



Agenda Date: 9/4/24
Agenda Item: 5D

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF NEW JERSEY-)
AMERICAN WATER COMPANY, INC. FOR)
AUTHORIZATION TO IMPLEMENT A RESILIENCY AND)
ENVIRONMENTAL SYSTEM INVESTMENT CHARGE) ORDER ADOPTING
STIPULATION
DOCKET NO. WR24040240

Parties of Record:

Christopher M. Arfaa, Esq., for Petitioner, New Jersey-American Water Company, Inc.
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Anthony R. Francioso, Esq., Fornaro Francioso LLC, for Mount Laurel Township Municipal Utilities Authority

BY THE BOARD:¹

On April 19, 2024, New Jersey-American Water Company, Inc. (“NJAW” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:19-31, for approval to file and implement an automatic adjustment clause tariff that would establish a Resiliency and Environmental System Investment Charge (“RESIC”) for the recovery of the costs of investments for the period of 2024 through 2027 (“Foundational Filing”). By this Decision and Order, the Board considers a Stipulation of Settlement (“Stipulation”) executed by NJAW and Board Staff (“Staff”) (collectively, “Stipulating Parties”) resolving all issues in controversy in this matter.

BACKGROUND AND PROCEDURAL HISTORY

NJAW is a public utility corporation of the State of New Jersey engaged in the production, treatment, and distribution of water and the collection of wastewater within its defined service territory. The Company provides service to approximately 668,000 water and fire service customers and 64,200 wastewater service customers in portions of Atlantic, Bergen, Burlington, Camden, Cape May, Essex, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Union and Warren counties in New Jersey.

On January 16, 2024, Governor Phil Murphy signed into law L. 2023, c. 315, N.J.S.A. 48:19-29 et seq., thereby establishing the “Resiliency and Environmental System Investment Charge

¹ Commissioner Michael Bange is recused from this matter due to a potential conflict of interest and, as such, took no part in discussions or deliberations on this matter.

Program” for cost recovery of certain investments made by certain utilities and supplementing Title 48 of the Revised Statutes. The Company filed the Foundational Filing in accordance with N.J.S.A. 48:19-31(b), N.J.A.C. 14:1-5.1, and N.J.S.A. 48:2-21.

The Company filed the Foundational Filing on April 19, 2024. NJAW also had a pending base rate case at the time of this filing under BPU Docket No. WR24010056 (“2024 BRC”). The Company and Staff worked to issue and respond to discovery questions in a timely manner, which would permit this matter to be acted upon by the Board within period specified in N.J.S.A. 48:19-31(f).

Appendix A of the Foundational Filing contains RESIC eligible projects and the projects that began after the end of the test year (June 30, 2024) in the 2024 BRC. Since these projects are eligible for inclusion in a future RESIC recovery period filing, the Company stated its intention was to utilize the projects listed in Appendix A of the Foundational Filing for the installation and/or replacement of new distribution, production, treatment or other plant equipment to further resiliency, health, safety, and environmental protection for the utility’s customers, employees and the general public.

After proper notice in newspapers of general circulation throughout the Company’s service territory, two (2) virtual public hearings were held on July 16, 2024 at 4:30 p.m. and 5:30 p.m., presided over by a hearing officer of the Board. A representative of Mount Laurel Township Municipal Utilities Authority (“Mount Laurel”) appeared at the hearings and stated Mount Laurel’s intention to file a motion to intervene in this matter. No other public comments were received by the Board.

On July 23, 2024, Mount Laurel filed a Motion to Intervene in this matter, including a commitment to follow the agreed upon procedural schedule. By Order dated August 14, 2024, the Board granted MLMUA intervener status.²

STIPULATION

The Stipulating Parties engaged in discovery and reached a settlement. As a result, the Stipulating Parties executed a Stipulation on August 21, 2024, resolving all issues in this proceeding, which provides for the following:³

1. Contemporaneously with the settlement of this matter, NJAWC settled its full base rate case in BPU Docket No. WR24010056, OAL Docket No. PUC 02409-2024S.
2. The Stipulating Parties agree, for the purposes of this proceeding only, that the investments proposed and rates requested therein are just and reasonable, and that the Foundational Filing, as supplemented by the terms of the Stipulation, should be approved by the Board in all respects.

² In re the Petition of New Jersey-American Water Company, Inc. for the Authorization to Implement a Resiliency and Environmental System Investment Charge, BPU Docket No. WR24040240, Order dated August 14, 2024.

³ Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Paragraphs are numbered to coincide with the Stipulation.

4. The Stipulating Parties agree that the first RESIC recovery period will be September 15, 2024 through March 31, 2025.
6. The Stipulating Parties agree that NJAWC's Foundational Filing, including Appendix A – Project List attached to the Stipulation as Attachment A, satisfies the requirements of N.J.S.A. 48:19-31.
7. The Stipulating Parties agree that the projects listed in Attachment A of the Stipulation have been reviewed and are RESIC-eligible projects within the scope and meaning of the definition set forth in N.J.S.A. 48:19-29 and are eligible to be included in NJAWC's semi-annual RESIC filings pursuant to N.J.S.A. 48:19-32.
8. The Stipulating Parties agree that the revenue requirement associated with the actual costs of the approved projects listed in Attachment A of the Stipulation shall be recovered through future "RESIC filings" made during the "RESIC period" as those terms are defined in N.J.S.A. 48:19-29 at intervals and in a manner consistent with the requirements N.J.S.A. 48:19-32.
9. The Stipulating Parties agree that the maximum amount of annual RESIC revenue that may be collected by NJAWC (the RESIC-cap) is \$26,863,210, which is 2.5% of the total sum of revenues set in the Company's last base rate case at BPU Docket No. WR24010056 and OAL Docket No. PUC 02409-2024S and the purchased water and wastewater treatment revenues in effect on April 1, 2024 at BPU Docket No. WR23110791. The average customer has a 5/8-inch meter or meter equivalent which will be subject to a monthly RESIC surcharge of \$2.32⁴ per month at the maximum amount of annual revenue authorized.

The New Jersey Division of Rate Counsel ("Rate Counsel") and Mount Laurel filed letters of non-objection to the Stipulation on August 21, 2024 and August 26, 2024, respectively.

DISCUSSION AND FINDINGS

Having reviewed the record in this matter, including the Foundational Filing and the Stipulation, the Board **FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, 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 they were fully set forth at the length herein.

Based upon the information presented in the Foundational Filing and agreed to by the Stipulating Parties in the Stipulation, the Board **HEREBY FINDS** that the Company's 2024 overall revenue for RESIC purposes is \$1,074,528,396. The Board **FURTHER FINDS** that the Company's maximum amount of annual RESIC revenues that may be collected is \$26,863,210, or no more than two and one-half percent (2.5%) of the Company's combined water and wastewater annual revenues established in the Company's most recent base rate case, for its first Foundational Filing pursuant to N.J.S.A. 48:19-35(b)(2)(a). The Company will implement the RESIC surcharge if, and when, it achieves specific levels of infrastructure investment and completes and places the facilities into service as required by N.J.S.A. 48:2-21 and N.J.S.A. 48:19-29 et seq. Based on the

⁴ The maximum monthly surcharge is an approximate number only and may be higher or lower depending on many factors, including but not limited to changes in the number of customers served by the Company.

Stipulation, an average residential customer with a 5/8-inch meter may be subjected to a maximum monthly RESIC surcharge of \$2.32. This average residential customer surcharge rate is an estimate and may change, however, the maximum annual RESIC revenue requirement, \$26,863,210 cannot be exceeded.

The Board **HEREBY ORDERS** that, in accordance with N.J.S.A. 48:2-21 and N.J.S.A 48:19-32, the Company shall make RESIC filings on a semi-annual basis, commencing six (6) months after the effective date of the Foundational Filing. NJAW shall submit its semi-annual RESIC filing within fifteen (15) days of the end of the RESIC recovery period. RESIC filings shall be reviewed by Staff and Rate Counsel. NJAW may recover the interim surcharge associated with the RESIC eligible projects placed in service, including restoration costs during the RESIC recovery period not objected to by Board Staff or Rate Counsel beginning forty-five (45) days after receipt of the complete semi-annual RESIC filing.


The Board **FURTHER ORDERS** that, in accordance with N.J.S.A. 48:19-32(f), NJAW shall file a base rate case no later than three (3) years after the effective date of this Order. Rates approved by the Board for recovery of expenditures under a RESIC shall be provisional and subject to refund and interest. The prudence of RESIC expenditures shall be determined by the Board in NJAW's next base rate case.

