



May 15, 2020

**Via Email**

Hon. Ada Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue  
9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, NJ 08625-0350

Re: New Jersey-American Water Company, Inc.  
Distribution System Improvement Charge  
BPU Docket No. WR17111183

Dear Secretary Camacho-Welch:

Enclosed for filing on behalf of New Jersey-American Water Company, Inc. (the "Company" or "NJAWC"), please find the Company's Distribution System Improvement Charge ("DSIC") calculation for the November 1, 2019 to April 30, 2020 DSIC Recovery Period, as well as Fifteenth Revised Tariff Sheet No. 47.

The filing consists of Schedule A, the calculation of the third surcharge from the Company's Third Foundational Filing; Schedule B, the proof of revenue and reconciliation; Schedule C, the detailed replacement project list; and Schedule D, the breakdown of blanket mains, valves, hydrants and services, and the plant comprising the base spending for the Company's third full DSIC year under its Third Foundational Filing. Schedule E, the Company's confidential Earnings Test for the twelve months ended April 30, 2020 is being provided in redacted form. The confidential version will be filed separately, along with a request for confidential treatment of this information.

Please be advised that recovery of the costs of projects categorized as "Emergent" or "Unscheduled" in Schedule C are being sought as previously approved projects in the Company's 2015 Foundational Filing under the DSIC carry-over regulations. See *N.J.A.C. 14:9-10.7*; see also *I/M/O the Petition of New Jersey-American Water Company, Inc. DSIC Foundational Filing*, BPU Docket No. WR15060724, p.2, ¶14 (Sep. 11, 2015 Order).



AMERICAN WATER

Hon. Ada Camacho-Welch, Secretary  
New Jersey-American Water Company, Inc.  
DSIC Surcharge Filing  
BPU Docket No. WR17111183  
May 15, 2020  
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Please do not hesitate to contact me if you have any questions or require any additional information regarding this filing.

Respectfully submitted,

*Christine Soares*  
Christine Soares

CS:dlc

Enc.

cc: Service list (w/enc., via e-mail)



**I/M/O the Petition of New Jersey American Water Company, Inc. for Authorization to  
Implement a Tariff Supplement Establishing a Distribution System Improvement Charge  
BPU Docket No. WR17111183  
Service List**

Mike Kammer, Director  
Division of Water and Wastewater  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Fl.  
PO Box 350  
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Board of Public Utilities  
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Kyle Felton  
Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Fl.  
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Yanina Lepore  
Board of Public Utilities  
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Division of Law  
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Stefanie A. Brand, Director  
Division of Rate Counsel  
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Division of Rate Counsel  
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One Water Street  
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New Jersey American Water  
One Water Street  
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Senior Manager of Rates & Regulation  
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Donald C. Shields, P.E.  
Vice President, Engineering  
New Jersey American Water  
One Water Street  
Camden, NJ 08102

**I/M/O the Petition of New Jersey American Water Company, Inc. for Authorization to  
Implement a Tariff Supplement Establishing a Distribution System Improvement Charge  
BPU Docket No. WR17111183  
Service List**

Vince Monaco, P.E.  
New Jersey American Water  
One Water Street  
Camden, NJ 08102

Frank B. Cook  
New Jersey American Water  
149 Yellowbrook Road, Suite 109  
Farmingdale, NJ 07727

**RATE SCHEDULE K**  
**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**

Applicable to all general metered service and sales for resale customers throughout the entire territory served.

CHARACTER

Continuous, except as limited by the "Standard Terms and Conditions".

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to all other charges for general metered service (GMS) and sales for resale customers throughout the entire territory served, the following charges will be assessed on a fixed, per meter basis for each monthly bill, commencing June 29, 2020.

RATE

This charge is in addition to Rate Schedules A-1 through A-15, C, D, E, F, H, I and J.

