



June 9, 2023

Via Email

Hon. Sherri L. Golden, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

**Re: In The Matter of the Petition of New Jersey-American Water Company, Inc.
for Deferral Accounting Authority For The Costs Of Implementing The
Clean Energy Act Of 2018 Benchmarking Requirement
BPU Docket No. _____**

Dear Secretary Golden:

On behalf of New Jersey-American Water Company, Inc., enclosed please find the
Petition for filing in the above-referenced matter.

Very truly yours,


Christopher M. Arfaa

CMA:dlc
Enc.

- c: Brian Lipman, Director, Division of Rate Counsel (via email, w/enc.)
- Susan McClure, Managing Attorney, Division of Rate Counsel (via email, w/enc.)
- Pamela Owen, DAG, Asst. Section Chief, Division of Law (via email, w/enc.)
- Mike Kammer, Director Division of Water and Energy (via email, w/enc.)
- Dr. Benjamin Witherell, Chief Economist, BPU (via email, w/enc.)

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF
NEW JERSEY-AMERICAN WATER
COMPANY, INC. FOR DEFERRAL
ACCOUNTING AUTHORITY FOR THE
COSTS OF IMPLEMENTING THE CLEAN
ENERGY ACT OF 2018 BENCHMARKING
REQUIREMENT

BPU Docket No. _____

PETITION

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

New Jersey-American Water Company, Inc. (“New Jersey-American Water”, “NJAWC” or the “Company”), a public utility corporation of the State of New Jersey, maintaining its principal place of business at 1 Water Street, Camden, New Jersey, hereby petitions the Board of Public Utilities (“Board”) of the State of New Jersey, pursuant to N.J.S.A. 48:2-13, 48:2-16, 48:2-21, 48:2-21.1 and 48:2-23, and such other statutes, regulations and Board Orders that may be deemed by the Board to be applicable, for authority to defer on its books the costs associated with implementing the benchmarking requirement (“Benchmarking Requirement”) mandated by the Clean Energy Act, L.2018, C.17 (“Clean Energy Act of 2018” or “CEA”).¹ In furtherance of this Petition, New Jersey-American Water states as follows:

1. NJAWC is a regulated public utility corporation engaged in the production, treatment and distribution of water and the collection and treatment of wastewater within its defined service territory within the State of New Jersey. Said service territory includes portions of the following counties: Atlantic, Bergen, Burlington, Camden, Cape May, Essex, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Union and

¹ N.J.S.A. 48:3-87.8 *et al.*

Warren. As of December 31, 2022, NJAWC services approximately 662,000 water and fire service customers and 53,200 wastewater service customers in 190 municipalities.

2. NJAWC is subject to regulation by the Board for purposes of setting its rates for water and wastewater service and to assure safe, adequate, and proper water and wastewater service pursuant to N.J.S.A. 48:2-13, 48:2-16, 48:2-21, 48:2-21.1 and 48:2-23 *et seq.*

3. On May 23, 2018, Governor Phil Murphy signed the Clean Energy Act of 2018 into law.² The Act mandates the following Benchmarking Requirement:

No later than five years after the date of enactment of P.L.2018, c.17 (C.48:3-87.8 et al.), the board shall require the owner or operator of each commercial building over 25,000 square feet in the State to benchmark energy and water use for the prior calendar year using the United States Environmental Protection Agency’s Portfolio Manager tool.³

4. On September 7, 2022, the Board issued an Order Approving Energy and Water Benchmarking Program in *The Matter Of The Implementation Of P.L. 2018, C.1, Energy And Water Benchmarking Of Commercial Buildings*, Docket No. QO21071023 (“Benchmarking Order”), in which the Board considered and adopted the Staff’s recommendations regarding implementation of the Benchmarking Requirement.

5. Pursuant to the Benchmarking Order, all regulated electric, gas and water utilities must provide usage data to the owners of commercial buildings over 25,000 square feet. Water utilities must provide data access services using a Portfolio Manager Spreadsheet Template beginning on August 2, 2023, for the first Reporting Year (2022).⁴

6. The Benchmarking Order provides, among other things, as follows:

The Board **HEREBY DIRECTS** the regulated utilities to file for cost recovery of the reasonable and prudent costs of implementing the Benchmarking Requirement, which

² N.J.S.A. 48:3-87.8 *et al.*

³ N.J.S.A. 48:3-87.10(b).

⁴ Benchmarking Order, slip op. at 36.

may include establishing, operating, and maintaining data aggregation and data access services, for the Board to evaluate in future base rate case proceedings.⁵

7. NJAWC therefore respectfully requests authority to use deferred accounting to track its costs of implementing the Benchmarking Requirement, including establishing, operating, and maintaining data aggregation and data access services, for the Board to evaluate in future base rate case proceedings.

8. NJAWC has served notice and a copy of this filing upon the New Jersey Division of Rate Counsel and the Office of the Attorney General, Division of Law.

[continued on next page]

⁵ Benchmarking Order, slip op. at 38 (emphasis in original).

WHEREFORE, NJAWC respectfully requests that the Board issue an Order:

1. Approving NJAWC's request for deferral accounting authority for the costs of implementing the Clean Energy Act of 2018 Benchmarking Requirement;
2. Authorizing NJAWC to use deferred accounting to track its costs of implementing the Benchmarking Requirement, including establishing, operating, and maintaining data aggregation and data access services, for the Board to evaluate in future base rate case proceedings; and
3. Granting such other relief that the Board deems just, reasonable, and necessary.

Respectfully submitted,

New Jersey-American Water Company, Inc.

By: 
Christopher M. Arfaa
Director, Corporate Counsel

Dated: June 8, 2023

Communications sent to Petitioner
in this case should be sent to:

Christopher M. Arfaa
Director, Corporate Counsel
New Jersey-American Water
1 Water Street
Camden, NJ 08102
chris.arfaa@amwater.com

VERIFICATION

STATE OF NEW JERSEY

SS

COUNTY OF CAMDEN

Jamie D. Hawn, of full age, being duly sworn, according to law, deposes and says:

1. I am the Senior Manager of Rates and Regulation for New Jersey-American Water Company, Inc. and authorized to make this Verification on behalf of that Company.

2. I have reviewed the within Petition, and the information contained therein is true according to the best of my knowledge, information, and belief.



Jamie D. Hawn

Sworn to and subscribed this 8th

day of June, 2023



Notary

