



NEW JERSEY
AMERICAN WATER

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CASE MANAGEMENT

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FORWARD
CASE MANAGEMENT

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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

John S. Tomac
Senior Director
Rates and Regulatory
1 Water Street
Camden, NJ 08102

January 28, 2020

VIA REGULAR MAIL

TO ALL: MUNICIPAL CLERKS, CLERKS OF THE BOARDS OF CHOSEN FREEHOLDERS, COUNTY EXECUTIVE OFFICERS, COUNTY ADMINISTRATORS AND SALE FOR RESALE CUSTOMERS

Re: **In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval to Change the Levels of its Purchased Water Adjustment Clause and Purchase Wastewater Treatment Clause**
OAL Docket No. PUC 16898-2019S; BPU Docket No. WR19111465

Dear Sir/Madam:

Pursuant to N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b), (c) and (d), enclosed herewith for service upon you is the Notice of Filing of Proposed Rate-Increase and of Public Hearing.

Please note the dates and times of the public hearings at which members of the public are invited to attend and express their views on the proposed rate increases are as follows:

February 18, 2020

4:30 p.m.

Ocean City Public Library
Lecture Hall
1735 Simpson Avenue
Ocean City, NJ 08226

5:30 p.m.

Ocean City Public Library
Lecture Hall
1735 Simpson Avenue
Ocean City, NJ 08226

February 19, 2020

4:30 p.m.

Howell Township Municipal Building
Main Meeting Room
4567 Route 9 North
Howell, NJ 07731

5:30 p.m.

Howell Township Municipal Building
Main Meeting Room
4567 Route 9 North
Howell, NJ 07731

February 20, 2020

4:30 p.m.

Hillsborough Twp. Municipal Complex
The Peter J. Biondi Building
Senior Activities Room
379 South Branch Road
Hillsborough, NJ 08844

5:30 p.m.

Hillsborough Twp. Municipal Complex
The Peter J. Biondi Building
Senior Activities Room
379 South Branch Road
Hillsborough, NJ 08844

In the event of inclement weather, the public hearings will be rescheduled for the dates, times and locations as indicated in the enclosed Public Notice, and as posted on the Company's website at <https://amwater.com/njaw/customer-service-billing/your-water-and-wastewater-rates>.

Very truly yours,

John S. Tomac

Case Mgmt
S. Petrucci, Esq.

List Copied

cc: Service list (via e-mail)
Hon. Jacob Gertsman, ALJ (via regular mail)
Hon. Aida Camacho-Welch, Secretary of the BPU (via regular mail)
Department of Law & Public Safety (via regular mail)
Division of Rate Counsel (via regular mail)

**I/M/O the Petition of New Jersey American Water Company, Inc. to
Change the Levels of its Purchased Water Adjustment Clause and
Purchased Wastewater Treatment Adjustment Clause
BPU Docket No. WR19111465
OAL Docket No. PUC 16898-2019S**

Service List

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Alex Moreau, DAG
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Public Utilities Section
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25 Market Street, P.O. Box 112
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**I/M/O the Petition of New Jersey American Water Company, Inc. to
Change the Levels of its Purchased Water Adjustment Clause and
Purchased Wastewater Treatment Adjustment Clause
BPU Docket No. WR19111465
OAL Docket No. PUC 16898-2019S**

Service List

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Michele L. Tilley
Middlesex Water Company
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Iselin, NJ 08830

PUBLIC NOTICE

NEW JERSEY-AMERICAN WATER COMPANY, INC.

NOTICE OF PUBLIC HEARINGS

**NEW JERSEY-AMERICAN WATER COMPANY, INC. NOTICE OF FILING OF
PETITION FOR APPROVAL TO CHANGE THE LEVEL OF ITS
PURCHASED WATER ADJUSTMENT CLAUSE AND
PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE
OAL Docket Number PUC 16898-2019 S
BPU Docket No. WR19111465**

TO OUR CUSTOMERS:

Notice is hereby given that on November 15, 2019, New Jersey-American Water Company, Inc. ("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.*, a petition seeking to increase rates for water and sewer service through revisions to the Purchased Water and Purchased Wastewater Treatment Adjustment Clauses ("PWAC" and "PSTAC", respectively). The proposed rates in the petition would increase annual revenues by \$4,444,232 or 0.66%. 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:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt	All	All	\$0.05553	\$0.5553
Exempt	All	All	\$0.04806	\$0.4806

	<u>Cubic Feet Per Month</u>	<u>Cubic Feet Per Quarter</u>	<u>Rate Per 10 Cubic Feet</u>	<u>Rate Per 100 Cubic Feet</u>
Non-Exempt	All	All	\$0.04154	\$0.4154
Exempt	All	All	\$0.03595	\$0.3595

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 6,000 GALLONS PER MONTH AND THE RESULTING INCREASES:

	<u>Present Per Month</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
Statewide - GMS	\$56.54	\$56.78	\$0.24	0.42%
Statewide - SFR	\$56.24	\$56.48	\$0.24	0.43%
SA1-B, SA1-C	\$51.74	\$51.98	\$0.24	0.46%
SA-1E	\$50.66	\$50.90	\$0.24	0.47%

PURCHASED WASTEWATER 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:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt and Exempt	All	All	\$2.69490	\$26.9490
	<u>Cubic Feet Per Month</u>	<u>Cubic Feet Per Quarter</u>	<u>Rate Per 10 Cubic Feet</u>	<u>Rate Per 100 Cubic Feet</u>
Non-Exempt and Exempt	All	All	\$2.01579	\$20.1579

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 \$65.50 PER MONTH, WOULD PAY \$70.66 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$5.16 OR 7.88%.