Based upon the foregoing, the Board **HEREBY APPROVES** the Company's Foundational Filing and **ORDERS** that the Company may implement a RESIC, subject to this Order and NJAW's ongoing compliance with the RESIC regulations and annual true-up submissions.


The effective date of this Order is September 11, 2024.

DATED: September 4, 2024

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MARIAN ABDOU
COMMISSIONER

ATTEST: 
SHERRI L. GOLDEN
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC.
FOR AUTHORIZATION TO IMPLEMENT A RESILIENCY AND ENVIRONMENTAL SYSTEM
INVESTMENT CHARGE

DOCKET NO. WR24040240

SERVICE LIST

New Jersey American Water Company

Christopher M. Arfaa, Esq., Corporate Counsel
One Water Street
Camden, NJ 08102
chris.arfaa@amwater.com

Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Brian Lipman, Esq., Director
blipman@rpa.nj.gov

Susan McClure, Esq.
smclure@rpa.nj.gov

Christine Juarez, Esq.
cjuarez@rpa.nj.gov

Emily Lam, Esq.
elam@rpa.nj.gov

Department of Law and Public Safety

Division of Law
Public Utilities Section
25 Market Street, Post Office Box 112
Trenton, NJ 08625

Daren Eppley, Section Chief, DAG
daren.eppley@law.njoag.gov

Pamela Owen, DAG, Assistant Section Chief
pamela.owen@law.njoag.gov

Meliha Arnautovic, DAG
meliha.arnautovic@law.njoag.gov

Terel Klein, DAG
terel.klein@law.njoag.gov

Board of Public Utilities

44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

Sherri L. Golden, Board Secretary
board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Office of General Counsel

Carol Artale, Deputy General Counsel
carol.artale@bpu.nj.gov

Kit Burnette, Regulatory Officer
kit.burnette@bpu.nj.gov

Division of Engineering

Dean Taklif, Director
dean.taklif@bpu.nj.gov

Magdy Mekhaeil
magdy.mekhaeil@bpu.nj.gov

Division of Revenue and Rates

Justin Cederberg
justin.cederberg@bpu.nj.gov

Mount Laurel MUA

Anthony R. Francioso, Esq.
Fornaro Francioso LLC
1540 Kuser Road, A-1
Hamilton, NJ 08619
afrancioso@fornarofrancioso.com

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

**IN THE MATTER OF THE PETITION : STIPULATION OF SETTLEMENT
OF NEW JERSEY-AMERICAN WATER :
COMPANY, INC. FOR : BPU DOCKET NO. WR24040240
AUTHORIZATION TO IMPLEMENT A :
RESILIENCY AND ENVIRONMENTAL :
SYSTEM INVESTMENT CHARGE :**

APPEARANCES:

Christopher M. Arfaa, Esq., Senior Director, Corporate Counsel, New Jersey-American Water Company, Inc.

Meliha Arnautovic, Esq., Deputy Attorney General for Staff of the New Jersey Board of Public Utilities (**Matthew J. Platkin**, Attorney General of the State of New Jersey)

Susan E. McClure, Esq., Deputy Rate Counsel, and **Christine Juarez, Esq.**, Assistant Deputy Rate Counsel, for the Division of Rate Counsel (**Brian Lipman, Esq.**, Director)

Anthony R. Francioso, Esq., on behalf of Mount Laurel Township Municipal Utilities Authority

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

BACKGROUND

On April 19, 2024, New Jersey-American Water Company, Inc. (“NJAWC” or “Company”), a public utility of the State of New Jersey, filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) for approval of its Foundational Filing to enable the implementation of a Resiliency and Environmental System Improvement Charge (“RESIC”), pursuant to N.J.S.A. 48:2-21 and L. 2023, c.315 (N.J.S.A. 48:19-29 *et seq.*) and such statutes, regulations, and Board Orders that may be deemed by the Board to be applicable (“Petition”). The RESIC will enable the timely cost recovery of investment for the period of 2024 through 2027 related to certain non-revenue-producing water and wastewater system components that are in direct or indirect compliance with existing or emerging requirements addressing chemicals or

compounds, and will enhance water and wastewater system resiliency, and the health, safety or environmental protection of NJAWC's customers, employees, or the public.

NJAWC is engaged in the production, treatment and distribution of water and collection 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 Warren. NJAWC currently serves approximately 668,000 water and fire service customers and 64,200 wastewater service customers throughout the state.

