

April 11, 2024

VIA ELECTRONIC MAIL

Hon. Sherri L. Golden Secretary of the Board South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350

Re: In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Quinton, Salem County

Dear Secretary Golden:

Enclosed please find a Petition filed on behalf of New Jersey-American Water Company, Inc. in connection with the above-referenced matter.

Kindly file the Petition and advise of the docket number assigned to this case.

Very truly yours,

Stephen R. Bishop General Counsel

SRB:dlc Enc.

cc: Attached service list (via email, w/enc.)

I/M/O the Petition of New Jersey American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Quinton, County of Salem

BPU Docket No.	
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I/M/O the Petition of New Jersey American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Quinton, County of Salem

BPU Docket No.	
Servic	e List

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BEFORE THE STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF
NEW JERSEY-AMERICAN WATER
COMPANY, INC. FOR APPROVAL OF A
MUNICIPAL CONSENT GRANTED BY THE
TOWNSHIP OF QUINTON, COUNTY OF
SALEM

PETITION

BPU DOCKET NO. WE24_____

TO: THE HONORABLE COMMISSIONERS OF THE STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

Petitioner, New Jersey-American Water Company, Inc. ("NJAWC", "Company", or "Petitioner"), a duly organized and existing public utility corporation of the State of New Jersey, with its principal office at 1 Water Street, Camden, New Jersey 08102, hereby petitions the Board of Public Utilities ("Board") for approval, pursuant to N.J.S.A. 48:2-14, N.J.S.A. 48:19-17, N.J.S.A. 48:19-20 and N.J.A.C. 14:1-5.5, and such other regulations and statutes as may be deemed applicable and appropriate by the Board, of a municipal consent ordinance (the "Municipal Consent") granted to NJAWC by the Township of Quinton, County of Salem ("Quinton" or the "Township") to provide water service to the portion of the Township currently served by the City of Salem ("Salem").

The Municipal Consent is granted in anticipation of the sale of Salem's water and wastewater systems (the "Salem System"). In furtherance of this Petition, NJAWC states as follows:

¹ On December 28, 2023, NJAWC filed a Petition with the Board for approval of the municipal consent granted by Salem to provide water and wastewater services. <u>I/M/O the Petition of New Jersey-American Water Company</u>, <u>Inc. for Approval of a Municipal Consent Granted by the City of Salem</u>, <u>Salem County</u>, Board Docket No. WE230120922.

NJAWC is a regulated public utility corporation engaged in the production, treatment and distribution of water and collection and treatment of sewage 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 Warren.

By this Petition, NJAWC is seeking approval of the Municipal Consent - Ordinance No. 2024-03 introduced by Quinton on March 5, 2024 and adopted on April 2, 2024. The Municipal Consent was introduced and adopted pursuant to N.J.S.A. 48:3-11 to 15, and N.J.S.A. 48:13-11 to permit Petitioner to construct, lay, maintain, and operate the necessary water mains, pipes and appurtenances throughout the geographical area of the Township as noted in the Municipal Consent (the "Proposed Franchise Area") and to provide potable water service to the residents, businesses and government buildings currently served by Salem. A copy of the Municipal Consent including a description of the Proposed Franchise Area is attached hereto as Exhibit A and incorporated into this Petition by reference.

Thus, the governing body of the Township has decided that it is in the public interest for the portion of the Salem System that provides water service to the Township to be owned and operated by the Petitioner. As a result of the acquisition, the governing body realizes that the Salem System will be operated by a company that is part of the largest provider of regulated water and wastewater services in the United States. The customers in the Proposed Franchise Area will benefit from the industry practices followed by Petitioner and its parent organization, Petitioner's provision of high-quality and reliable service, and Petitioner's access to financial resources to maintain and improve the water service in the Township served by the Salem System.

By this Petition, NJAWC is only seeking approval by the Board of the Municipal Consent. NJAWC is seeking ratemaking recognition for the Salem acquisition as part of its general base rate proceeding docketed at WR24010056.

Approval of the Municipal Consent submitted to the Board with this Petition will serve the public interest by permitting NJAWC to provide water utility service to those customers in the Township currently served by the Salem Systems, and to leverage its experience, expertise, and economies of scale to benefit the customers of the Township and of NJAWC. NJAWC's significant resources will support more efficient service as well as provide additional system reliability to the Township.

For the reasons stated above, the privileges granted by the Municipal Consent are necessary and proper for the public convenience and properly conserve the public interests as required by N.J.S.A. 48:2-14. Therefore, the Board should approve the Municipal Consent.

Petitioner has not yet commenced water service within the service area of the Township covered by the Municipal Consent.

WHEREFORE, Petitioner respectfully requests that the Board approve Ordinance No. 2024-03 of the Township of Quinton, County of Salem, and grant such other and further relief as the Board may deem reasonable and appropriate under the circumstances.

Respectfully submitted,

NEW JERSEY-AMERICAN WATER COMPANY, INC.

Dated: April 11, 2024

Stephen R. Bishop, Esquire

General Counsel

Communications addressed to the Petitioner in this case are to be sent to:

Stephen R. Bishop General Counsel New Jersey-American Water Company, Inc. 1 Water Street Camden, NJ 08102 856.955.4877 stephen.bishop@amwater.com

VERIFICATION

STATE OF NEW JERSEY

SS.