<u>Size of Meter</u>	<u>Non-Exempt Per Month</u>	<u>Exempt Per Month</u>
5/8"	\$3.35	\$2.89
3/4"	5.02	4.33
1"	8.37	7.22
1 1/2"	16.74	14.43
2"	26.78	23.09
3"	50.21	43.30
4"	83.69	72.16
6"	167.37	144.33
8"	267.80	230.93
10"	334.75	288.66
12"	418.43	360.82
16"	669.49	577.31

FILING

The DSIC is authorized pursuant to N.J.A.C. 14:9-10.1 et seq. and the procedures for filing, reviewing, approving and implementing the DSIC are set forth therein. The DSIC is based on the Company's Foundational Filing, which was reviewed and approved by the Board of Public Utilities on September 11, 2015. The approval process included public notice and four public hearings. The notice included proposed surcharge amounts, which were estimated based on projected construction schedules, costs and other factors. Pursuant to the approved Foundational Filing, the Company shall endeavor to make semi-annual DSIC filings at approximately six-month intervals. The DSIC is subject to a maximum amount and other limitations in N.J.A.C. 14:9-10.1 et seq.

TERMS OF PAYMENT

See Rate Schedules for applicable customer classes.

CONDITIONS

Subject to the "Standard Terms and Conditions" except as otherwise set forth in this Schedule.

**New Jersey - American Water Company, Inc.**  
**DSIC Surcharge Filing**

Schedule A  
 Filed 5/15/2020

	DSIC Surcharge Filing #1 4/1/2018 to 4/30/2019	DSIC Surcharge Filing #2 5/1/2019 to 10/31/2019	DSIC Surcharge Filing #3 11/1/2019 to 4/30/2020	Total
Total Proposed DSIC Additions	\$ 142,500,799	\$ 92,125,946	\$ 136,058,256	\$ 370,685,000
Less: Base Expenditures	(17,304,894)	(10,715,400)	(28,031,177)	(56,051,471)
Eligible Investment (Qualified DSIC Additions to UPIS During DSIC Period)	125,195,905	81,410,546	108,027,079	314,633,529 (A)
Less: Accum Depr	(1,037,561)	(1,269,144)	(1,993,743)	(4,300,448) (B)
Less: Deferred Tax	(351,754)	(430,265)	(675,918)	(1,457,936) (C)
Eligible Net Investment (net DSIC Additions to UPIS During DSIC Period)	123,806,590	79,711,137	105,357,418	308,875,145
Times Pre-Tax ROR	X 8.8392%	8.8392%	8.5999%	8.5999% (D)
Pre-Tax Return on Investment	10,943,524	7,045,834	9,060,614	26,562,900
Add: Depreciation	1,915,497	1,245,581	1,652,814	4,813,893
Revenue Recovery	12,859,021	8,291,416	10,713,429	31,376,793
Revenue Factor	\$1.165772	\$1.165772	\$1.165371	\$1.165371 (E)
DSIC Revenue Requirement Recovery Amount - Annual	14,990,681	9,665,896	12,485,116	36,565,597
Annual DSIC Revenue Cap Amount at 5%				34,777,379
Amount Over Cap Removed from Surcharge				(1,788,218)
Total Capped Amount for Recovery	14,990,681	9,665,896	12,485,116	34,777,379
Add: Under-recovery from DSIC Filing Period 1*		21,633	52,564	74,197
Add: Under-recovery from DSIC Filing Period 2			230,507	230,507
Total DSIC Surcharge Recovery Amount - Annual	14,990,681	9,687,529	12,768,187	35,082,083

**DSIC Revenue Requirement Recovery Amount - Monthly**

	<b>\$1,249,223</b>	<b>\$807,294</b>	<b>\$1,064,016</b>	<b>\$2,923,507</b>
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\* True up of estimated revenues to actual for Period 1 in DSIC #3 filing

