

August 22, 2023

**VIA ELECTRONIC MAIL and E-FILING**

Honorable Sherri Golden  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, Suite 314  
P.O. Box 350  
Trenton, NJ 08625-0350  
[sherri.golden@bpu.nj.gov](mailto:sherri.golden@bpu.nj.gov)  
[board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

Re: I/M/O Aqua New Jersey Inc.'s Petition for 2024 PSTAC Rate  
& True-up for 2021 and 2022 PSTAC Rates  
BPU Docket No. WR2308

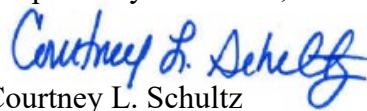
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Dear Secretary Golden:

Enclosed please find the Petition of Aqua New Jersey, Inc. ("Aqua") which was filed with the New Jersey Board of Public Utilities ("BPU") today, initiating the above-captioned matter. In addition, I wanted to bring to your attention the request that this matter be retained by the BPU. The reason for this requested expedited treatment is the fact that the requested rate is a *decrease* from the rates presently in effect, and thus Aqua anticipates the matter can expeditiously be resolved via a settlement upon review by the Staff of the BPU and the Division of Rate Counsel.

Thank you for your attention to this matter.

Respectfully submitted,

  
Courtney L. Schultz

Enclosures

cc: Attached Service List (w/encls., via email only)

## SERVICE LIST

I/M/O Aqua New Jersey Inc.'s Petition for  
2024 PSTAC Rate & True-up for 2021 and 2022 PSTAC Rates  
BPU Docket No. WR2308 \_\_\_\_\_

### BPU

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STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

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IN THE MATTER OF THE PETITION	:	
OF AQUA NEW JERSEY, INC., FOR	:	
APPROVAL OF A DECREASE IN ITS	:	
2024 PURCHASED WASTEWATER	:	
TREATMENT ADJUSTMENT CLAUSE	:	BPU DOCKET NO. WR2308_____
("PSTAC") RATE, TRUE-UP OF ITS 2021	:	
AND 2022 PSTAC RATES, AND OTHER	:	
REQUIRED APPROVALS	:	

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**TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:**

1. Petitioner, Aqua New Jersey, Inc. (hereinafter "Petitioner" or the "Company"), a public utility of the State of New Jersey, with its principal business office at 10 Black Forest Road, Hamilton, New Jersey 08691, hereby petitions for approval to set prospective purchased wastewater treatment adjustment clause ("PSTAC") rates for calendar year 2024 pursuant to N.J.A.C. 14:9-7.1 et seq.

2. Petitioner's Wallkill Sewer Division ("Wallkill"), formerly the Wallkill Sewer Company, provides wastewater service to approximately 447 customers in a portion of the Township of Hardyston, County of Sussex, pursuant to an Order of the New Jersey Board of Public Utilities ("Board").

3. Wallkill purchases wastewater treatment services from the Sussex County Municipal Utilities Authority ("SCMUA"). SCMUA treats all of the wastewater collected by Wallkill pursuant to the "1982 Wallkill Sewer Company Service Contract" (as amended May 3, 1984) between the Company and SCMUA. In December<sup>1</sup> of each year, SCMUA estimates the

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<sup>1</sup> Please note that the fiscal year used by SCMUA ends on November 30.

annual cost of wastewater to be treated for Wallkill and bills the Company in four equal installments based on that estimate.<sup>2</sup> To the extent that any credits are due the Company, or additional payments are due SCMUA (based on actual usage during the year), those amounts are included in the estimate of costs for the upcoming fiscal year and reflected in the February payment.

4. Petitioner's Maxim Wastewater Division ("Maxim") provides wastewater service to approximately 2,617 customers in the Township of Howell, County of Monmouth, pursuant to a municipal consent and franchise, and an Order of the Board approving the franchise and accepting Petitioner's initial tariff for filing.

5. Maxim purchases wastewater treatment services from the Ocean County Utilities Authority ("OCUA"). The OCUA treats all of the wastewater collected by Maxim, which is a Bulk Rate customer of the OCUA. Bills are rendered by the OCUA and paid by Maxim on a quarterly basis during the year. In January of each year, the OCUA (i) estimates the annual volume of wastewater to be treated for Maxim and bills the Company quarterly thereafter based on that estimate, and (ii) reconciles the actual volumes treated for Maxim in the prior calendar year and provides a charge or a credit, depending on Maxim's actual usage, on Maxim's first quarter bill in the following year.

6. Petitioner also purchases wastewater treatment services from the Logan Township Municipal Utilities Authority ("LTMUA"). LTMUA treats all of the wastewater collected by the Company in its Woolwich service territory pursuant to the Sewer Service Agreement dated

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<sup>2</sup> Bills are rendered by SCMUA and paid by Wallkill four times during the year (February, May, August and November).

September 14, 2000 (as amended April 28, 2015) between the Company and LTMUA.<sup>3</sup> LTMUA bills the Company a fixed monthly amount for each Equivalent Dwelling Unit (“EDU”),<sup>4</sup> which is determined by the LTMUA rate schedule in effect. There are approximately 2,985 EDUs for which the LTMUA provides treatment.

7. Prior to January 1, 2021, the Company’s rate schedules included a separate PSTAC for Wallkill<sup>5</sup> and Maxim<sup>6</sup> customers, and the treatment costs for LTMUA were included in the fixed monthly service charge to customers serviced by the Woolwich, California Village, Hanover Village and Spartan Village systems. However, in connection with the Company’s 2020 Wastewater Base Rate Case, BPU Docket No. WR20010056, the Board approved the Company’s request to establish a uniform PSTAC to include all of its purchased water treatment costs and to charge those costs to all customers, which uniform rate was effective January 1, 2021.<sup>7</sup> Then, in connection with the Company’s 2021 PSTAC filing, the Board approved the Company’s uniform PSTAC rate<sup>8</sup> for all customers effective January 1, 2022. Those rates are set forth in the

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<sup>3</sup> The referenced amendment is the Fourth Amendment, there having been three prior amendments, each of which were superseded by the currently effective Fourth Amendment.

<sup>4</sup> LTMUA’s rate schedule refers to this as a “connection unit.”

<sup>5</sup> The prior Wallkill PSTAC was approved by Board Order dated December 20, 2019 in Docket No. WR19080920 and became effective on January 1, 2020.

<sup>6</sup> The prior Maxim PSTAC was approved by Board Order dated December 20, 2019 in Docket No. WR19080925 and became effective on January 1, 2020.

<sup>7</sup> *I/M/O Aqua New Jersey, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes*, BPU Docket No. WR20010056, Order Adopting Initial Decision Settlement (“Wastewater BRC Order”), dated December 2, 2020, at 5-6 and Exhibit C thereto.

<sup>8</sup> *I/M/O Aqua New Jersey, Inc. for Approval of a 2022 Purchased Wastewater Treatment Clause Rate and Other Required Approvals*, BPU Docket No. WR21081056, Order Adopting Initial Decision Settlement (“2021 Uniform PSTAC Order”), dated December 15, 2021. A copy of the 2021 Uniform PSTAC Order is attached hereto as Exhibit A.

Company's currently effective tariff at Rate Schedule No. 2.<sup>9</sup>

8. The total number of Petitioner's customers for whom treatment services are procured through SCMUA, OCUA and LTMUA is approximately 6,049. The costs of treatment will be spread across the Company's approximately 6,725 wastewater customers.

### **PSTAC RECONCILIATION FOR 2021 & 2022**

9. Petitioner's 2022 PSTAC rate was held constant through 2023 and the true-up for costs from 2021 was deferred to this filing, because the Company's required PSTAC rate increase was minimal. Thus, with the consent of BPU Staff and the Division of Rate Counsel, the Company did not seek an increase in the PSTAC rate in 2023 and deferred the filing of its true-up of 2021 PSTAC rates in order to reduce expenses/customer costs and to preserve administrative resources.<sup>10</sup>

10. Therefore, the effective 2023 PSTAC rates are those set forth in Exhibit B.

11. A true up of the PSTAC rates the Company was authorized to collect in 2021 and 2022 is set forth below.

### **2024 TREATMENT COSTS & 2024 PSTAC RATE**

12. The Uniform 2022 PSTAC tariff was approved by the Board in the 2021 Uniform PSTAC Order, which is attached as Exhibit A. Attached hereto as Exhibit B is the Company's

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<sup>9</sup> A copy of Rate Scheduled No. 2 is attached hereto as Exhibit B.

<sup>10</sup> See *I/M/O Petition of Aqua New Jersey, Inc. For Approval To Change the Levels of Its Purchased Sewerage Treatment Adjustment Clause ("PSTAC") True-Up Filing to 2023 and for Approval to Continue Current Rates*, BPU Docket No. WR22090573, Letter From Petitioner's Counsel (September 15, 2022) and Rate Counsel's Letter of No Objection (October 14, 2022), true and correct copies of which are attached hereto as Exhibit C. The Company's filing is referred to herein as the "2022 BPU Deferral Filing."

existing 2022 PSTAC tariff (*i.e.*, Rate Schedule No. 2). A proposed 2024 PSTAC tariff which reflects the proposed prospective rates for 2024 is attached hereto as Exhibit D.

