019
Date

By: Courtney L. Schultz
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Date

By: _____
Paul Youchak
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

Date

By: _____
Susan E. McClure, Esq.
Assistant Deputy Rate Counsel

16. This Stipulation may be executed in as many counterparts as there are Parties to this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

AQUA NEW JERSEY, INC.
WALKKILL SEWER DIVISION

Date

By: _____
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Nov 8 2019
Date

By: _____
Paul Youchak
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

Date

By: _____
Susan McClure, Esq.
Assistant Deputy Rate Counsel

16. This Stipulation may be executed in as many counterparts as there are Parties to this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

AQUA NEW JERSEY, INC.
WALKKILL SEWER DIVISION

Date

By: _____
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

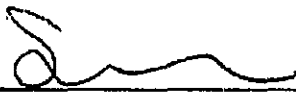
Date

By: _____
Paul Youchak
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

11/15/19

Date

By: _____

Susan McClure, Esq.
Assistant Deputy Rate Counsel

Paul Youchak, Esq.**
State of New Jersey
Office of the Attorney General
Department of Law and Public Safety
Division of Law, P.O. Box 112
Trenton, New Jersey 08625
Paul.youchak@law.njoag.gov

Karriemah Graham, Chief**
Bureau of Case Management
Board of Public Utilities
P.O. Box 350
Trenton, NJ 08625-0350

William C. Packer
Aqua Pennsylvania, Inc.
762 W. Lancaster Ave.
Bryn Mawr, PA 19010
wcpackerjn@aquaamerica.com

**** Hard copy will be provided**

EXHIBIT A

Agate New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

AJ 2018 Treatment Expenses Paid to SICHUSA:

Quarter	Amount	Invoice #	Reference
Q1	\$37,421	None	Exhibit B
Q2	\$37,421	None	Exhibit B
Q3	\$37,423	None	Exhibit B
Q4	\$37,423	None	Exhibit B
Credit	\$2,026	None	Exhibit B
Total 2018 Actual Treatment Expense			\$181,711

(Lines 8, thru 11, - 12.)

Aqua New Jersey, Inc.
 Water PSTAC Reconciliation True-Up
 For Calendar year ending December 31, 2018

B.I. 2018 REVENUE BILLED TO WATER CUSTOMERS:

CLASS	CUSTOMERS	METER SIZE	GY/1000	AMOUNT	RATE PER 1,000 GALS.	% of REVENUE
Residential - Single Family	369		17,712	\$93,519	\$5.28	66.36%
Commercial, Industrial, School, Business, & Religious	40		8,978	\$47,404	\$5.28	33.64%
Subtotal:	409		26,690	\$140,923		100.00%

**Aqua New Jersey, Inc.
Waiver PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018**

C.1 2018 Reconciliation - Over/(Under) Recovery:

C.1) Actual Revenue 2018	\$140,923	Reference B)
Prospective Revenue Authorized 2018	\$133,409	Exhibit A, ELA, Page 7
Over/(Under) Recovery 2018	<u>\$7,514</u>	
C.2) Actual Expense 2018	\$181,711	AJ
Projected Expense 2018	\$155,463	Exhibit A, Page 2 Sub B
Over/(Under) Recovery 2018	<u>\$26,248</u>	
Total Over/(Under) Recovery 2018	\$11,266	

Aqua New Jersey, Inc.
WABRI PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

DJ Cost of Filings Application:

Legal
Notification & Other
Transcripts
Total

\$	7,500.00
\$	250.00
\$	250.00
\$	<u>\$8,000</u>

Aqua New Jersey, Inc.
Waikiki PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

E.1 Prospective 2020 Rate Adjustment:

- 1.) Projected 2020 Sewage Volume (KGallons)
- 2.) 2018 Volumetric Rate
- 3.) Projected Calendar Year 2020 Revenue
- 4.) Projected 2020 SCNUA Billings (Based on 2019)
- 5.) Prospective Adj. for Rates Effective 1/1/2020

<u>Calculation</u>	<u>Reference</u>
26,068	3 Year Avg
<u>\$5.08</u>	
\$132,431	KGals x 2019 Vol Rate
<u>\$148,588</u>	Exhibit B
<u>\$16,156</u>	Lines 4.) - 3.)