**UPIS ADDITIONS SUMMARY**

(A) - Includes actual DSIC eligible projects closed to UPIS during DSIC Period

Asset Category	4/1/2018 to 4/30/2019	5/1/2019 to 10/31/2019	11/1/2019 to 4/30/2020	Schedule
Main Replacements & Rehab	82,631,502	60,268,621	82,628,811	Schedule C
Blanket Hydrant & Valve Replacements	14,294,024	8,088,969	9,123,061	Schedule D
Blanket Service Replacements	28,270,379	13,052,956	16,275,206	Schedule D
Base Spend	17,304,894	10,715,400	28,031,177	Schedule D
<b>Subtotal</b>	<b>\$142,500,799</b>	<b>\$92,125,946</b>	<b>136,058,256</b>	

(B) - Accumulated Depreciation:

	4/1/2018 to 4/30/2019	5/1/2019 to 10/31/2019	11/1/2019 to 4/30/2020
DSIC Eligible projects closed to UPIS	\$125,195,905	\$81,410,546	\$108,027,079
Composite Depreciation rate	1.53%	1.53%	1.53%
Annual Depreciation Expense	1,915,497	1,245,581	1,652,814
Cumulative Depreciation Expense	1,037,561	1,269,144	1,993,743

(C) - Deferred Taxes:

	4/1/2018 to 4/30/2019	5/1/2019 to 10/31/2019	11/1/2019 to 4/30/2020
DSIC Eligible projects closed to UPIS	\$125,195,905	\$81,410,546	\$108,027,079
MACRS Rate	4.00%	4.00%	4.00%
Annual Tax Depreciation	5,007,836	3,256,422	4,321,083
Cumulative Tax Depreciation	2,712,578	3,318,024	5,212,400
Less: Book Depreciation	1,037,561	1,269,144	1,993,743
Tax Depr Greater than Book	1,675,017	2,048,880	3,218,657
Deferred Taxes at 21%	\$351,754	\$430,265	\$675,918

(D) - Pre-Tax Rate of Return:

Ratios	Cost Rate	Weighted Average Cost of Capital	Pre-Tax ROR
Long Term Debt <sup>1</sup>	46.00%	4.43%	2.0379%
Common Equity	54.00%	9.60%	5.1840%
Subtotal Return on Rate Base	100.00%	7.2219%	8.5999%

<sup>1</sup> Cost Rate of Long Term Debt as of 4/30/2020

(E) - Revenue Factor:

Dollar of Revenue	\$1.000000
Less: GRT Tax	(0.134435) (per WR17090985)
Less: Bad Debts & Reg Assessments	(0.004900) (per WR17090985)
Less: BPU Assessment	(0.002026) (per 2020 assessment)
Less: DRC Assessment	(0.000543) (per 2020 assessment)
Revenue remaining after taxes, bad debts, and assessments	0.858096

Revenue [Gross-up] Factor

<b>\$1.165371</b>
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(F) - Revenue Requirement:

Please note that the revenue requirement is limited by the DSIC-cap. For example if the Company's annual revenues established in their last base rate case were \$100,000,000, then the DSIC-cap would be calculated as follows:

Total annual revenues from most recent base rate case of \$100,000,000 X 5.00% = \$5,000,000  
 The Company's revenue requirement in the above example can not be greater than \$5,000,000 per year.

Monthly cost per 5/8th Inch Meter - Typical Residential Customer -  
 DSIC Revenue as a % of total Water Revenue \$695,547,570

<b>\$3.35</b>
<b>5.04%</b>

DSIC SURCHARGE BILL IMPACT

NEW JERSEY-AMERICAN WATER COMPANY									
BASIS FOR ALLOCATING METER COSTS TO CUSTOMER CLASSIFICATIONS									
Meter Size	5/8" Equivalent	GMS		Resale		Exempt		Total	
		Number of Meters*	Weighting	Number of Meters*	Weighting	Number of Meters*	Weighting**	Number of Meters*	Weighting
5/8	1.0	556,738	556,738	1	1	28	24	556,767	556,763
3/4	1.5	17,955	26,933	0	0	3	4	17,958	26,937
1	2.5	44,308	110,770	2	5	5	11	44,315	110,786
1-1/2	5.0	4,303	21,515	0	0	0	0	4,303	21,515
2	8.0	12,303	98,424	1	8	5	34	12,309	98,466
3	15.0	937	14,055	3	45	3	39	943	14,139
4	25.0	858	21,450	15	375	5	108	878	21,933
6	50.0	203	10,150	27	1,350	0	0	230	11,500
8	80.0	75	6,000	10	800	2	138	87	6,938
10	100.0	32	3,200	2	200	3	259	37	3,659
12	125.0	4	500	0	0	2	216	6	716
16	200.0	0	0	0	0	0	0	0	0
Total		637,716	869,735	61	2,784	56	833	637,833	873,352