13. Attached hereto as Exhibit E is a schedule which supports the proposed 2024 PSTAC tariff. As discussed above, the Company's 2024 PSTAC must set prospective rates for 2024 to address estimated treatment costs.

14. Petitioner has performed an analysis of the projected PSTAC costs for calendar year 2024, and estimated 2024 treatment costs to be: (i) \$206,001 for SCMUA; (ii) \$968,200 for OCUA; and \$1,286,905 for LTMUA. See Exhibit E (page 1). Additionally, as summarized on Exhibit E (page 2), the Company has estimated the cost of this proceeding to be \$8,000 and has included half of that amount, \$4,000 in its request in this proceeding. As indicated on Exhibit E (page 4), the Company has estimated that its total PSTAC revenue requirement for 2024 is \$2,381,933.

15. As shown on Exhibit E (page 4), 2023 PSTAC rates were authorized in the 2021 Uniform PSTAC Order (and subsequent 2022 BPU Deferral Filing) and 2023 PSTAC revenues are estimated to be approximately \$2,399,917. When the 2023 PSTAC revenue requirement is compared to the level of PSTAC revenues estimated for 2024, there is excess revenue of \$17,984 (calculated on Exhibit E, page 4). As summarized on Exhibit E (page 6), the Company has developed a 2024 PSTAC rate to recover a total of \$2,381,933 in 2024 PSTAC revenues. As illustrated on Exhibit E (page 5), the decrease in the 2024 revenue requirement of \$17,679 (when compared to current rates) results in an across-the-board **decrease** in the present PSTAC rate of approximately 0.75% or approximately \$0.19 per 1,000 gallons.

16. Petitioner reserves the right to amend this Petition and exhibits as necessary.



17. In light of the fact that Petitioner is seeking a rate decrease, which alleviates the need for a public comment hearing and related notices, Petitioner respectfully requests that the Board retain, and appoint a Commissioner to preside over, this matter in lieu of transferring it to the Office of Administrative Law. This will serve to expedite the matter and enable administrative efficiencies and preservation of resources for all parties.

18. All correspondence related to this Petition should be sent to:

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Centre Square West, 38th Floor  
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Philadelphia, PA 19102  
courtney.schultz@saul.com

Kruti B. Patel, Esq.  
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kruti.patel@saul.com

Dawn Peslak  
Aqua New Jersey, Inc.  
10 Black Forest Road  
Hamilton, New Jersey 08691  
dpslak@aquaamerica.com

WHEREFORE, Petitioner respectfully requests that the Board, retain the matter, approve the Company's request, set prospective PSTAC rates for 2024, and grant such other relief as shall appear just and reasonable.

Dated: August 22, 2023

Respectfully submitted,

By: 

Courtney L. Schultz, Esq.  
Kruti B. Patel, Esq.  
Saul Ewing LLP  
*Counsel for Aqua New Jersey, Inc.*

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

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IN THE MATTER OF THE PETITION  
OF AQUA NEW JERSEY, INC., FOR  
APPROVAL OF A DECREASE IN ITS  
2024 PURCHASED WASTEWATER  
TREATMENT ADJUSTMENT CLAUSE  
("PSTAC") RATE, TRUE-UP OF ITS 2021  
AND 2022 PSTAC RATES, AND OTHER  
REQUIRED APPROVALS


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: BPU DOCKET NO. WR2308 \_\_\_\_\_  
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**CERTIFICATION**

DAWN PESLAK, of full age, being duly sworn, upon his oath deposes and says:

1. I am Controller for Aqua New Jersey, Inc., and in that capacity I am authorized to make this Verification on behalf of the Petitioner in this matter.
2. I have reviewed the within Petition and Exhibits thereto, and the same are true and correct to the best of my knowledge, information and belief.
3. I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

  
Dawn Peslak, Controller  
Aqua New Jersey, Inc.

Dated: August 21, 2023

# **EXHIBIT A**



Agenda Date: 12/15/21  
Agenda Item: 5E

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
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[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

WATER

IN THE MATTER OF THE PETITION OF AQUA NEW )  
JERSEY, INC. FOR APPROVAL OF A 2022 )  
PURCHASED WASTEWATER TREATMENT CLAUSE )  
RATE AND OTHER REQUIRED APPROVALS )  
)  
) DOCKET NO. WR21081056

**Parties of Record:**

**Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr, LLP**, on behalf of Aqua New Jersey, Inc.  
**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel

BY THE BOARD:

**BACKGROUND/PROCEDURAL HISTORY**

On August 10, 2021, pursuant to N.J.A.C. 14:9-7.1 to 7.7, Aqua New Jersey, Inc. (“Aqua,” “Petitioner,” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) to set prospective Purchase Sewer Treatment Adjustment Clause (“PSTAC”) rates for calendar year 2022 as required by N.J.A.C. 14:9-7.1(d)(2) and 14:9-7.7.6.

Aqua represents it will true-up 2021 PSTAC revenues and rates in its 2022 PSTAC filing, and commits to making the 2022 PSTAC filing on a timely basis.

Petitioner’s Walkkill Sewer Division (“Walkkill”), formerly the Walkkill Sewer Company, provides wastewater service to approximately 423 customers in a portion of the Township of Hardyston, County of Sussex, pursuant to an Order of the Board.<sup>1</sup> Walkkill transmits the wastewater it collects to the Sussex County Municipal Utilities Authority (“SCMUA”) for treatment.

Petitioner’s Maxim Wastewater Division (“Maxim”) provides wastewater service to approximately 2,590 customers in the Township of Howell, County of Monmouth, pursuant to a municipal consent and franchise, and an Order of the Board approving the franchise and accepting

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<sup>1</sup>See I/M/O the Acquisition of the Walkkill Sewer Company by Aqua New Jersey, Inc. and Other Related Approvals, Docket No. WM10020117 (May 5, 2010).

Petitioner's initial tariff for filing.<sup>2</sup> Maxim transits the wastewater it collects to the Ocean County Municipal Utilities Authority ("OCMUA").

Petitioner also purchases wastewater treatment services from the Logan Township Municipal Utilities Authority ("LTMUA"). LTMUA treats all of the wastewater collected by the Company in its Woolwich service territory pursuant to the Sewer Service Agreement dated September 14, 2000 (as amended April 28, 2015) between the Company and LTMUA. LTMUA bills the Company a fixed monthly amount for each Equivalent Dwelling Unit ("EDU"), which is determined by the LTMUA rate schedule in effect. There are approximately 2,959 EDUs for which the LTMUA provides treatment.

Aqua's last water base rate case concluded in May 2019.<sup>3</sup> Aqua's last wastewater base rate case concluded in December 2020 and implemented a uniform fixed monthly PSTAC for all wastewater customers.<sup>4</sup>

The matter was retained by the Board for review and disposition. The Company, the New Jersey Division of Rate Counsel Rate Counsel, and Board Staff (collectively, "Parties") agreed that a public comment hearing was not required because the Petitioner had proposed a decrease in rates.

### **STIPULATION OF SETTLEMENT**

Following settlement negotiations, the Parties executed a Stipulation of Settlement ("Stipulation")<sup>5</sup>, which resolved all of the issues in the proceeding. The Stipulation is summarized below:

9. In this proceeding, the Parties have examined the Company's projected wastewater treatment expenses for 2022, as well as the costs of this proceeding. The Parties have determined that the current PSTAC rate should remain the same for 2022. In its petition, the Company determined that the current PSTAC rate should be decreased to recover \$28,697 less in revenues. The \$28,697 PSTAC decrease was calculated based on the following components:

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<sup>2</sup>See I/M/O the Joint Petition for Approval of the Acquisition by Consumers New Jersey Water Company of a Controlling Interest in Maxim Sewerage Corporation, and the Resulting Merger of Maxim Sewerage Corporation into Consumers New Jersey Water Company, as Part of the Stock Purchase of AquaSource Utility, Inc. by Philadelphia Suburban Corporation, Docket No. WM02110808 (May 22, 2003) and I/M/O the Petition of Maxim Sewerage Corporation d/b/a Aquasource Utility-NJ for Approval to Close an Existing Office, Docket No. WE02020059 (May 22, 2003).

<sup>3</sup>See I/M/O the Petition of Aqua New Jersey, Inc. for Approval of an Increase in Rates of Water Service and Other Tariff Changes, BPU Docket No. WR18121351 and OAL Docket No. PUC 00305-20198 (May 28, 2019).

<sup>4</sup>See I/M/O Aqua New Jersey, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes, BPU Docket No. WR20010056 and OAL Docket No. PUC 01318-2020S (December 2, 2020).

<sup>5</sup>Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order.