On January 16, 2024, Governor Phil Murphy signed into law L. 2023, c.315 (codified at N.J.S.A. 48:19-29 through 48:19-36),- an Act establishing the "Resiliency and Environmental System Investment Charge Program" for cost recovery of certain investments made by certain utilities.

In support of the Petition, NJAWC submitted a Foundational Filing, consisting of the following information required by N.J.A.C. 48:19-31 and N.J.A.C. 14:1-5.1 et seq.:

- a) Projected annual capital expenditures on RESIC-eligible projects for a three-year period, identified by major categories of expenditures.
- b) Actual annual capital expenditures on RESIC-eligible projects for the previous three years, identified by major categories of expenditures.
- c) An engineering evaluation and report identifying the specific projects to be included in the proposed RESIC, with descriptions of project objectives, detailed cost estimates, and the estimated in-service dates for each project.
- d) Vintage, condition, or other similarly relevant and reasonably available information about the eligible infrastructure that is being rehabilitated or replaced, if applicable.

- e) A forecast of RESIC-eligible capital expenditures for a three-year period setting forth annual planned capital expenditures.
- f) The maximum dollar amount, in aggregate, the utility seeks to recover through the RESIC under the Foundational Filing.
- g) The estimated rate impact of the proposed RESIC on customers of the utility.

By Order dated August 14, 2024, the Board granted the Mount Laurel Township Municipal Utilities Authority (“MLMUA”) intervenor status.¹

After proper public notice in newspapers of general circulation within the Company’s service territory, posting of notice on the Company’s website, and service of notice upon affected municipalities and counties within NJAWC’s service territory, two virtual public hearings were held on July 16, 2024, at 4:30 p.m. and 5:30 p.m., presided over by a hearing officer of the Board. No members of the public provided comments at either hearing.

Discovery was conducted and comprehensive settlement discussions were held after notice to all parties. As a result of these discussions, NJAWC and Board Staff (collectively, “Stipulating Parties”) reached this stipulation of settlement (“Stipulation”) resolving all issues in this proceeding subject to the terms and conditions stated herein. It is the Stipulating Parties’ understanding that the New Jersey Division of Rate Counsel (“Rate Counsel”) and MLMUA will file letters stating that they have no objection to adoption of this Stipulation.

SETTLEMENT AGREEMENT

1. Contemporaneously with the settlement of this matter, NJAWC settled its full base rate case in BPU Docket No. WR24010056, OAL Docket No. PUC 02409-2024S.

¹ In re the Petition of New Jersey-American Water Company, Inc. for Authorization to Implement a Resiliency and Environmental System Investment Charge, BPU Docket No. WR24040240, Order dated August 14, 2024.

2. The Stipulating Parties agree, for the purposes of this proceeding only, that the investments proposed and rates requested therein are just and reasonable, and that the Foundational Filing, as supplemented by the terms of this Stipulation, should be approved by the Board in all respects.

3. The Stipulating Parties agree that they will use their best efforts to ensure that this Stipulation is presented to the BPU for approval at its September 4, 2024, public agenda meeting.

4. The Stipulating Parties agree that the first RESIC recovery period will be September 15, 2024 through March 31, 2025.

5. The Stipulating Parties agree that service of the Board's Order approving this Stipulation shall be in accordance with N.J.S.A. 48:2-40.

6. The Stipulating Parties agree that NJAWC's Foundational Filing, including Appendix A – Project List attached to this Stipulation as Attachment A, satisfies the requirements of N.J.S.A. 48:19-31.

7. The Stipulating Parties agree that the projects listed in Attachment A have been reviewed and are RESIC-eligible projects within the scope and meaning of the definition set forth in N.J.S.A. 48:19-29 and are eligible to be included in NJAWC's semi-annual RESIC filings pursuant to N.J.S.A. 48:19-32.

8. The Stipulating Parties agree that the revenue requirement associated with the actual costs of the approved projects listed in Attachment A shall be recovered through future "RESIC filings" made during the "RESIC period" as those terms are defined in N.J.S.A. 48:19-29 at intervals and in a manner consistent with the requirements N.J.S.A. 48:19-32.

9. The Stipulating Parties agree that the maximum amount of annual RESIC revenue that may be collected by NJAWC (the RESIC-cap) is \$26,863,210, which is 2.5% of the total sum

of revenues set in the Company's last base rate case at BPU Docket No. WR24010056 and OAL Docket No. PUC 02409-2024S and the purchased water and wastewater treatment revenues in effect on April 1, 2024 at BPU Docket No. WR23110791. The average customer has a 5/8-inch meter or meter equivalent which will be subject to a monthly RESIC surcharge of \$2.32² per month at the maximum amount of annual revenue authorized.