\*Meter Count as of 4/30/2020  
 \*\*Weighting deducts impact of GRAFT of .862317

PROOF OF REVENUE (Monthly Charge)									
Annual Revenue		\$35,082,083	(a)						
Monthly Revenue		2,923,507	(b) (a)/12						
Weighted No of Meters		873,352	(c)						
5/8" Meter Monthly Charge		\$3.35	(d) (b)/(c)						
Meter Size	5/8" Equivalent	GMS		Resale		Exempt		Total Revenue	
		Charge	Charge x Meters	Charge	Charge x Meters	Charge	Charge x Meters		
5/8	1.0	\$3.35	\$1,863,655.64	\$3.35	\$3.35	\$2.89	\$80.92	\$1,863,739.90	
3/4	1.5	5.02	90,155.34	5.02	0.00	4.33	12.99	90,168.33	
1	2.5	8.37	370,797.64	8.37	16.74	7.22	36.10	370,850.47	
1-1/2	5.0	16.74	72,020.50	16.74	0.00	14.43	0.00	72,020.50	
2	8.0	26.78	329,469.95	26.78	26.78	23.09	115.45	329,612.18	
3	15.0	50.21	47,048.49	50.21	150.64	43.30	129.90	47,329.02	
4	25.0	83.69	71,802.92	83.69	1,255.30	72.16	360.80	73,419.01	
6	50.0	167.37	33,976.67	167.37	4,519.06	144.33	0.00	38,495.74	
8	80.0	267.80	20,084.73	267.80	2,677.96	230.93	461.86	23,224.56	
10	100.0	334.75	10,711.86	334.75	669.49	288.66	865.98	12,247.33	
12	125.0	418.43	1,673.73	418.43	0.00	360.82	721.64	2,395.37	
16	200.0	669.49	0.00	669.49	0.00	577.31	0.00	0.00	
Total			\$2,911,397.47		\$9,319.32		\$2,785.64	\$2,923,502.42	

(a) Per Schedule A, DSIC Revenue Requirement Recovery Amount - Annual

DSIC Surcharge Reconciliation, Filing #1								x 2 for 6 mo. recovery
Bill Period	Actual Jul-19	Actual Aug-19	Actual Sep-19	Actual Oct-19	Actual Nov-19	Actual Dec-19	Total	
Allowed Revenue <i>(Per DSIC Surcharge Filing #1 eff 07/01/19)</i>	\$1,249,223	\$1,249,223	\$1,249,223	\$1,249,223	\$1,249,223	\$1,249,223	\$7,495,340	
Billed Revenue	1,155,027	1,278,129	1,229,188	1,274,060	1,246,173	1,275,665	7,458,242	
Over / (Under) collection	(\$94,196)	\$28,906	(\$20,036)	\$24,837	(\$3,051)	\$26,442	(\$37,099)	

DSIC Surcharge Reconciliation, Filing #2								x 2 for 6 mo. recovery
Bill Period	Actual Jan-20	Actual Feb-20	Actual Mar-20	Actual Apr-20	Projected May-20	Projected Jun-20	Total	
Allowed Revenue <i>(Per DSIC Surcharge Filing #1 eff 01/01/20)</i>	\$2,056,518	\$2,056,518	\$2,056,518	\$2,056,518	\$2,056,518	\$2,056,518	\$12,339,105	
Billed Revenue	2,005,019	2,001,455	2,108,619	2,036,253	2,036,253	2,036,253	12,223,852	
Over / (Under) collection	(\$51,499)	(\$55,062)	\$52,101	(\$20,264)	(\$20,264)	(\$20,264)	(\$115,253)	