- a. Projected Sussex County Municipal Utilities Authority (“SCMUA”) charges for 2022 of \$144,891 based on SCMUA rates effective for 2021;
  - b. Projected Ocean County Utilities Authority (“OCUA”) charges for 2022 of \$949,165 based on OCUA rates effective for 2021;
  - c. Projected LTMUA charges for 2022 of \$1,154,544 based on LTMUA rates effective for 2021;
  - d. Projected rate case expenses of \$6,250. These costs will be share shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$3,125; and
  - e. The pro forma PSTAC revenues at present rates are projected to be \$2,280,422.
10. After the petition was filed and during the discovery period, Aqua received a notice from SCMUA indicating that the treatment rate would be increased from \$144,891 to \$166,531 for 2022. With this increase to expense, the previously calculated decrease went from \$28,697 to \$7,057. Consequently, the proposed rate decrease went from - 1.26% to - 0.31%.
11. In addition, the Parties believe it reasonably likely that OCUA may also increase the Company’s treatment costs for 2022, which increase will not be captured in rates for 2022.
12. The Stipulation therefore agrees that Petitioner’s current PSTAC rate should remain unchanged.

As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of treatment costs for calendar year 2022, which estimate has been used to determine the applicable PSTAC rate for 2022.

### **DISCUSSION AND FINDING**

Having reviewed the record in this matter, as well as the Stipulation, the Board **HEREBY FINDS** that the Stipulation is reasonable, in the public interest and is in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Stipulation attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if fully set forth at length herein, subject to the following:

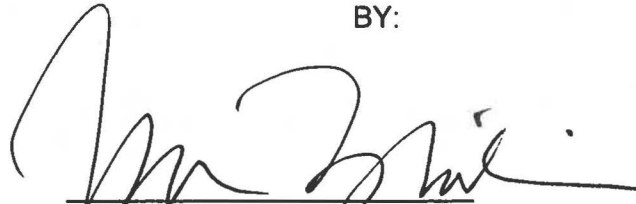
In accordance with the provisions of N.J.A.C. 14:9-7.3(c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, or by December 31, 2022, whichever is earlier, a PSTAC true-up filing in connection with this proceeding. This filing shall include estimates of the OCUA, SCMUA, and LTMUA costs for calendar year 2022. Copies of the true-up filing shall be served upon all Parties to the present proceeding.

The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order by January 1, 2022.

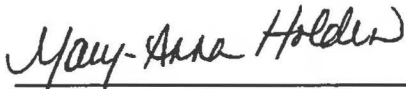
This Order shall be effective on December 22, 2021, with rates to become effective on January 1, 2022.

DATED: December 15, 2021

BOARD OF PUBLIC UTILITIES  
BY:



JOSEPH L. FIORDALISO  
PRESIDENT



MARY-ANNA HOLDEN  
COMMISSIONER



DIANNE SOLOMON  
COMMISSIONER



UPENDRA J. CHIVUKULA  
COMMISSIONER



ROBERT M. GORDON  
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH  
SECRETARY

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC. FOR APPROVAL OF A  
2022 PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE RATE AND  
OTHER REQUIRED TARIFFS  
DOCKET NO. WR21081056

SERVICE LIST

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

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<b>IN THE MATTER OF THE PETITION</b>	:	
<b>OF AQUA NEW JERSEY, INC. FOR</b>	:	<b>STIPULATION OF SETTLEMENT</b>
<b>APPROVAL OF A 2022 PURCHASED</b>	:	
<b>WASTEWATER TREATMENT</b>	:	<b>BPU DOCKET</b>
<b>ADJUSTMENT CLAUSE RATE</b>	:	
<b>AND OTHER REQUIRED APPROVALS :</b>	:	<b>NO. WR21081056</b>

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**APPEARANCES:**

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

Brian Lipman, Director, and Susan E. McClure, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Meliha Arnautovic, Deputy Attorney General, (Andrew Bruck, Acting 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. (“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 is a public utility of the State of New Jersey, with its principal business office at 10 Black Forest Road, Hamilton, New Jersey 08691, subject to the jurisdiction of the Board of Public Utilities (the “Board”).

2. Petitioner’s Wallkill Sewer Division (“Wallkill”), formerly the Wallkill Sewer Company, provides wastewater service to approximately 423 customers in a portion of the Township of Hardyston, County of Sussex, pursuant to an Order of the Board.

3. Petitioner’s Maxim Wastewater Division (“Maxim”) provides wastewater service to approximately 2,590 customers in the Township of Howell, County of Monmouth, pursuant to a municipal consent and franchise, and an Order of the Board approving the franchise and accepting Petitioner’s initial tariff for filing.

4. Petitioner also purchases wastewater treatment services from the Logan Township Municipal Utilities Authority (“LTMUA”). LTMUA treats all of the wastewater collected by the Company in its Woolwich service territory pursuant to the Sewer Service Agreement dated September 14, 2000 (as amended April 28, 2015) between the Company and LTMUA.<sup>1</sup> LTMUA bills the Company a fixed monthly amount for each Equivalent Dwelling Unit (“EDU”),<sup>2</sup> which is determined by the LTMUA rate schedule in effect. There are approximately 2,959 EDUs for which the LTMUA provides treatment.

5. Prior to January 1, 2021, the Company’s rate schedules included a separate PSTAC for Wallkill<sup>3</sup> and Maxim<sup>4</sup> customers, and the treatment costs for LTMUA were included in the fixed monthly service charge to customers serviced by the Woolwich, California Village, Hanover Village and Spartan Village systems. In connection with the Company’s 2020 Wastewater Base

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<sup>1</sup> The referenced amendment is the Fourth Amendment, there having been three prior amendments, each of which were superseded by the currently effective Fourth Amendment.

<sup>2</sup> LTMUA’s rate schedule refers to this as a “connection unit.”

<sup>3</sup> The prior Wallkill PSTAC was approved by Board Order dated December 20, 2019 in Docket No. WR19080920 and became effective on January 1, 2020.

<sup>4</sup> The prior Maxim PSTAC was approved by Board Order dated December 20, 2019 in Docket No. WR19080925 and became effective on January 1, 2020.

Rate Case, BPU Docket No. WR20010056, the Board approved the Company's request to establish a uniform PSTAC to include all of its purchased water treatment costs and to charge those costs to all customers.<sup>5</sup> Accordingly, effective January 1, 2021, Petitioner established a uniform purchased wastewater treatment adjustment clause ("PSTAC") for all customers, which rates are set forth in its currently effective tariff at Rate Schedule No. 2.

6. On August 10, 2021, 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. WR21081056, to set prospective rates for calendar year 2022 as required by N.J.A.C. 14:9-7.1(d)(2) and 14:9-7.7.<sup>6</sup> Aqua will true-up 2021 PSTAC revenues and rates in its 2022 PSTAC filing, and commits that it will make this filing on a timely basis.

7. The matter was retained by the Board for review and disposition. The Parties agreed that a public comment hearing was not required because the Petitioner had proposed a decrease in rates.

8. Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the SCMUA, the OCUA, and the LTMUA. The current PSTAC tariff was approved by the Board in the Wastewater BRC Order in Docket No. WR20010056, which established the uniform PSTAC rate for calendar year 2021 and confirmed the PSTAC rates (without true-up) for 2019 and 2020.

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<sup>5</sup> *I/M/O Aqua New Jersey, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes*, BPU Docket No. WR20010056, Order Adopting Initial Decision Settlement ("Wastewater BRC Order"), dated December 2, 2020, at 5-6.

<sup>6</sup> The Company did not request approval of a true-up of PSTAC costs and revenues for calendar years 2019 and 2020, because in connection with the transition from a separate PSTAC to a uniform PSTAC in the 2020 Wastewater Base Rate Case, the parties thereto agreed that there would be no true-up of costs and revenues with estimated costs and revenues for Wallkill and Maxim for 2019 and 2020, which agreement was approved by the Board in the Wastewater BRC Order. *See* Wastewater BRC Order, at 5-6 (citing to Exhibit A, Stipulation of Settlement, at ¶ 8, n.2).

9. In this proceeding, the Parties have examined the Company's projected wastewater treatment expenses for 2022, as well as the costs of this proceeding. Based on the foregoing, the Parties have determined that the current PSTAC rate should remain the same for 2022. In its Petition, the Company determined that current PSTAC rate should be decreased to recover \$28,697 less in revenues. The \$28,697 PSTAC decrease was calculated based on the following components:

- a) projected SCMUA charges for 2022 of \$144,891 based on SCMUA rates effective for 2021 (See Exhibit A, page 1);
- b) projected OCUA charges for 2022 of \$949,165 based on OCUA rates effective for 2021 (See Exhibit A, page 1);
- c) projected LTMUA charges for 2022 of \$1,154,544 based on LTMUA rates effective for 2021 (See Exhibit A, page 1);
- d) the total costs of this proceeding are deemed to be \$6,250 (See Exhibit A, page 2). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$3,125 (See Exhibit A, page 4); and
- e) the pro forma PSTAC revenues at present rates are projected to be \$2,280,422 (See Exhibit A, page 4).

10. However, after the Petition was filed and during the discovery period, Aqua received a notice from SCUMA indicating that the treatment rate would be increased from \$144,891 to \$166,531 for 2022. With this increase to expense, the previously calculated decrease went from \$28,697 to \$7,057. Consequently, the proposed rate decrease went from -1.26% to -0.31%. See Exhibit B (revised PSTAC schedules reflecting SCUMA rate increase, pages 1, 4 and

5). In addition, the Parties believe it reasonably likely that OCUA may also increase the Company's treatment costs for 2022, which increase will not be captured in rates for 2022.

11. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of treatment costs for calendar year 2022, which estimate has been used to determine the applicable PSTAC rate for 2022.

12. Based on the estimated costs for 2022 and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should remain the same.

13. 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 2021 actual treatment costs with the estimated treatment 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 treatment costs for calendar year 2023, which estimate will be used to determine the applicable PSTAC rate for 2023, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.

14. 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.

15. 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.

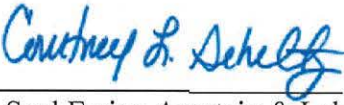
16. The Parties agree that each term within this Stipulation reflects a mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation as a whole, since the Parties hereto expressly and jointly state that they would 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.

17. 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.

18. 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.

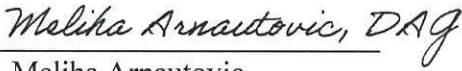
AQUA NEW JERSEY, INC.

November 9, 2021  
Date

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


ANDREW BRUCK  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the  
New Jersey Board of Public Utilities

11-16-2021  
Date

By:   
Meliha Arnautovic  
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.  
DIRECTOR – RATE COUNSEL

11/16/21  
Date

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

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

A.) 2022 Projected Treatment Expenses

<u>Quarter</u>	<u>Wallkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>
Q1	36,222.75	237,291.25	286,071.00	
Q2	36,222.75	237,291.25	287,781.00	
Q3	36,222.75	237,291.25	289,491.00	
Q4	36,222.75	237,291.25	291,201.00	
<i>Total 2021 Actual Treatment Expense</i>	<b>144,891.00</b>	<b>949,165.00</b>	<b>1,154,544.00</b>	<b>2,248,600.00</b>
	(based on 2021 billings)	(based on 2021 billings)	(based on 2022 Budget)	



Aqua New Jersey, Inc.  
PSTAC Prospective Rate filing for 2022  
For Calendar year ending December 31, 2021

**B.) Cost of Filing Application:**

	<u>Amount</u>
Legal	\$ 6,000
Notification & Other	\$ 250
Transcripts	\$ -
Total	<u>\$ 6,250</u>

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

C.) PSTAC Revenue at Present Rates (2021):

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family		6,390	\$25.21	\$1,933,102.80	84.77%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	\$11,253.00	0.49%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	\$23,232.00	1.02%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	\$1,512.60	0.07%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	\$64,919.40	2.85%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	\$12,100.80	0.53%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	\$24,201.60	1.06%
Oakwood Village Apartment Complex		1	\$15,428.52	\$185,142.24	8.12%
Bear Brook Clubhouse		1	\$564.70	\$6,776.40	0.30%
Stanton Ridge Clubhouse		1	\$143.70	\$1,724.40	0.08%
Maxim Laundromat		1	\$615.12	\$7,381.44	0.32%
Total:					
<b>Total PSTAC Revenue at Present Rates =&gt;</b>				<b>\$2,280,422</b>	

Aqua New Jersey, Inc.  
PSTAC Prospective Rate filing for 2022  
For Calendar year ending December 31, 2021

**D.) PSTAC Calculation:**

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2022 Billings	2,248,600	A.)
2.) Cost of Filing Application (\$6,250 x 50%)	\$3,125	B.)
3.) 2022 PSTAC Revenue Requirement	<u>\$2,251,725</u>	Sum Lines 1 thru 3
4.) PSTAC Revenue at Present (2021) Rates	<u>\$2,280,422</u>	C.)
5.) Subtotal PSTAC Request - Annualized	<u>(\$28,697)</u>	Line 5 minus Line 6

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

**E.) Rate Design:**

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>New Rate</u>	<u>% Change</u>
Residential - Single Family		6,390	\$25.21	84.77%	(2,027)	\$24.89	-1.26%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	0.20%	(5)	\$24.89	-1.26%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	0.49%	(12)	\$29.87	-1.26%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	1.02%	(24)	\$59.74	-1.26%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	0.07%	(2)	\$124.46	-1.26%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	2.85%	(68)	\$184.20	-1.26%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	0.20%	(5)	\$373.39	-1.26%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	0.53%	(13)	\$497.86	-1.26%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	1.06%	(25)	\$1,991.42	-1.26%
Oakwood Village Apartment Complex		1	\$15,428.52	8.12%	(194)	\$15,234.36	-1.26%
Bear Brook Clubhouse		1	\$564.70	0.30%	(7)	\$557.59	-1.26%
Stanton Ridge Clubhouse		1	\$143.70	0.08%	(2)	\$141.89	-1.26%
Maxim Laundromat		1	\$615.12	0.32%	(8)	\$607.38	-1.26%
					<u>(2,391)</u>	Monthly	

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

F.) Proof of Revenue:

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>New Rate</u>	<u>Prospective 2022 Revenue</u>
Residential - Single Family		6,390	\$24.89	\$1,908,776
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$24.89	\$4,481
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$29.87	\$11,111
Commercial, Industrial, School, Business, & Religious	1"	32	\$59.74	\$22,940
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$124.46	\$1,494
Commercial, Industrial, School, Business, & Religious	2"	29	\$184.20	\$64,102
Commercial, Industrial, School, Business, & Religious	3"	1	\$373.39	\$4,481
Commercial, Industrial, School, Business, & Religious	4"	2	\$497.86	\$11,949
Commercial, Industrial, School, Business, & Religious	8"	1	\$1,991.42	\$23,897
Oakwood Village Apartment Complex		1	\$15,234.36	\$182,812
Bear Brook Clubhouse		1	\$557.59	\$6,691
Stanton Ridge Clubhouse		1	\$141.89	\$1,703
Maxim Laundromat		1	\$607.38	\$7,289
Total:				<u><u>\$2,251,725</u></u>

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

A.) 2022 Projected Treatment Expenses

<u>Quarter</u>	<u>Walkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>
Q1	41,632.75	237,291.25	286,071.00	
Q2	41,632.75	237,291.25	287,781.00	
Q3	41,632.75	237,291.25	289,491.00	
Q4	41,632.75	237,291.25	291,201.00	
<b>Total 2021 Actual Treatment Expense</b>	<b>166,531.00</b>	<b>949,165.00</b>	<b>1,154,544.00</b>	<b>2,270,240.00</b>
	(pg. 4, SCUMA Letter dated 10/13/21, Rec'd 10/27/21 - Walkill Sewer Co.)	(based on 2021 billings)	(based on 2022 Budget)	

Aqua New Jersey, Inc.  
PSTAC Prospective Rate filing for 2022  
For Calendar year ending December 31, 2021

**B.) Cost of Filing Application:**

Legal  
Notification & Other  
Transcripts  
Total

	<u>Amount</u>
\$	6,000
\$	250
\$	-
<b>\$</b>	<b><u>6,250</u></b>

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

C.) PSTAC Revenue at Present Rates (2021):

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family		6,390	\$25.21	\$1,933,102.80	84.77%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	\$11,253.00	0.49%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	\$23,232.00	1.02%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	\$1,512.60	0.07%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	\$64,919.40	2.85%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	\$12,100.80	0.53%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	\$24,201.60	1.06%
Oakwood Village Apartment Complex		1	\$15,428.52	\$185,142.24	8.12%
Bear Brook Clubhouse		1	\$564.70	\$6,776.40	0.30%
Stanton Ridge Clubhouse		1	\$143.70	\$1,724.40	0.08%
Maxim Laundromat		1	\$615.12	\$7,381.44	0.32%
Total:					
<b>Total PSTAC Revenue at Present Rates =&gt;</b>				<b>\$2,280,422</b>	



Aqua New Jersey, Inc.  
PSTAC Prospective Rate filing for 2022  
For Calendar year ending December 31, 2021

**D.) PSTAC Calculation:**

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2022 Billings	2,270,240	A.)
2.) Cost of Filing Application (\$6,250 x 50%)	\$3,125	B.)
3.) 2022 PSTAC Revenue Requirement	<u>\$2,273,365</u>	Sum Lines 1 thru 3
4.) PSTAC Revenue at Present (2021) Rates	<u>\$2,280,422</u>	C.)
5.) Subtotal PSTAC Request - Annualized	<u>(\$7,057)</u>	Line 5 minus Line 6

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

E.) Rate Design:

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>New Rate</u>	<u>% Change</u>
Residential - Single Family		6,390	\$25.21	84.77%	(499)	\$25.13	-0.31%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	0.20%	(1)	\$25.13	-0.31%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	0.49%	(3)	\$30.16	-0.31%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	1.02%	(6)	\$60.31	-0.31%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	0.07%	(0)	\$125.66	-0.31%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	2.85%	(17)	\$185.97	-0.31%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	0.20%	(1)	\$376.98	-0.31%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	0.53%	(3)	\$502.64	-0.31%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	1.06%	(6)	\$2,010.56	-0.31%
Oakwood Village Apartment Complex		1	\$15,428.52	8.12%	(48)	\$15,380.77	-0.31%
Bear Brook Clubhouse		1	\$564.70	0.30%	(2)	\$562.95	-0.31%
Stanton Ridge Clubhouse		1	\$143.70	0.08%	(0)	\$143.26	-0.31%
Maxim Laundromat		1	\$615.12	0.32%	(2)	\$613.22	-0.31%
					<u>(588)</u>	Monthly	