10. This Stipulation shall be binding on the Stipulating Parties to this proceeding upon approval hereof by the Board. This Stipulation shall bind the Stipulating Parties in this matter only and shall not be considered precedent in any other proceeding involving the Stipulating Parties. The Stipulating Parties shall not cite the Stipulation or the Board's Order adopting the Stipulation as precedent in any future Foundational Filing proceeding involving the Stipulating Parties.

11. This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the Stipulating Parties individually and jointly state that they would not have signed the Stipulation had any term been modified in any way. In the event that any modifications whatsoever are made to this Stipulation, each of the Stipulating Parties hereto is entitled to certain procedures in the event of such occurrence.


12. If any modification is made to the terms of this Stipulation, the Stipulating Parties must be given the right to be placed in the position in which each Stipulating Party was before this Stipulation was executed. It is essential that each party be given the option either to modify its own position, to accept the proposed change(s) or to resume the proceeding as if no agreement had been reached.

² The maximum monthly surcharge is an approximate number only and may be higher or lower depending on many factors, including but not limited to changes in the number of customers served by the Company.

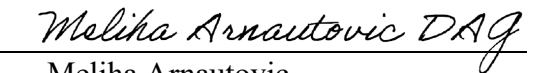
13. The Stipulating Parties believe that these procedures are fair to all concerned and, therefore, they are made an integral and essential element of this Stipulation.

14. This Stipulation may be executed in as many counterparts as there are signatories to this Stipulation, each of which counterpart shall be an original, but all of which shall constitute one and the same instrument.

NEW JERSEY-AMERICAN WATER COMPANY, INC.