Table with columns: Project ID, Project Title, Project Type, Actual Length (feet), Actual Dia. (inches), Actual Pipe Material, Decade Installed, Existing Dia. (inches), Existing Pipe Material, Accelerated Investment Category, Secondary Asset Investment Category, In Service, DSIC#1 Actual Cost, DSIC#2 Actual Cost, DSIC#3 Actual Cost, Paving Included, FF Comparison Date, Cost, Foundational Filing Approval.



Project ID	Project Title	Project Type	Actual Length (feet)	Actual Dia. (inches)	Actual. Pipe Material	Decade Installed	Existing Dia. (inches)	Existing Pipe Material	Accelerated Investment Category	Secondary Asset Investment Category	In Service	DSIC#1 Actual	DSIC#2 Actual	DSIC#3 Actual	Paving Included	FF Comparison	FF Comparison	Foundational Filing Approval
												Cost	Cost	Cost		Date	Cost	
9257	Halsey Dwight- Main Replacement	Replacement	720	8	DI	1930	6	CI	Safety and Reliability/Structural	System Flows and Pressure	12/17/2019			252,032	25,875	2020Q3	180,000	WR17111183
9250	Prescott Rd- Main Replacement	Replacement	660	8	DI	1930	6	CI	Safety and Reliability/Structural	System Flows and Pressure	12/31/2019			222,023	24,460	2020Q3	140,000	WR17111183
9253	Princeton - Main Replacement	Replacement	760	8	DI	1930	6	CI	Safety and Reliability/Structural	System Flows and Pressure	1/13/2020			270,691	27,600	2020Q3	160,000	WR17111183
10141	South Ave RR Tracks	Replacement	268	12	HDPE	1960	12	Steel	Safety and Reliability/Structural	Safety and Reliability	4/22/2020			323,329	-	-	100,000	October 2019 Substitute
10136	West Broad St- Main Replacement	Replacement	4,050	16	DI	1920	6	CI	System Flows and Pressure	Water Quality	4/8/2020			1,135,857	35,990	2020Q2	1,250,000	October 2019 Substitute
6954	S. Union St Lowering- Main Replacem	Replacement	3,150	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	1/27/2020			646,014	15,445	2024Q4	640,000	WR15060724
10137	Valley Rd- Main Replacement	Replacement	1,380	12	DI	1920	6	CI	System Flows and Pressure	Water Quality	4/1/2020			483,770	23,070	2020Q2	378,000	October 2019 Substitute
10135	N. Martine- Main Replacement	Replacement	1,450	12	DI	1970	6	CI	System Flows and Pressure	Water Quality	4/6/2020			530,591	24,760	2020Q2	400,000	October 2019 Substitute
10134	Summit Lane- Main Replacement	Replacement	800	12	DI	1960	6	CI	System Flows and Pressure	Water Quality	4/1/2020			267,962	7,800	2020Q2	250,000	October 2019 Substitute
9161	W Elm St- Main Replacement	Replacement	3,510	8	DI	2010	6	CI	System Flows and Pressure	Water Quality	3/11/2020			1,260,483	155,700	2020Q2	647,150	WR17111183
9167	W Curtis St- Main Replacement	Replacement	3,420	8	DI	1960	6	CI	System Flows and Pressure	Water Quality	3/23/2020			641,088	77,170	2020Q2	766,905	WR17111183
9170	Laurita St- Main Replacement	Replacement	2,180	8	DI	1930	4&6	CI	System Flows and Pressure	Water Quality	4/8/2020			489,192	100,200	2020Q2	385,280	WR17111183
9172	Miltonia St- Main Replacement	Replacement	2,570	8	DI	1930	6	CI	System Flows and Pressure	Water Quality	4/1/2020			792,883	108,700	2020Q2	477,085	WR17111183
9174	Spruce St- Main Replacement	Replacement	2,030	8	DI	1930	6	CI	System Flows and Pressure	Water Quality	4/17/2020			539,402	82,264	2020Q2	425,485	WR17111183