Aqua New Jersey, Inc.  
 PSTAC Prospective Rate filing for 2022  
 For Calendar year ending December 31, 2021

**F.) Proof of Revenue:**

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>New Rate</u>	<u>Prospective 2022 Revenue</u>
Residential - Single Family		6,390	\$25.13	\$1,927,120
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.13	\$4,524
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.16	\$11,218
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.31	\$23,160
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$125.66	\$1,508
Commercial, Industrial, School, Business, & Religious	2"	29	\$185.97	\$64,718
Commercial, Industrial, School, Business, & Religious	3"	1	\$376.98	\$4,524
Commercial, Industrial, School, Business, & Religious	4"	2	\$502.64	\$12,063
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,010.56	\$24,127
Oakwood Village Apartment Complex		1	\$15,380.77	\$184,569
Bear Brook Clubhouse		1	\$562.95	\$6,755
Stanton Ridge Clubhouse		1	\$143.26	\$1,719
Maxim Laundromat		1	\$613.22	\$7,359
Total:				<b><u>\$2,273,365</u></b>

# **EXHIBIT B**

**RATE SCHEDULE NO. 2**  
**PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE**

**APPLICABILITY:**

In addition to the General Sewer Service Charge set forth in Rate Schedule No. 1, the following Purchased Sewerage Treatment Adjustment Clause rates, in accordance with N.J.A.C. 14:9-8.1 et seq., are applicable to the use of sewer service for all Customers served by the Company.

**RATE:**

All wastewater service customers shall pay a fixed charge as indicated below.

**FIXED MONTHLY CHARGE FOR ALL WASTEWATER CUSTOMERS**

<b>Customer Type</b>	<b>PSTAC Rate</b>
Residential, Single Family	\$ 25.21
Non-Residential and Multi-Family	
Water Meter Size – 5/8"	25.21
Water Meter Size – 3/4"	30.25
Water Meter Size – 1"	60.50
Water Meter Size – 1.5"	126.05
Water Meter Size – 2"	186.55
Water Meter Size – 3"	378.15
Water Meter Size – 4"	504.20
Water Meter Size – 6"	1,260.50
Water Meter Size – 8"	2,016.80
Oakwood Village Apartment Complex	15,428.52
Bear Brook Clubhouse	564.70
Stanton Ridge Clubhouse	143.70
Maxim Laundromat	615.12

\*The above charges are based upon the Board of Public Utilities' ("Board") estimate of Aqua New Jersey, Inc.'s 12-month average cost of purchased sewerage treatment from the Logan Township Municipal Utilities Authority, Ocean County Utilities Authority, and Sussex County Municipal Utilities Authority. The estimated 12-month average cost shall be periodically re-determined by the Board in accordance with true-up procedures set forth in N.J.A.C. 14:9-8.1 et seq.

**TERMS OF PAYMENT:**

PAYMENT FOR ALL BILLS RENDERED IS DUE FIFTEEN (15) DAYS AFTER THE ORIGINAL POSTMARK DATE OF THE BILL. Bills for sewer service will be rendered at the close of each monthly billing period.

Issued:

Effective Date: January 1, 2021

By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

Filed pursuant to decision and order of the Board of Public Utilities dated December 2, 2020, in Docket No. WR20010056

**RATE SCHEDULE NO. 2**  
**PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE**

Continued,

**SPECIAL PROVISIONS:**

No additional charge shall be established for recirculating water or air-cooled air conditioning units.

Rates apply to normal sewerage as defined by the NJDEP and the Ocean County Utilities Authority (“OCUA”). Aqua reserves the right to require pretreatment prior to discharge into the sewer system if the sewerage contains harmful substances such as gasoline, P.C.B.s, oil, explosive liquids, grease, phenols, acids, alkalines, lint, excessive detergents or any other toxic or hazardous substances as defined by NJDEP and/or OCUA. This paragraph includes but is not limited to laundromats or dry cleaners where the owner will be required to provide a screen or filter to remove excessive lint before discharge into the sewer system.

As of January 1, 1997, OCUA has imposed these local limits for industrial and non-domestic waste water discharged to its northern plant: 300 ppm B.O.D.; 300 ppm T.T.S. Any charges imposed by OCUA for treating these or any other special substances shall be passed through to the specific customer.

---

Issued:  
By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

Effective Date: January 1, 2021

Filed pursuant to decision and order of the Board of Public Utilities dated December 2, 2020, in Docket No. WR20010056.

# **EXHIBIT C**

September 15, 2022

VIA ELECTRONIC MAIL

Honorable Aida Camacho-Welch, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Ave., Suite 314  
P.O. Box 350  
Trenton, NJ 08625  
[board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**RE: Petition of Aqua New Jersey, Inc. for Deferral of its Annual Purchased Sewerage Treatment Adjustment Clause (“PSTAC”) True-Up Filing to 2023 and for Approval to Continue Current Rates BPU Dkt. No. WR22090573**

---

Dear Secretary Camacho-Welch:

On behalf of Aqua New Jersey, Inc. (“Aqua”) please accept this letter as a formal request for permission to defer Aqua’s annual PSTAC filing, pursuant to N.J.A.C. 14:9-7.1 to 7.7, until 2023. Specifically, Aqua is requesting that the New Jersey Board of Public Utilities (“Board”): (1) approve the continuation of the PSTAC rates set forth in Aqua’s Wastewater Tariff, Rate Schedule No. 2,<sup>1</sup> until a new rate is approved in Aqua’s next PSTAC filing (which will be filed in 2023); (2) to agree to waive, to the extent necessary, the requirement in N.J.A.C. 14:9-7.1(d)(2), that Aqua file a petition for an adjusted PSTAC for the upcoming year;<sup>2</sup> and (3) to allow Aqua to defer the true-up of 2021 PSTAC costs to its 2023 PSTAC filing.

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<sup>1</sup> A copy of Rate Schedule No. 2 is attached hereto as Exhibit A. As noted in the Board’s Order approving the Stipulation of Settlement in *I/M/O the Petition of Aqua New Jersey, Inc. For Approval Of A 2022 Purchased Water Treatment Adjustment Clause Rate and Other Required Approvals*, BPU Dkt. No. WR21081067, at 3, the PSTAC rate effective January 1, 2021 was to remain in effect for 2022.

<sup>2</sup> Aqua believes it would be entirely appropriate for the Board to treat this letter as an informal petition that satisfies the requirement of the regulation.



September 15, 2022

Page 2

Based on Aqua's calculations, when taking into consideration the true-up of PSTAC costs for the year ended December 31, 2021 and the proposed costs for the year ending December 31, 2022, the anticipated increase in revenues needed to cover 2023 PSTAC costs is \$33,134.<sup>3</sup> This equates to an approximately \$0.34 increase in the monthly PSTAC rate for residential customers (or an increase from \$25.21 to \$25.57 per month).<sup>4</sup>

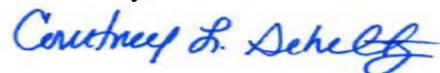
Following discussions with the Division of Rate Counsel and Board Staff, both Staff and Rate Counsel concur with and support Aqua's request to keep the PSTAC rates currently in place for 2023 and to defer the true-up of the 2021 PSTAC costs to the 2023 filing, which filing would then true-up costs from 2021 and 2022. The deferral of the true-up until Aqua's next PSTAC filing is in the best interests of all parties as it reduces expenses/customer costs and preserves administrative resources.

Accordingly, Aqua, with the consent of Rate Counsel and Staff, respectfully requests that the Board:

1. Approve the continuation of the currently effective PSTAC rates, as approved by the Board in its Order in BPU Dkt. No. WR21081067, and as set forth in Rate Schedule No. 2 of Aqua's B.P.U. NO. 18 – SEWER Tariff (see Exhibit A);
2. Permit Aqua to defer its true-up of 2021 PSTAC costs to its 2023 PSTAC filing, which filing will true-up 2021 and 2022 PSTAC costs and seek to establish a new PSTAC rate to be effective January 1, 2024; and
3. Agree to waive any filing requirements in N.J.A.C. 14:9-7.1 to 7.7, to the extent necessary, related to the true-up of PSTAC costs for 2021 and to establishing a new rate for 2023; and
4. Such other an further relief as the Board deems necessary and proper.

Should you have any questions, please contact me.

Sincerely,



Courtney L. Schultz

Cc: Susan McClure, Esq.  
Brian O. Lipman, Esq.  
Mike Kammer

---

<sup>3</sup> Attached as Exhibit B are the schedules that show the 2021 true up of costs, as well as the proposed revenue required for the year 2023, which meet the requirements of N.J.A.C. 14:9-7.1(d)(1) and 14:9-7.4.

<sup>4</sup> See Exhibit B, at p. 3.

# **EXHIBIT A**

**AQUA NEW JERSEY, INC.  
TARIFF  
FOR  
SEWER SERVICE  
APPLICABLE IN  
PORTIONS OF  
BURLINGTON, GLOUCESTER,  
HUNTERDON, MONMOUTH, MORRIS  
AND SUSSEX COUNTIES,  
NEW JERSEY**

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Issued:  
By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

Effective Date: January 1, 2021

Filed pursuant to decision and order of the Board of Public Utilities dated December 2, 2020, in Docket No. WR20010056.