<u>Present Per Month</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
\$65.50	\$70.66	\$5.16	7.88%

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:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt and Exempt	All	All	\$0.47263	\$4.7263

	<u>Cubic Feet Per Month</u>	<u>Cubic Feet Per Quarter</u>	<u>Rate Per 10 Cubic Feet</u>	<u>Rate Per 100 Cubic Feet</u>
Non-Exempt and Exempt	All	All	\$0.35353	\$3.5353

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 \$63.95 PER MONTH, WOULD PAY \$64.36 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$0.41 OR 0.64%.

<u>Present Per Month</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
\$63.95	\$64.36	\$0.41	0.64%

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:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt and Exempt	All	All	\$0.73727	\$7.3727

THE TYPICAL RESIDENTIAL WASTEWATER SERVICE CUSTOMER IN HOWELL WITH USAGE OF 48,000 GALLONS ANNUALLY, PRESENTLY PAYING \$53.84 PER MONTH, WOULD PAY \$56.01 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$2.17 OR 4.03%.

<u>Present Per Month</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
\$53.84	\$56.01	\$2.17	4.03%

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

**February 18, 2020 at 4:30 p.m.
Ocean City Public Library
Lecture Hall
1735 Simpson Avenue
Ocean City, NJ 08226**

**February 18, 2020 at 5:30 p.m.
Ocean City Public Library
Lecture Hall
1735 Simpson Avenue
Ocean City, NJ 08226**

**February 19, 2020 at 4:30 p.m.
Howell Township Municipal Building
Main Meeting Room
4567 Route 9 North
Howell, NJ 07731**

**February 19, 2020 at 5:30 p.m.
Howell Township Municipal Building
Main Meeting Room
4567 Route 9 North
Howell, NJ 07731**

**February 20, 2020 at 4:30 p.m.
Hillsborough Township Municipal Complex
The Peter J. Biondi Building
Senior Activities Room
379 South Branch Road
Hillsborough, NJ 08844**

**February 20, 2020 at 5:30 p.m.
Hillsborough Township Municipal Complex
The Peter J. Biondi Building
Senior Activities Room
379 South Branch Road
Hillsborough, NJ 08844**

In the event of inclement weather, the public hearings will be held at the locations below on the following dates and times:

**March 3, 2020 at 4:30 p.m.
Ocean City Public Library
Room 111
1735 Simpson Avenue
Ocean City, NJ 08226**

**March 3, 2020 at 5:30 p.m.
Ocean City Public Library
Room 111
1735 Simpson Avenue
Ocean City, NJ 08226**

**March 4, 2020 at 4:30 p.m.
Howell Township Municipal Building
Main Meeting Room
4567 Route 9 North
Howell, NJ 07731**

**March 4, 2020 at 5:30 p.m.
Howell Township Municipal Building
Main Meeting Room
4567 Route 9 North
Howell, NJ 07731**

**March 5, 2020 at 4:30 p.m.
Hillsborough Township Municipal Complex
The Peter J. Biondi Building
Senior Activities Room
379 South Branch Road
Hillsborough, NJ 08844**

**March 5, 2020 at 5:30 p.m.
Hillsborough Township Municipal Complex
The Peter J. Biondi Building
Senior Activities Room
379 South Branch Road
Hillsborough, NJ 08844**

A Judge designated by the Office of Administrative Law will preside over the public hearings. Hearings will continue, if necessary, on such additional dates and at such locations as determined by 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 Jacob S. Gertsman, ALJ, Office of Administrative Law, P.O. Box 049, Trenton, New Jersey 08625-0049 or Aida Camacho, Secretary of the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350. Such written comments should contain the OAL Docket Number PUC 16898-2019 S and BPU Docket Number WR19111465 assigned to this case.

Further information and copies of the petition may be obtained at the Board of Public Utilities' Offices located at 44 South Clinton Avenue, 9th Floor, Trenton, New Jersey 08625 or by calling the Company at 856-955-4797. 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 of Public Utilities in such manner as it 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, TO THE COMPANY 48 HOURS PRIOR TO THIS HEARING TO JAMIE HAWN AT (856) 955-4797.

BY: Cheryl Norton
PRESIDENT

NEW JERSEY-AMERICAN WATER COMPANY, INC
1 Water Street
Camden, NJ 08102