9175	Miner Terr- Main Replacement	Replacement	1,910	8	DI	1930	6	CI	System Flows and Pressure	Water Quality	3/18/2020			611,484	84,000	2020Q2	409,360	WR17111183
6507	Glenwood Ave- Main Replacement	Replacement	800	16	DI	1950	10	CI	Water Quality	System Flows and Pressure	4/25/2020			400,113	67,155	2020Q2	130,000	January 2020 Substitute
6554	Morris Place- Main Replacement	Replacement	650	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	4/10/2020			247,269	57,413	2020Q2	160,000	January 2020 Substitute
9308	Charlotte Terr- Main Replacement	Replacement	1,060	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	3/6/2020			250,809	30,015	2020Q2	230,910	WR17111183
9310	Markthaler Pl- Main Replacement	Replacement	640	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	3/1/2020			133,208	18,975	2020Q2	141,255	WR17111183
9322	Pinewood Ave- Main Replacement	Replacement	620	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	2/4/2020			126,791	17,250	2020Q2	125,775	WR17111183
9323	Oak St- Main Replacement	Replacement	380	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	2/3/2020			75,680	10,350	2020Q2	92,020	WR17111183
9324	Woodside Ave- Main Replacement	Replacement	570	8	DI	1950	6	CI	System Flows and Pressure	Water Quality	2/3/2020			143,434	17,950	2020Q2	117,175	WR17111183
9325	Beachwood Ave- Main Replacement	Replacement	760	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	2/19/2020			224,615	22,425	2020Q2	135,665	WR17111183
9327	Jerome St- Main Replacement	Replacement	1,320	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	3/1/2020			301,608	40,250	2020Q2	289,820	WR17111183
9328	Valley Rd- Main Replacement	Replacement	1,570	8	DI	1920	6	CI	System Flows and Pressure	Water Quality	3/10/2020			336,692	52,500	2020Q2	367,865	WR17111183
9650	Seaton Ave- Main Replacement	Replacement	1,320	12	DI	1920	6	CI	System Flows and Pressure	Water Quality	3/11/2020			517,399	45,500	2020Q2	375,000	October 2019 Substitute
10170	West Webster- Main Replacement	Replacement	1,760	8	DI	1920	6	CI	Water Quality	System Flows and Pressure	4/21/2020			520,016	74,113	2020Q2	440,000	January 2020 Substitute
9142	Erudo- Main Replacement	Replacement	2,250	8	DI	1960	6	CI	System Flows and Pressure	Water Quality	4/11/2020			475,808	71,950	2020Q2	479,880	WR17111183
9255	Duquesne Terr- Main Replacement	Replacement	1,190	8	DI	1930	6	CI	Safety and Reliability/Structural	System Flows and Pressure	3/23/2020			254,232	-	2020Q2	248,000	WR17111183
9256	Plymouth Rd- Main Replacement	Replacement	1,250	8	DI	1930	6	CI	Safety and Reliability/Structural	System Flows and Pressure	3/30/2020			256,473	-	2020Q2	268,000	WR17111183
9173	Lafayette St- Main Replacement	Replacement	2,070	8	DI	1930	6	CI	System Flows and Pressure	Water Quality	4/24/2020			705,019	121,400	2020Q2	447,200	WR17111183
10187	Yorktown Rd - Main Replacement	Replacement	1,070	8	DI	1930	6	CI	System Flows and Pressure	Water Quality	4/7/2020			219,448	-	2020Q2	285,000	January 2020 Substitute
10189	Stockton Rd- Main Replacement	Replacement	750	8	DI	1930	6	CI	System Flows and Pressure	Water Quality	4/7/2020			142,797	-	2020Q2	200,000	January 2020 Substitute
Total												\$82,631,502	\$60,268,621	\$82,628,811				