**TABLE OF CONTENTS**

Territory Served			Sheet No. 2
Standard Terms and Conditions			Sheet Nos. 3-3L
Rate Schedule as listed below:			
<u>Applicable To</u>	<u>For</u>	<u>Schedule</u>	<u>Sheet No.</u>
All Customers	General Sewer Service	1	4
All Customers	Purchased Sewerage Adjustment Clause	2	5 & 5A

---

Issued:  
By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

Effective Date: January 1, 2021

Filed pursuant to decision and order of the Board of Public Utilities dated December 2, 2020, in Docket No. WR20010056.

**RATE SCHEDULE NO. 2**  
**PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE**

**APPLICABILITY:**

In addition to the General Sewer Service Charge set forth in Rate Schedule No. 1, the following Purchased Sewerage Treatment Adjustment Clause rates, in accordance with N.J.A.C. 14:9-8.1 et seq., are applicable to the use of sewer service for all Customers served by the Company.

**RATE:**

All wastewater service customers shall pay a fixed charge as indicated below.

**FIXED MONTHLY CHARGE FOR ALL WASTEWATER CUSTOMERS**

<b>Customer Type</b>	<b>PSTAC Rate</b>
Residential, Single Family	\$ 25.21
Non-Residential and Multi-Family	
Water Meter Size – 5/8"	25.21
Water Meter Size – 3/4"	30.25
Water Meter Size – 1"	60.50
Water Meter Size – 1.5"	126.05
Water Meter Size – 2"	186.55
Water Meter Size – 3"	378.15
Water Meter Size – 4"	504.20
Water Meter Size – 6"	1,260.50
Water Meter Size – 8"	2,016.80
Oakwood Village Apartment Complex	15,428.52
Bear Brook Clubhouse	564.70
Stanton Ridge Clubhouse	143.70
Maxim Laundromat	615.12

\*The above charges are based upon the Board of Public Utilities' ("Board") estimate of Aqua New Jersey, Inc.'s 12-month average cost of purchased sewerage treatment from the Logan Township Municipal Utilities Authority, Ocean County Utilities Authority, and Sussex County Municipal Utilities Authority. The estimated 12-month average cost shall be periodically re-determined by the Board in accordance with true-up procedures set forth in N.J.A.C. 14:9-8.1 et seq.

**TERMS OF PAYMENT:**

PAYMENT FOR ALL BILLS RENDERED IS DUE FIFTEEN (15) DAYS AFTER THE ORIGINAL POSTMARK DATE OF THE BILL. Bills for sewer service will be rendered at the close of each monthly billing period.

---

Issued:  
By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

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**RATE SCHEDULE NO. 2**  
**PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE**

Continued,

**SPECIAL PROVISIONS:**

No additional charge shall be established for recirculating water or air-cooled air conditioning units.

Rates apply to normal sewerage as defined by the NJDEP and the Ocean County Utilities Authority (“OCUA”). Aqua reserves the right to require pretreatment prior to discharge into the sewer system if the sewerage contains harmful substances such as gasoline, P.C.B.s, oil, explosive liquids, grease, phenols, acids, alkalines, lint, excessive detergents or any other toxic or hazardous substances as defined by NJDEP and/or OCUA. This paragraph includes but is not limited to laundromats or dry cleaners where the owner will be required to provide a screen or filter to remove excessive lint before discharge into the sewer system.

As of January 1, 1997, OCUA has imposed these local limits for industrial and non-domestic waste water discharged to its northern plant: 300 ppm B.O.D.; 300 ppm T.T.S. Any charges imposed by OCUA for treating these or any other special substances shall be passed through to the specific customer.

---

Issued:  
By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

Effective Date: January 1, 2021

Filed pursuant to decision and order of the Board of Public Utilities dated December 2, 2020, in Docket No. WR20010056.

## **EXHIBIT B**

**Aqua New Jersey, Inc.**  
**PSTAC Reconciliation/True-Up**  
**For Calendar year ending December 31, 2021**

**A.) 2023 Projected Treatment Expenses**

<u>Quarter</u>	<u>Walkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>	<u>Reference</u>
Q1	41,632.75	237,291.25	302,392.00		Exhibit B
Q2	41,632.75	237,291.25	306,382.00		Exhibit B
Q3	41,632.75	237,291.25	310,373.00		Exhibit B
Q4	41,632.75	237,291.25	314,363.00		Exhibit B
<b>Total 2023 Projected Treatment Expense</b>	<b>166,531.00</b>	<b>949,165.00</b>	<b>1,233,510.00</b>	<b>2,349,206.00</b>	Lines 8.) thru 11.) - 12.)
	(based on 2022 billings)	(based on 2022 billings)	(based on 2023 budget)		

**B.) 2021 Actual Treatment Expenses**

<u>Quarter</u>	<u>Walkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>	<u>Reference</u>
Q1	36,222.75	237,291.25	280,208.72		Exhibit B
Q2	36,222.75	237,291.25	279,941.25		Exhibit B
Q3	36,222.75	237,291.25	282,644.33		Exhibit B
Q4	36,222.75	237,291.25	286,186.43		Exhibit B
True-Up Paid in 1Q22	48,400.00	(57,757.70)			Exhibit B
<b>Total 2021 Actual Treatment Expense</b>	<b>193,291.00</b>	<b>891,407.30</b>	<b>1,128,980.73</b>	<b>2,213,679.03</b>	Lines 8.) thru 11.) - 12.)

**C.) Cost of Filing Application:**

	<u>Amount</u>
Legal	\$ 7,500
Notification & Other	\$ 500
Transcripts	\$ -
<b>Total</b>	<b>\$ 8,000</b>



**Aqua New Jersey, Inc.**  
**PSTAC Reconciliation/True-Up**  
**For Calendar year ending December 31, 2021**

**D.) PSTAC Revenue at Present Rates (2022):**

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2023</u>	<u>2022 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family		6,521	\$25.21	\$1,972,732.92	84.45%
Commercial, Industrial, School, Business, & Religious	5/8"	16	\$25.21	\$4,840.32	0.21%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	\$11,253.00	0.48%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	\$23,232.00	0.99%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	\$1,512.60	0.06%
Commercial, Industrial, School, Business, & Religious	2"	36	\$186.55	\$80,589.60	3.45%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	\$4,537.80	0.19%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	\$12,100.80	0.52%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	\$24,201.60	1.04%
Oakwood Village Apartment Complex		1	\$15,428.52	\$185,142.24	7.93%
Bear Brook Clubhouse		1	\$564.70	\$6,776.40	0.29%
Stanton Ridge Clubhouse		1	\$143.70	\$1,724.40	0.07%
Maxim Laundromat		1	\$615.12	\$7,381.44	0.32%

Total:  
Total PSTAC Revenue at Present Rates =>

**\$2,336,025**

**E.) 2021 Reconciliation - Over/(Under) Recovery:**

			<u>Reference</u>
E.1)	Actual Revenue 2021	\$2,197,725	Sewer Revenue
	Prospective Revenue Authorized 2021	<u>\$2,196,000</u>	Rate Order
	Over/(Under) Recovery 2021	<u>\$1,725</u>	
E.2)	Actual Expense 2021	\$2,213,679	B.)
	Projected Expense 2021	<u>\$2,196,000</u>	Rate Order
	Over/(Under) Recovery 2021	<u>(\$17,679)</u>	
	Total Over/(Under) Recovery 2021	<b>(\$15,954)</b>	

**Aqua New Jersey, Inc.**  
**PSTAC Reconciliation/True-Up**  
**For Calendar year ending December 31, 2021**

**F.) PSTAC Calculation:**

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2023 Billings	2,349,206	A.)
2.) (Over)/Under Recovery 2021	15,954	E.)
3.) Interest on Under Recovery	-	
4.) Cost of Filing Application (\$8,000 x 50%)	<u>\$4,000</u>	C.)
5.) 2023 PSTAC Revenue Requirement	<u><b>\$2,369,160</b></u>	Sum Lines 1 thru 3
6.) PSTAC Revenue at Present (2022) Rates	<u><b>\$2,336,025</b></u>	D.)
7.) Subtotal PSTAC Request - Annualized	<u><b>\$33,134</b></u>	Line 5 minus Line 6

**G.) Rate Design:**

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2023</u>	<u>2022 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>2023 New Rate</u>	<u>% Change</u>
Residential - Single Family		6,521	\$25.21	84.45%	2,332	\$25.57	1.42%
Commercial, Industrial, School, Business, & Religious	5/8"	16	\$25.21	0.21%	6	\$25.57	1.42%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	0.48%	13	\$30.68	1.42%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	0.99%	27	\$61.36	1.42%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	0.06%	2	\$127.84	1.42%
Commercial, Industrial, School, Business, & Religious	2"	36	\$186.55	3.45%	95	\$189.20	1.42%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	0.19%	5	\$383.51	1.42%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	0.52%	14	\$511.35	1.42%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	1.04%	29	\$2,045.41	1.42%
Oakwood Village Apartment Complex		1	\$15,428.52	7.93%	219	\$15,647.36	1.42%
Bear Brook Clubhouse		1	\$564.70	0.29%	8	\$572.71	1.42%
Stanton Ridge Clubhouse		1	\$143.70	0.07%	2	\$145.74	1.42%
Maxim Laundromat		1	\$615.12	0.32%	9	\$623.84	1.42%
					<u>2,761</u>	Monthly	