<u>3 Yr. Avg. Annual Gallons</u>	
2016	25,205
2017	26,312
2018	26,690
<u>Average</u>	<u>26,069</u>

Aqua New Jersey, Inc.
 Walkin PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2018

EJ PSTAC Revenue at Present Rates (2018):

<u>Class</u>	<u>Customers</u>	<u>MGallons</u>	<u>2018 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family	373	17,300	\$5.08	\$87,883.45	68.36%
Commercial, Industrial, School, Business, & Religious	40	8,768	\$5.08	\$44,547.07	33.64%
Total:					
Total PSTAC Revenue at Present Rates =>				<u>\$132,431</u>	

Aqua New Jersey, Inc.
 Walk-in PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2018

G.) PSTAC Calculation:

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2020 Calendar Year Billings by SCMUA	\$148,586	E.)
2.) Over Recovery 2018	(\$11,286)	C.)
3.) Interest on Over Recovery	(\$107)	
4.) Cost of Filing Application (\$8,000 x 50%)	<u>\$4,000</u>	D.)
5.) 2020 PSTAC Revenue Requirement	<u>\$141,212</u>	Sum Lines 1 thru 3
6.) PSTAC Revenue at Present (2019) Rates	<u>\$132,431</u>	F.)
7.) Subtotal PSTAC Request	<u>\$8,782</u>	Line 5 minus Line 6

Aqua New Jersey, Inc.
 Wash PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2018

H.J. Rate Design:

Class	Customers	KGallons	2018 Current Rate	% of Revenue	Assessment	New Rate	% Change
Residential - Single Family	373	17,300	\$5.08	66.36%	\$9,627.83	\$5.42	6.63%
Commercial, Industrial, School, Business, & Religious	40	8,769	\$5.08	33.64%	\$2,854.06	\$5.42	6.63%
Total:					<u>\$12,481.89</u>		

Aqua New Jersey, Inc.
Walkin' PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

1.1 Proof of Revenue:

CLASS	Customers	KGalibos	New Rate	Prospective 2020 Revenue
Residential - Single Family	373	17,300	\$5.42	\$93,711.29
Commercial, Industrial, School, Business, & Religious	40	8,769	\$5.42	\$47,501.12
Total:				\$141,212

2019 Walkkill PSTAC True Up

Interest Calculation (Rate = 30 Yr Treasury @ 12/29/17 => 2.74%, @ 7/24/18 = 3.08%)

Month	Year	Refund*	APR %	Month % Rate	Interest
January	2018	\$ 938.85	0.0274	0.00228	2.14
February	2018	1,879.84	0.0274	0.00228	4.29
March	2018	1,881.99	0.0274	0.00228	4.30
April	2018	1,882.00	0.0274	0.00228	4.30
May	2018	1,882.00	0.0274	0.00228	4.30
June	2018	1,882.00	0.0274	0.00228	4.30
July	2018	1,882.00	0.0274	0.00228	4.30
August	2018	1,882.00	0.0274	0.00228	4.30
September	2018	1,882.00	0.0274	0.00228	4.30
October	2018	1,882.00	0.0274	0.00228	4.30
November	2018	1,882.00	0.0274	0.00228	4.30
December	2018	1,882.00	0.0274	0.00228	4.30
January	2019	1,882.00	0.0308	0.00257	4.83
February	2019	1,882.53	0.0308	0.00257	4.83
March	2019	1,882.53	0.0308	0.00257	4.83
April	2019	1,882.53	0.0308	0.00257	4.83
May	2019	1,882.53	0.0308	0.00257	4.83
June	2019	1,882.53	0.0308	0.00257	4.83
July	2019	1,882.53	0.0308	0.00257	4.83
August	2019	1,882.53	0.0308	0.00257	4.83
September	2019	1,882.53	0.0308	0.00257	4.83
October	2019	1,882.53	0.0308	0.00257	4.83
November	2019	1,882.53	0.0308	0.00257	4.83
December	2019	1,882.53	0.0308	0.00257	4.83

* 2018 Over-Recovery \$11,266 pro-rated

Total Interest to be Refunded to Customers \$ 107