By: 
Christopher M. Arfaa
Senior Director, Corporate Counsel

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

By: 
Meliha Arnautovic
Deputy Attorney General

Dated: August 21, 2024

New Jersey American Water
2024 RESIC Foundational Filing
Appendix A

Project #	Operating Area	Project Description	Estimated In Service Date	Estimated Investment*	NARUC Account	Purpose Code / Project Driver
I18250127	CENTRAL	CRWTP Solar Inverter&Panel Repl- A-16	12/27/2024	\$ 3,800,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18260094	CENTRAL	Oak Tree Booster Sta Upgrades (CPS A-18)	12/30/2024	\$ 8,349,985	311 - PUMPING EQUIPMENT	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18260135	CENTRAL	Green Brook Well Sta 5 MGD Transfer Mod	12/31/2024	\$ 1,208,759	307 - WELLS AND SPRINGS	ADMIN AND OPERATIONAL SUPPORT
I18250083	CENTRAL	Raritan Millstone Plant Facility Master Plan & Site Buildout Study	12/31/2024	\$ 800,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18250117	CENTRAL	Raritan Millston Lagoon 2 Improvements (2010 RMWTP FMP)	12/31/2025	\$ 4,600,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18250159	CENTRAL	Raritan Millston WTP Fluoride Feed System Investigation	12/31/2025	\$ 9,800,000	320 - WATER TREATMENT PLANT EQUIP	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18260075	CENTRAL	Netherwood Wellfield PFAS GAC Treatment (CPS A-10)	12/31/2025	\$ 11,300,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18260127	CENTRAL	Central Automation & Control (A&C) Upgrades Phase 7 (CPS-A09)	12/31/2025	\$ 3,400,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18260092	CENTRAL	PFAS Strategy - Pump Station Improvements (CPS:A6)	12/30/2026	\$ 3,200,000	311 - PUMPING EQUIPMENT	REG COMP <3 YRS
I18250168	CENTRAL	Stony Brook Wellfield Optimization	12/31/2026	\$ 2,500,000	307 - WELLS AND SPRINGS	ASSET RENEWAL PROACTIVE MEASURE
I18260138	CENTRAL	Potters Booster VFD Installation	12/31/2026	\$ 800,000	311 - PUMPING EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18250035	CENTRAL	RM Filters 1-30 Improvements CPS A-5	12/31/2026	\$ 570,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18250165	CENTRAL	Raritan Millstone WTP Intake Rake	12/31/2026	\$ 1,600,000	320 - WATER TREATMENT PLANT EQUIP	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18260126	CENTRAL	Central Ignition Deployment/Development (SCADA)	12/31/2026	\$ 2,000,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18250115	CENTRAL	Raritan Millstone WTP Screen Wash Imp-LowLift Ph2 CPS B-15	12/30/2027	\$ 2,000,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18250169	CENTRAL	Canal Road WTP Filter Underdrain Replacement	12/30/2027	\$ 6,000,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18260096	CENTRAL	Arc Flash Upgrades (CPS B-3)	12/30/2027	\$ 1,300,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18250092	CENTRAL	Wells Rd and Papen Rd Radon Treat	12/28/2028	\$ 1,100,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18250099	CENTRAL	A&C Upgrades Raritan 5Yr # CPS:B-10	12/29/2028	\$ 800,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18250133	CENTRAL	RM Residuals Processing	12/31/2028	\$ 800,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18180082	COASTAL	Coastal North Ignition Deployment/Develo	10/31/2024	\$ 2,000,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18190062	COASTAL	Oak Street PFAS	12/31/2024	\$ 5,862,899	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18180083	COASTAL	Coastal North JB/SR A&C Upgrades Phase 5	12/31/2024	\$ 1,500,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18180087	COASTAL	AMI Installations Shrewsbury	12/31/2024	\$ 880,210	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18180101	COASTAL	Jumping Brook WTP Chlorine Conversion Project	6/30/2025	\$ 10,700,000	320 - WATER TREATMENT PLANT EQUIP	SAFE/SECURE SAFETY