**Aqua New Jersey, Inc.**  
**PSTAC Reconciliation/True-Up**  
**For Calendar year ending December 31, 2021**

**H.) Proof of Revenue:**

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2023</u>	<u>New Rate</u>	<u>Prospective 2023 Revenue</u>
Residential - Single Family		6,521	\$25.57	\$2,000,714
Commercial, Industrial, School, Business, & Religious	5/8"	16	\$25.57	\$4,909
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.68	\$11,413
Commercial, Industrial, School, Business, & Religious	1"	32	\$61.36	\$23,562
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$127.84	\$1,534
Commercial, Industrial, School, Business, & Religious	2"	36	\$189.20	\$81,733
Commercial, Industrial, School, Business, & Religious	3"	1	\$383.51	\$4,602
Commercial, Industrial, School, Business, & Religious	4"	2	\$511.35	\$12,272
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,045.41	\$24,545
Oakwood Village Apartment Complex		1	\$15,647.36	\$187,768
Bear Brook Clubhouse		1	\$572.71	\$6,873
Stanton Ridge Clubhouse		1	\$145.74	\$1,749
Maxim Laundromat		1	\$623.84	\$7,486
Total:				<u><u>\$2,369,160</u></u>



State of New Jersey  
DIVISION OF RATE COUNSEL  
140 EAST FRONT STREET, 4<sup>TH</sup> FL.  
P.O. Box 003  
TRENTON, NEW JERSEY 08625

PHIL MURPHY  
Governor

SHEILA OLIVER  
Lt. Governor

BRIAN O. LIPMAN  
Director

October 14, 2022

**(Via Electronic Mail Only)**

Carmen Diaz, Acting Secretary  
Board of Public Utilities  
44 South Clinton Ave., Suite 314  
P.O. Box 350  
Trenton, NJ 08625-0350

**Re: I/M/O Petition of Aqua New Jersey, Inc. For Approval  
To Change the Levels of Its Purchased Sewerage  
Treatment Adjustment Clause ("PSTAC") True-Up  
Filing to 2023 and for Approval to Continue Current  
Rates  
BPU Docket No.: WR22090573**

Dear Acting Secretary Diaz:

Please accept this letter as the non-objection of the Division of Rate Counsel ("Rate Counsel") to the Petition filed by of Aqua New Jersey, Inc. ("Aqua") with the Board of Public Utilities ("Board") in the above-referenced matter. The Petition requests that the Board approve a continuation of Aqua's PSTAC rates set forth in Aqua's Wastewater Tariff, Rate Schedule No. 2, until a new rate is approved in Aqua's next PSTAC filing, which is anticipated for 2023. To that end, the Petition also asks the Board to waive the requirement in N.J.A.C. 14:9-7.1(d)(2) that Aqua file a petition for an adjusted PSTAC for the upcoming year and, lastly, asks that the Board permit Aqua to defer the true-up of 2021 PSTAC costs to its 2023 PSTAC filing. Aqua is making this request after discussions with Rate Counsel and Staff. For the reasons set forth in Aqua's Petition, Rate Counsel does not object to Board approval of the relief requested therein.

BRIAN O. LIPMAN  
Director, Division of Rate Counsel

By: Emily F. Smithman  
Emily F. Smithman  
Asst. Deputy Rate Counsel

**AQUA NEW JERSEY, INC. FOR  
DEFERRAL OF ITS ANNUAL  
PURCHASED  
SEWERAGE TREATMENT  
ADJUSTMENT CLAUSE  
("PSTAC") TRUE-UP FILING TO  
2023 AND FOR APPROVAL TO  
CONTINUE CURRENT RATES**

**BPU DOCKET NO.  
WR22090573**

Brian Lipman, Acting Director  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625

Susan McClure, Esquire  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625

Christine Juarez, Esquire  
Division of Rate Counsel  
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Trenton, NJ 08625

Emily Smithman, Esquire  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
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Trenton, NJ 08625

Marylin Silva  
Division of Rate Counsel  
140 East Front Street, 4th Floor  
P.O. Box 003  
Trenton, NJ 08625

Carmen Diaz, Acting Secretary  
Board of Public Utilities  
44 South Clinton Ave.  
P.O. Box 350  
Trenton, NJ 08625

Mike Kammer  
Board of Public Utilities  
Division of Water and Wastewater  
44 South Clinton Avenue, 3rd Fl.  
PO Box 350  
Trenton, NJ 08625

David Schmitt, Esquire  
Board of Public Utilities  
Division of Water and Wastewater  
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Trenton, NJ 08625

Paul Lupo  
Board of Public Utilities  
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Trenton, NJ 08625

Benjamin Witherell  
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Kyle Felton  
Board of Public Utilities  
Division of Water and Wastewater  
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PO Box 350  
Trenton, NJ 08625

Courtney L. Schultz, Esquire  
Saul Ewing Arnstein & Lehr, LLP  
1500 Market Street  
Centre Square West, 38th Floor  
Philadelphia, PA 19102

Wendy E. Stewart, President  
Atlantic City Sewerage Company  
1200 Atlantic Avenue Suite 300  
Atlantic City, NJ 08401

Carl Cordek  
Atlantic City Sewerage Company  
1200 Atlantic Avenue Suite 300  
Atlantic City, NJ 08401

Pamela Owen, DAG  
Department of Law Hughes  
Justice Complex  
25 Market Street  
P. O. Box 112  
Trenton, NJ 08625

Brandon Simmons, DAG  
Department of Law Hughes  
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# **EXHIBIT D**

**RATE SCHEDULE NO. 2**  
**PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE**

**APPLICABILITY:**

In addition to the General Sewer Service Charge set forth in Rate Schedule No. 1, the following Purchased Sewerage Treatment Adjustment Clause rates, in accordance with N.J.A.C. 14:9-8.1 et seq., are applicable to the use of sewer service for all Customers served by the Company.

**RATE:**

All wastewater service customers shall pay a fixed charge as indicated below.

**FIXED MONTHLY CHARGE FOR ALL WASTEWATER CUSTOMERS**

<b>Customer Type</b>	<b>PSTAC Rate</b>
Residential, Single Family	\$ 25.02
Non-Residential and Multi-Family	
Water Meter Size – 5/8"	25.02
Water Meter Size – 3/4"	30.02
Water Meter Size – 1"	60.05
Water Meter Size – 1.5"	125.11
Water Meter Size – 2"	185.15
Water Meter Size – 3"	375.32
Water Meter Size – 4"	500.42
Water Meter Size – 8"	2,001.69
Oakwood Village Apartment Complex	15,312.91
Bear Brook Clubhouse	560.47
Stanton Ridge Clubhouse	142.62
Maxim Laundromat	610.51

\*The above charges are based upon the Board of Public Utilities' ("Board") estimate of Aqua New Jersey, Inc.'s 12-month average cost of purchased sewerage treatment from the Logan Township Municipal Utilities Authority, Ocean County Utilities Authority, and Sussex County Municipal Utilities Authority. The estimated 12-month average cost shall be periodically re-determined by the Board in accordance with true-up procedures set forth in N.J.A.C. 14:9-8.1 et seq.

**TERMS OF PAYMENT:**

PAYMENT FOR ALL BILLS RENDERED IS DUE FIFTEEN (15) DAYS AFTER THE ORIGINAL POSTMARK DATE OF THE BILL. Bills for sewer service will be rendered at the close of each monthly billing period.

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Issued:

Effective Date: January 1, 2024

By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

Filed pursuant to decision and order of the Board of Public Utilities dated \_\_\_\_\_, in Docket No. WR2308 \_\_\_\_\_.

**RATE SCHEDULE NO. 2**  
**PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE**

Continued,

**SPECIAL PROVISIONS:**

No additional charge shall be established for recirculating water or air-cooled air conditioning units.

Rates apply to normal sewerage as defined by the NJDEP and the Ocean County Utilities Authority (“OCUA”). Aqua reserves the right to require pretreatment prior to discharge into the sewer system if the sewerage contains harmful substances such as gasoline, P.C.B.s, oil, explosive liquids, grease, phenols, acids, alkalines, lint, excessive detergents or any other toxic or hazardous substances as defined by NJDEP and/or OCUA. This paragraph includes but is not limited to laundromats or dry cleaners where the owner will be required to provide a screen or filter to remove excessive lint before discharge into the sewer system.

As of January 1, 1997, OCUA has imposed these local limits for industrial and non-domestic waste water discharged to its northern plant: 300 ppm B.O.D.; 300 ppm T.T.S. Any charges imposed by OCUA for treating these or any other special substances shall be passed through to the specific customer.