COUNTY OF CAMDEN

I, JAMIE HAWN, of full age, being duly sworn according to law, upon my oath depose and say:

- 1. I am the Director of Rates and Regulatory of New Jersey-American Water Company, Inc., the Petitioner herein, and am authorized to make this verification on behalf of said Petitioner.
- 2. I have read the contents of the foregoing Petition as to New Jersey-American Water Company, Inc. and hereby verify that the statements therein contained are true and accurate to the best of my knowledge and belief.

Jamie Hawn

Director, Rates & Regulatory

Sworn to and subscribed before me this 11th day of April, 2024.

Notary Public

DONNA L. CARNEY

NOTARY PUBLIC

STATE OF NEW JERSEY

MY COMMISSION EXPIRES MAY 24, 2028

ORDINANCE# 2024-03 AN ORDINANCE GRANTING CONSENT AND PERMISSION TO NEW JERSEY-AMERICAN WATER COMPANY, INC. TO FURNISH POTABLE WATER CONVEYANCE AND SERVICE TO A PORTION OF THE TOWNSHIP OF QUINTON, NEW JERSEY AND GRANTING MUNICIPAL CONSENT TO USE TOWNSHIP RIGHT-OF-WAY TO PROVIDE SAID SERVICE

WHEREAS, the Township of Quinton, County of Salem and State of New Jersey (the "Township"), hereby grants consent and permission to New Jersey-American Water Company, Inc. ("New Jersey American Water"), a New Jersey corporation, to furnish potable water conveyance and service to a portion of the Township as set forth below; and

WHEREAS, New Jersey American Water is in the process of acquiring the water and wastewater systems (the "Systems") currently owned and operated by the City of Salem, New Jersey, ("Salem") subject to regulatory approvals; and

WHEREAS, Salem is desirous of having New Jersey American Water acquire the Systems; and

WHEREAS, the Salem water system provides water service directly to Township residents in a portion of the Township described below, and by way of a service agreement the Salem wastewater system accepts wastewater from the Township; and

WHEREAS, New Jersey American Water is a regulated public utility corporation of the State of New Jersey presently seeking the municipal consent of the Township to permit New Jersey American to provide services in the Township to include the right to provide potable water conveyance and service to the Township and directly to those Township residents in the area shown on Schedule A; and

WHEREAS, New Jersey American Water has requested the consent of the Township as required by N.J.S.A. 48:19-17 and 48:19-20, as amended, to lay its pipes beneath and restore such public roads, streets and places as it may deem necessary for its corporate purposes, free from all charges to be made for said privilege (except that fees for road opening permits shall be paid), provided that all said pipes installed after the date of this Ordinance shall be laid at least three feet (3 ') below the surface and shall not in any way unnecessarily obstruct or interfere with the public travel or cause or permit other than temporary damage to public or private property; and

WHEREAS, it is deemed to be in the best interests of the citizens of the Township to provide this consent;

WHEREAS, the Mayor and Township Committee have concluded that granting of said consent shall enhance the health, safety and welfare of the citizens of the Township.

NOW THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COMMITTEE AS FOLLOWS:

- Section 1. That exclusive and perpetual consent and permission to furnish water conveyance to residents, businesses and government buildings on properties situated within the Township as shown on **Schedule A** (the "Designated Franchise Area"), is hereby given and granted to New Jersey American Water, its successors and assigns, subject to approval of such consent and permission by the New Jersey Board of Public Utilities ("Board").
- Section 2. That exclusive consent and permission is given to New Jersey American Water, its successors and assigns, under the provisions of N.J.S.A. 48:19-17 and N.J.S.A. 48:19-20, as amended, without charge therefore, (except fees for road opening permits which shall be paid) as the same may be required in order to permit New Jersey American Water to own and operate the water system, add to, extend, replace, operate and maintain said system in the public property described herein in order to provide said potable water conveyance service within the Designated Franchise Area. This shall include permission to lay pipes, valves, pumps, manholes and other necessary equipment beneath the public roads, streets, public property and public places within the Designated Franchise Area. The privilege granted herein shall include the right to construct, install and maintain fire hydrants within the Designated Franchise Area. As permitted by N.J.S.A. 48:3-15, the term of this Municipal Consent shall be fifty (50) years commencing on the effective date of this Ordinance.
- Section 3. That a certified copy of this Ordinance, upon final passage, shall be sent to New Jersey American Water who shall send same to the Board.
- Section 4. That the grants of a Municipal Franchise and a Municipal Consent are subject to a final order issued by the Board approving the Municipal Franchise and Municipal Consent given by Salem to New Jersey American Water.
- Section 4. That the consent granted herein shall be subject to New Jersey American Water complying with all applicable laws of the Township and/or the State of New Jersey including, but not limited to, any and all applicable statutes and administrative agency rules and/or regulations.
- Section 5. The Mayor and the Township Committee are authorized to execute the documents and agreements necessary to effectuate this municipal consent.
- Section 6. Each section, subsection, sentence, clause and phrase of this Ordinance is declared to be an independent section, subsection, sentence, clause and phrase, and the finding or holding of any such portion of this Ordinance to be unconstitutional, void, or ineffective for any cause, or reason, shall not affect any other portion of this Ordinance.
- Section 7. All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

BE IT FURTHER ORDAINED, that this Ordinance shall take effect upon final passage, approval and publication as required by law.

ATTEST:

Marty R. Uzdanovics, Township Clerk

Marjorie Sperry, Mayor

CERTIFICATION

I hereby certify the above to be a true copy of an Ordinance introduced and passed by the Quinton Township Committee on second reading following a public hearing at a regular meeting held on ______, 2024.