I18190059	COASTAL	Lakewood/Howell A&C Phase X	12/31/2025	\$ 300,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18180075	COASTAL	Swimming River WTP Sodium Hypochlorite Conversion	6/30/2026	\$ 10,200,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18330006	COASTAL	Shorelands Plant 2 Rehabilitation	12/31/2026	\$ 10,000,000	304 - STRUCTURES AND IMPROVEMENTS	ASSET RENEWAL POOR CONDITION
I18180058	COASTAL	JBWTP Flow Improvements (S/P A-7a)	12/31/2027	\$ 4,600,000	304 - STRUCTURES AND IMPROVEMENTS	ASSET RENEWAL POOR CONDITION
I18180073	COASTAL	NS Clearwell Repl Midd. Gradient	12/31/2027	\$ 9,400,000	311 - PUMPING EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18180036	COASTAL	Swimming River ASR, PH 2	12/29/2028	\$ 1,400,000	307 - WELLS AND SPRINGS	REL/QUAL BACKUP OR STANDBY
I18180094	COASTAL	SRWTP Inclined Plate Settler&Filter Ph1	12/29/2028	\$ 35,000,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18180074	COASTAL	SRWTP Residual Process	12/31/2028	\$ 9,800,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18150133	NORTH	Chester Booster Pump Upgrade	10/30/2024	\$ 29,167	311 - PUMPING EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18150063	NORTH	North A&C Upgrades Phase 6	12/31/2024	\$ 2,477,289	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18150130	NORTH	North A&C Upgrades Phase 7	12/31/2024	\$ 1,562,500	346 - COMMUNICATION EQUIPMENT	ADMIN AND OPERATIONAL SUPPORT
I18170017	NORTH	Roxbury Wells 1A/3A Improvements (CPS A-1)	12/31/2026	\$ 400,000	307 - WELLS AND SPRINGS	ASSET RENEWAL POOR CONDITION
I18170018	NORTH	Pine Grove Well Improvements (CPS A-4)	12/31/2026	\$ 800,000	307 - WELLS AND SPRINGS	ASSET RENEWAL POOR CONDITION
I18150076	NORTH	Passaic River Wellfield-Manganese Treatment (CPS- A3)	12/31/2026	\$ 5,100,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18150125	NORTH	Short Hills Station PFOA	12/31/2026	\$ 6,000,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18150140	NORTH	Canoe Brook WTP Surface Water PFAS Treatment	12/31/2026	\$ 59,500,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18170019	NORTH	Dale Ave Sta PFAS Treatment (CPS A-3)	12/31/2026	\$ 5,500,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18170020	NORTH	Academy Station PFAS Treatment (CPS A-3)	12/31/2026	\$ 2,300,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18170023	NORTH	Frome St-Winters Av Wells PFAS (CPS B-7)	12/31/2026	\$ 1,600,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18170025	NORTH	Roxbury Groundwater Stations Chemical Feed Improvements (CPS A-2)	12/31/2026	\$ 1,100,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18170027	NORTH	Country Oaks Station PFAS Treatment (CPS B-4)	12/31/2026	\$ 900,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18150087	NORTH	Fenwick Tank Replacement (CPS A-5)	12/31/2026	\$ 5,200,000	330 - DIST RESERVOIRS & STANDPIPES	ASSET RENEWAL POOR CONDITION
I18150131	NORTH	North Ignition Development / Deployment (SCADA)	12/31/2026	\$ 2,000,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18150029	NORTH	Canoe Brook Intake Facility A2:CPS	12/31/2027	\$ 7,700,000	306 - LAKE, RIVER & OTHER INTAKES	ASSET RENEWAL POOR CONDITION
I18150145	NORTH	425 HGL Great Notch Booster LFalls	12/31/2027	\$ 1,500,000	311 - PUMPING EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18150079	NORTH	Pottersville Well-Gas Membrane (CPS B21)	12/31/2027	\$ 700,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18170013	NORTH	Vannatta St Well 1.4 Dioxane Treat (A-1)	12/29/2028	\$ 5,300,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION