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Issued:  
By: Lawrence R. Carson, President  
10 Black Forest Road  
Hamilton, NJ 08691

Effective Date: January 1, 2021

Filed pursuant to decision and order of the Board of Public Utilities dated December 2, 2020, in Docket No. WR20010056.



# **EXHIBIT E**

Aqua New Jersey, Inc.  
PSTAC Reconciliation/True-Up  
For Calendar year ending December 31, 2022

A.) 2024 Projected Treatment Expenses

<u>Quarter</u>	<u>Walkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>	<u>Reference</u>
Q1	51,500.25	242,050.00	317,023.00		Exhibit B
Q2	51,500.25	242,050.00	320,159.00		Exhibit B
Q3	51,500.25	242,050.00	323,294.00		Exhibit B
Q4	51,500.25	242,050.00	326,429.00		Exhibit B
<b>Total 2023 Projected Treatment Expense</b>	<b>206,001.00</b>	<b>968,200.00</b>	<b>1,286,905.00</b>	<b>2,461,106.00</b>	Lines 8.) thru 11.) - 12.)
	(based on 2023 billings)	(based on 2024 letter)	(based on 2024 budget)		

B. (1) 2021 Actual Treatment Expenses

<u>Quarter</u>	<u>Walkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>	<u>Reference</u>
Q1	36,222.75	237,291.25	280,208.72		Exhibit B
Q2	36,222.75	237,291.25	279,941.25		Exhibit B
Q3	36,222.75	237,291.25	282,644.33		Exhibit B
Q4	36,222.75	237,291.25	286,186.43		Exhibit B
True-Up Paid in 1Q22	48,400.00	(57,757.70)			Exhibit B
<b>Total 2021 Actual Treatment Expense</b>	<b>193,291.00</b>	<b>891,407.30</b>	<b>1,128,980.73</b>	<b>2,213,679.03</b>	Lines 8.) thru 11.) - 12.)

B. (2) 2022 Actual Treatment Expenses

<u>Quarter</u>	<u>Walkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>	<u>Reference</u>
Q1	41,632.75	237,291.25	289,694.65		Exhibit B
Q2	41,632.75	237,291.25	292,122.77		Exhibit B
Q3	41,632.75	237,291.25	293,302.75		Exhibit B
Q4	41,632.75	237,291.25	295,784.05		Exhibit B
True-Up Paid in 1Q23	33,240.00	(118,342.70)			Exhibit B
<b>Total 2022 Actual Treatment Expense</b>	<b>199,771.00</b>	<b>830,822.30</b>	<b>1,170,904.22</b>	<b>2,201,497.52</b>	Lines 8.) thru 11.) - 12.)

*Aqua New Jersey, Inc.*  
*PSTAC Reconciliation/True-Up*  
*For Calendar year ending December 31, 2022*

**C.) Cost of Filing Application:**

	<u>Amount</u>
Legal	\$ 7,500
Notification & Other	\$ 500
Transcripts	\$ -
Total	<u>\$ 8,000</u>

Aqua New Jersey, Inc.  
PSTAC Reconciliation/True-Up  
For Calendar year ending December 31, 2022

**D.) PSTAC Revenue at Present Rates (2023):**

<u>Class</u>	<u>Meter Size</u>	<u>Customers 2024 BOY</u>	<u>2023 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family		6,658	\$25.21	\$2,014,178.16	83.93%
Commercial, Industrial, School, Business, & Religious	5/8"	16	\$25.21	\$4,840.32	0.20%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	\$11,253.00	0.47%
Commercial, Industrial, School, Business, & Religious	1"	33	\$60.50	\$23,958.00	1.00%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	\$1,512.60	0.06%
Commercial, Industrial, School, Business, & Religious	2"	43	\$186.55	\$96,259.80	4.01%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	\$4,537.80	0.19%
Commercial, Industrial, School, Business, & Religious	4"	3	\$504.20	\$18,151.20	0.76%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	\$24,201.60	1.01%
Oakwood Village Apartment Complex		1	\$15,428.52	\$185,142.24	7.71%
Bear Brook Clubhouse		1	\$564.70	\$6,776.40	0.28%
Stanton Ridge Clubhouse		1	\$143.70	\$1,724.40	0.07%
Maxim Laundromat		1	\$615.12	\$7,381.44	0.31%
Total:				<b>\$2,399,917</b>	

**E.) 2021/2022 Reconciliation - Over/(Under) Recovery:**

			<u>Reference</u>
E.1)	Actual Revenue 2021	\$2,197,725	Sewer Revenue
	Prospective Revenue Authorized 2021	\$2,196,000	Rate Order
	Over/(Under) Recovery 2021	\$1,725	
E.2)	Actual Expense 2021	\$2,213,679	B.)
	Projected Expense 2021	\$2,196,000	Rate Order
	Over/(Under) Recovery 2021	(\$17,679)	
	<b>Total Over/(Under) Recovery 2021</b>	<b>(\$15,954)</b>	
E.3)	Actual Revenue 2022	2,300,624	Sewer Revenue
	Prospective Revenue Authorized 2022	\$2,196,000	Rate Order
	Over/(Under) Recovery 2022	\$104,624	
E.4)	Actual Expense 2022	\$2,201,498	B.)
	Projected Expense 2022	\$2,196,000	Rate Order
	Over/(Under) Recovery 2022	(\$5,498)	
	<b>Total Over/(Under) Recovery 2022</b>	<b>\$99,126</b>	

**Aqua New Jersey, Inc.**  
**PSTAC Reconciliation/True-Up**  
**For Calendar year ending December 31, 2022**

**F.) PSTAC Calculation:**

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2024 Billings	2,461,106	A.)
2.) (Over)/Under Recovery 2021 and 2022	(83,173)	E.)
3.) Interest on Under Recovery	-	
4.) Cost of Filing Application (\$8,000 x 50%)	\$4,000	C.)
5.) 2024 PSTAC Revenue Requirement	<u>\$2,381,933</u>	Sum Lines 1 thru 3
6.) PSTAC Revenue at Present (2023) Rates	<u>\$2,399,917</u>	D.)
7.) Subtotal PSTAC Request - Annualized	<u>(\$17,984)</u>	Line 5 minus Line 6
% change	<b>-0.75%</b>	

Aqua New Jersey, Inc.  
PSTAC Reconciliation/True-Up  
For Calendar year ending December 31, 2022

Rate Change (\$0.19)

G.) Rate Design:

<u>Class</u>	<u>Meter Size</u>	<u>Customers</u> <u>2024 BOY</u>	<u>2023</u> <u>Current</u> <u>Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>2024</u> <u>New</u> <u>Rate</u>	<u>% Change</u>
Residential - Single Family		6,658	\$25.21	83.93%	(1,258)	\$25.02	-0.75%
Commercial, Industrial, School, Business, & Religious	5/8"	16	\$25.21	0.20%	(3)	\$25.02	-0.75%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	0.47%	(7)	\$30.02	-0.75%
Commercial, Industrial, School, Business, & Religious	1"	33	\$60.50	1.00%	(15)	\$60.05	-0.75%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	0.06%	(1)	\$125.11	-0.75%
Commercial, Industrial, School, Business, & Religious	2"	43	\$186.55	4.01%	(60)	\$185.15	-0.75%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	0.19%	(3)	\$375.32	-0.75%
Commercial, Industrial, School, Business, & Religious	4"	3	\$504.20	0.76%	(11)	\$500.42	-0.75%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	1.01%	(15)	\$2,001.69	-0.75%
Oakwood Village Apartment Complex		1	\$15,428.52	7.71%	(116)	\$15,312.91	-0.75%
Bear Brook Clubhouse		1	\$564.70	0.28%	(4)	\$560.47	-0.75%
Stanton Ridge Clubhouse		1	\$143.70	0.07%	(1)	\$142.62	-0.75%
Maxim Laundromat		1	\$615.12	0.31%	(5)	\$610.51	-0.75%
					<u>(1,499)</u>	Monthly	

**Aqua New Jersey, Inc.**  
**PSTAC Reconciliation/True-Up**  
**For Calendar year ending December 31, 2022**

\$0

**H.) Proof of Revenue:**

<u>Class</u>	<u>Meter Size</u>	<u>Customers 2024 BOY</u>	<u>New Rate</u>	<u>Prospective 2024 Revenue</u>
Residential - Single Family		6,658	\$25.02	\$1,999,085
Commercial, Industrial, School, Business, & Religious	5/8"	16	\$25.02	\$4,804
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.02	\$11,169
Commercial, Industrial, School, Business, & Religious	1"	33	\$60.05	\$23,778
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$125.11	\$1,501
Commercial, Industrial, School, Business, & Religious	2"	43	\$185.15	\$95,538
Commercial, Industrial, School, Business, & Religious	3"	1	\$375.32	\$4,504
Commercial, Industrial, School, Business, & Religious	4"	3	\$500.42	\$18,015
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,001.69	\$24,020
Oakwood Village Apartment Complex		1	\$15,312.91	\$183,755
Bear Brook Clubhouse		1	\$560.47	\$6,726
Stanton Ridge Clubhouse		1	\$142.62	\$1,711
Maxim Laundromat		1	\$610.51	\$7,326
Total:				<b><u><u>\$2,381,933</u></u></b>