Valve & Hydrant Replacements				
Project (WBS)	District	UPIS	# Valves	# Hydrants
R18-01F2	Large Valves	\$1,140,137	9	-
R18-12F1	Atlantic / Cape May	552,422	29	32
R18-13F1	Burlington / Camden	722,076	30	23
R18-15F1	Essex / Passiac	1,950,365	-	11
R18-17F1	Hunterdon / Warren	110,090	2	-
R18-18F1	Monmouth	2,126,815	20	190
R18-19F1	Ocean / Middlesex	59,790	1	4
R18-25F1	Somerset/ Mercer	389,658	12	19
R18-26F1	Union	2,071,708	68	88
	Total Valve & Hydrants Replacements	9,123,061	171	367

Service Replacements			
Project (WBS)	District	UPIS	# Services
R18-12H1	Atlantic / Cape May	\$387,709	301
R18-13H1	Burlington / Camden	787,807	529
R18-15H1	Essex / Passiac	4,667,658	589
R18-17H1	Hunterdon / Warren	165,476	16
R18-18H1	Monmouth	1,715,892	437
R18-19H1	Ocean / Middlesex	421,230	59
R18-25H1	Somerset/ Mercer	801,921	65
R18-26H1	Union	7,274,191	633
R18-33H1	Shorelands	53,321	41
	Total Service Replacements	\$16,275,206	2,670

Base Utility Plant in Service		
Project (WBS)	District	UPIS
R18-12A1	Atlantic / Cape May	\$3,052
R18-13A1	Burlington / Camden	(2,593)
R18-15A1	Essex / Passiac	4,301,563
R18-17A1	Hunterdon / Warren	113,347
R18-18A1	Monmouth	659,462
R18-25A1	Somerset/ Mercer	296,549
R18-26A1	Union	206,963
I18-190031	Lakewood- Lakewood Transmission	2,202,198
R18-12B1.18-P-0009	Linwood- Shore Road Phase V	1,224,470
R18-12B1.20-P-0006	OC- 30th (West to Central)	360,755
R18-12B1.20-P-0008	Pleasantville- Pennsylvania, Ingers	1,571,316
R18-12B1.20-P-0009	OC- Leyte Lane, Marina Lane and Gre	712,300
R18-13B1.17-P-0040	Lindenwold- Pinegrove Ave, Monroe A	(2,225)
R18-13B1.19-P-0002	Palmyra - Tacony Bridge Replacement	179,521
R18-15B1.19-P-0017	Talmage Road, Mendham Boro	1,095,274
R18-15B1.19-P-0019	Main Street, Chester Boro	568,968
R18-15B1.19-P-0023	Mt. Airy Rd., Bernards	743,613
R18-18B1.19-P-0046	BEACHVIEW AVE -UB	104,899
R18-18B1.19-P-0049	7TH STREET MT	110,601
R18-18B1.19-P-0057	E.END AVE-MT	1,175,277
R18-18B1.19-P-0058	PAVING UNION AVE - TWP OF NEPTUNE	28,410
R18-18B1.20-P-0013	LONG BRANCH/ LITTLE SILVER PAVING	112,537
R18-18B1.20-P-0019	EMMONS AVENUE - LB	70,647
R18-19B1.19-P-0011	Sunset Road - Lakewood	73,633
R18-19B1.19-P-0032	Poinsetta Ct - Lakewood	30,086
R18-25B1.19-P-0015	Washington Valley Rd - Bridgewater	77,832
R18-26B1.19-P-0032	Spruce Ave- Main Replacement	1,073,280
R18-26B1.19-P-0033	Pine St- Main Replacement	345,679
R18-12B1.19-P-0022	Galloway- Amy Lane	220,893
R18-13B1.18-P-0026	Mount Holly - Mill Street	177,953
R18-18B1.19-P-0070	ROYAL PL-LB	239,984
R18-25B1.19-P-0016	Papen Rd WM Replacement - Bridgewater	68,688
R18-25B1.19-P-0017	Well Rd WM Replacement - Bridgewater	74,214
R18-13B1.19-P-0045	Barrington- Clements Bridge Road	194,303

