



Township of East Brunswick

Department of Public Works, Water & Sewer Utility

September 7, 2021

To: Service List A

RE: In the Matter of Middlesex Water Company for Approval of an Increase in its Rates for Water Service and Other Tariff Changes BPU Docket No. WR21050813

Attached are the following interrogatories submitted on behalf of the Township of East Brunswick as an intervener in the rate case.

EBW-E-14 through EBW-E-22

Sincerely,

Daniel Losik
Director, Public Works

cc: Service List 'A'

Attachments

East Brunswick Township
Data Requests for
Middlesex Water Company
RE Docket No. WR21050813

EBW-E-14 Please provide a response to the following questions:

John F Guastella (JFG) in Direct Testimony on the COSS page 5 under Customer Costs reported he used number of bills or equivalent residential connections (ERCs) as part of the functional costs. What is the ERCs for East Brunswick compared to the 62,000 residential customers (Robert K Fullagar page 1 of pre-filed testimony)?

EBW-E-15

In Exhibit 1, Schedule 1, Functional Allocation To Customer Classes, JFG shows Residential Revenue as the major revenue source at \$54,681,709.00 (48.01%) of the total revenue of The Company. The Commercial \$15,153,366.00 (13.30%) & Industrial is \$24,777,265.00 (21.75%) revenue sources represent an additional 35.05% of the total revenue. The revenue collected from East Brunswick as a wholesale customer represents only 4.599% of the total sales revenue. Please explain why the Allocation Of Accumulated Depreciation To Customer Classes- Account 331.00 Structures – CJO shows an allocation of 19.8% to East Brunswick and only 29.5% to the Residential (62,000) customer class group?

EBW-E-16

JFG reports Exhibit 1, Schedule 4, Allocation Of Utility Plant To Customer Classes- 332.000 Water Treatment Equipment – CJO at a value of \$53,733,573.00 and the same distribution percentage of 19.7% to East Brunswick and 29.5% to Residential. Does the same answer apply that will be offered to EBW –E–15?

EBW-E-17

In pre-filed testimony by Christian Andreasen Jr. he reported the JRT Center was gutted and repurposed as the Distribution Operation Center (Page 10) for The Company. Can JFG split the costs of the which apply to the Office vs Warehouse JRT building as reported under base capacity of \$13,205,268.00 Exhibit 4 and how he makes his allocation to East Brunswick?

EBW-E-18

In pre-filed testimony by Robert J Capko exhibit P-5 page 1 he reports total operating revenues to be \$83,478,104.00 and treatment of water to be \$7,224,336.00 of that total or 12.64% of operating revenue. JFG in Exhibit 1 Schedule 2 reports East Brunswick for Franchise taxes of \$744,914.00 as part of the Base extra capacity which inflates the percent applied to East Brunswick. Please explain why this allocation is part of the total base extra capacity portion reported for East Brunswick?

EBW-E-19

- a. East Brunswick's meter recorded that in 2020, 2,009.590 MG was pumped from Middlesex or an average of 5.51 MGD. JFG reports in Exhibit 1, Schedule 18, Page 1 Customer Class Allocation Factors that East Brunswick's Annual Base Average Consumption as 2,066,069 MG and 6.981 MGD. Please explain the difference. Also, please explain how the consumption for other classes was determined.
- b. Billing for year 2020 shows The Company billed East Brunswick for 411.238 MG of water that was never treated, pumped, or delivered. Where in the COSS JFG has provided this adjustment as it applies to accounts following 316 Supply Main- D&R, 325 Pumping D&, 325 Pumping CJO, 331 Structures CJO, 332 Water treatment CJO, 323 Power CJO, 325 Pumping CJO, 321 structures CJO?

EBW-E-20

During the COSS process, is it standard practice to include water charges that were never treated, pumped, or delivered?

EBW-E-21

- a. The company responded to RCR-E-2 Fullagar showing average costs for pumping per MG for a number of years at the following locations: CJO Intake Station, CJO Treatment Plant and CJO Booster Station.

The 411 MG never treated, pumped, or delivered when applied to the reported average cost for pumping per MG yields the following results:

- A. CJO Intake Station \$15,087.81
- B. CJO Treatment Plant \$50,865.36
- C. CJO Booster Station \$90,317.25

- b. Did JFG apply these saving to the East Brunswick Base Extra Capacity factors used to establish the proposed rates?

EBW-E-22

Exhibit P-5 update by Capko reports pumping expense to be \$2,976,561.00 and RCR-E-2 by Fullagsr reports average pumping costs per million gallons. If one applies the average cost in RCR-E-2 to total production there is a significant difference between P-5 and RCR-E-2. Can there be some reconciliation of these two?