Base Utility Plant in Service		
Project (WBS)	District	UPIS
R18-15B1.20-P-0024	Eastern Ave. Twin Lakes Bernardsvil	90,435
R18-25B1.19-P-0019	North Thompson Ave - Bridgewater	261,716
R18-25B1.20-P-0006	South 3rd Ave - Manville	318,426
R18-25B1.20-P-0023	Steele Ave - Somerville	242,892
R18-25B1.20-P-0022	Grant Ave - Somerville	251,971
R18-26B1.20-P-0039	Meade Terr- Main Replacement	94,123
R18-25B1.20-P-0024	Plainsboro Rd - Cranbury	141,656
R18-26B1.20-P-0015	McClellan Place- Main Replacement	47,582
R18-26B1.20-P-0017	Cornell Pl- Main Replacement	169,965
R18-26B1.20-P-0033	Schuyler- Main Replacemnt	181,969
R18-26B1.20-P-0041	Cambridge Dr- Main Replacement	53,613
R18-19B1.19-P-0053	Squankum Road - Lakewood	37,952
R18-19B1.19-P-0054	Washington Place - Lakewood	90,048
R18-25B1.19-P-0009	Alexander Rd Bridge - Princeton	815,248
R18-26B1.19-P-0035	Willow Ave- Main Replacement	918,555
R18-26B1.19-P-0036	Beech Ave- Main Replacement	515,064
R18-26B1.20-P-0008	Leo St- Main Replacement	514,361
R18-26B1.20-P-0009	Chapman St- Main Replacement	338,022
R18-26B1.20-P-0010	Tillman St/Stockton Ave- Main Repla	616,483
R18-26B1.20-P-0011	Buchanan St- Main Replacements	539,169
R18-26B1.20-P-0012	Purce Ste- Main Replacement	996,139
R18-26B1.20-P-0013	Sweetland Ave- Main Replacement	343,245
R18-26B1.20-P-0014	Eastern PKWY- Main Replacement	747,623
R18-26B1.20-P-0016	Paul St- Main Replacement	330,282
R18-26B1.20-P-0035	Wayne Terr- Main Replacement	420,120
R18-26B1.20-P-0042	Orchard St- Main Replacement	541,070
	Total Base UPIS Spend	\$28,031,177

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New Jersey-American Water Company, Inc.  
 Docket No. WR17111183  
 Distribution System Improvement Charge (DSIC)  
 Earnings Test - 12 Months Ended 4/30/2020

Schedule E

Redacted Response

Operating Revenues*	\$	[REDACTED]
Operation and Maintenance Expense		[REDACTED]
Depreciation and Amortization Expense*		[REDACTED]
Taxes, Other		[REDACTED]
Gain/Loss on sale		[REDACTED]
Operating Income Before Income Taxes	\$	[REDACTED]
Federal Income Taxes		[REDACTED] (A)
Total Utility Operating Income	\$	[REDACTED] (B)
Rate of Return (B/C)		[REDACTED]
Authorized Rate of Return per WR17090985		[REDACTED]
Current UOI at Authorized ROR	\$	[REDACTED]

(A) Federal Income Tax Calculation:

Operating Income Before Income Taxes Above		\$	[REDACTED]
Less Interest Expense:			
Rate Base @ 4/30/20	\$	[REDACTED]	
Add DSIC Additions per Filing #3			
Adjusted Rate Base	\$	[REDACTED] (C)	
Times Weighted Cost of Debt @ 4/30/20			[REDACTED] (D)
Interest Expense (Cx D)			[REDACTED]
Taxable Income			[REDACTED]
Times Income Tax Rate			[REDACTED] %
Federal Income Tax	\$	[REDACTED] (A)	

\* Adjusted to include annualized DSIC amounts per filing