New Jersey American Water
2024 RESIC Foundational Filing
Appendix A

I18150146	NORTH	688 Montclair Booster - LFalls	12/31/2028	\$ 1,600,000	311 - PUMPING EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18130024	SOUTH	Cooper Ivy Station PFAS Treatment	12/31/2024	\$ 12,982,817	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18130115	SOUTH	Southwest A&C Upgrades Phase 6	12/31/2024	\$ 2,162,614	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18130150	SOUTH	AMI Installations - Delran	12/31/2024	\$ 1,573,824	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18130132	SOUTH	Ranney Station New Shallow Wells (CPS-A2)	12/31/2025	\$ 1,400,000	307 - WELLS AND SPRINGS	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18130162	SOUTH	Green St Zinc Orthophosphate Bulk Storage Conversion	12/31/2025	\$ 200,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18130163	SOUTH	Mansfield Zinc Orthophosphate Bulk Storage Conversion	12/31/2025	\$ 300,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18130165	SOUTH	Woodland Station On-Site Hypochlorite Generation	12/31/2025	\$ 500,000	320 - WATER TREATMENT PLANT EQUIP	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18120051	SOUTH	Coastal South Ignition Deployment/Development (SCADA)	12/31/2025	\$ 1,500,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18130141	SOUTH	Southwest Ignition Deployment/Development (SCADA)	12/31/2025	\$ 3,100,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18130006	SOUTH	Timber Creek Relay Station (A14)	5/31/2026	\$ 4,000,000	311 - PUMPING EQUIPMENT	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18130025	SOUTH	Gloucester County ASR Well - Phase 2	12/31/2026	\$ 3,700,000	307 - WELLS AND SPRINGS	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18130091	SOUTH	Sunbury System Reliable Capacity Well	12/31/2026	\$ 1,000,000	307 - WELLS AND SPRINGS	REL/QUAL IMPROVED TECHNOLOGY
I18120006	SOUTH	Iron Removal Plant (AC-A2) High Service	12/31/2026	\$ 3,900,000	311 - PUMPING EQUIPMENT	REL/QUAL CUSTOMER (PRES TASTE ETC)
I18130114	SOUTH	Woodlane Plant Improvements (CPS A-3)	12/31/2026	\$ 9,000,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18130109	SOUTH	New Pureland Tank (CPS-A7)	12/31/2026	\$ 5,000,000	330 - DIST RESERVOIRS & STANDPIPES	ASSET RENEWAL POOR CONDITION
I18130047	SOUTH	Laurel Springs Station Upgrades (CPS-B9)	12/31/2027	\$ 10,000,000	304 - STRUCTURES AND IMPROVEMENTS	ASSET RENEWAL PROACTIVE MEASURE
I18130128	SOUTH	Delran Resid Handling Repl/Centrifuges	12/31/2027	\$ 13,900,000	320 - WATER TREATMENT PLANT EQUIP	ASSET RENEWAL POOR CONDITION
I18120053	SOUTH	New Coastal South Ops Center	12/31/2028	\$ 1,300,000	304 - STRUCTURES AND IMPROVEMENTS	ADMIN AND OPERATIONAL SUPPORT
I18010045	STATEWIDE	PFAS 2026 - Surface Water Plant Upgrades	6/30/2026	\$ 110,100,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18010046	STATEWIDE	PFAS 2027 Surface Water Plant Upgrades	12/31/2027	\$ 110,100,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18010047	STATEWIDE	PFAS 2028 Surface Water Plant Upgrades	12/31/2028	\$ 110,100,000	320 - WATER TREATMENT PLANT EQUIP	REG COMP <3 YRS
I18280004	WW	Fawn Run-Plant Upgrades IF-1 2022	10/30/2024	\$ 1,257,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18270004	WW	Homestead Chem Feed & Storage	12/27/2024	\$ 1,289,390	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18280007	WW	Statewide Sewer A&C Upgrades Ph 3 2024	12/31/2024	\$ 1,400,004	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18070002	WW	EDC Bed 1 PS Improvements	12/31/2024	\$ 84,831	371 - WW PUMPING EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18270007	WW	Crossroads WWTP Imprv(A-7)2022	12/31/2024	\$ 1,500,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350004	WW	WWTP Filter and Pump Improvements - IF-1	12/31/2024	\$ 6,979,759	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350020	WW	LH WW Sys SCADA Upgrades IF-6	12/31/2024	\$ 450,000	396 - WW COMMUNICATION EQUIPMENT	ASSET RENEWAL PROACTIVE MEASURE
I18210006	WW	Grove Sewer Lift Station B2	12/31/2025	\$ 2,700,000	371 - WW PUMPING EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18280008	WW	Statewide Sewer A&C Upgrades Phase 4/2025	12/31/2025	\$ 1,400,000	396 - WW COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18280009	WW	Statewide Sewer A&C Upgrades Ph 5 2026	12/31/2026	\$ 1,100,000	346 - COMMUNICATION EQUIPMENT	ASSET RENEWAL POOR CONDITION
I18230037	WW	Prospect Vines Lift Station Improvements	12/31/2026	\$ 100,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18280013	WW	Jefferson Peaks WWTP Improvements (CPS A-14)	12/31/2026	\$ 900,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350012	WW	Long Hill Twp. WWTP New Sludge Thickener (CPS A2)	12/31/2026	\$ 2,000,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350013	WW	Long Hill Twp. WWTP Ex Final Clarifiers Mech Repl (CPS-A3)	12/31/2026	\$ 3,300,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350015	WW	Long Hill Twp. WWTP Alkalinity Feed System (CPS A-6)	12/31/2026	\$ 2,700,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350019	WW	Long Hill Twp. Remaining Pump Stations Improvements (CPS IF-3)	12/31/2026	\$ 1,400,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18370001	WW	Bound Brook Pump Station Rehabilitation	12/31/2026	\$ 1,300,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18270001	WW	Deep Run BTU Rehab CPS(IF-8)2022	12/29/2028	\$ 9,900,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350016	WW	Long Hill Twp. WWTP Generator Replacement (CPS A-7)	12/29/2028	\$ 1,500,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350021	WW	WWTP Odr Cntrl Sys-Sludge Stor Tnk Cvr 1	12/29/2028	\$ 1,300,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350023	WW	WWTP Add'l PACL Storage Tank CPS A-5	12/29/2028	\$ 600,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18230004	WW	Irene & Regan LS Consolidation (A-14)	12/31/2028	\$ 1,200,000	380 - WW TREATMENT & DISPOSAL EQUIP	REL/QUAL IMPROVED TECHNOLOGY
I18230024	WW	General Lift Station Improvements (A-16)	12/31/2028	\$ 200,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18230030	WW	Squankum Lift Station Upgrades (B-4)	12/31/2028	\$ 1,100,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION
I18350011	WW	Long Hill Twp. WWTP Oxidatn Ditch Aeration System Upgrade (CPS A-1)	12/31/2028	\$ 2,400,000	380 - WW TREATMENT & DISPOSAL EQUIP	ASSET RENEWAL POOR CONDITION

*Planning Cost estimates 2025-2028 (Level 3 to 5) rounded up to the nearest \$100,000

TOTAL: \$ 732,800,000



PHIL MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

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

BRIAN O. LIPMAN
Director

August 21, 2024

Sherri Golden, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, New Jersey 08625

**I/M/O Petition of New Jersey-American Water
Company, Inc., for Authorization to Implement
a Resiliency and Environmental System
Investment Charge
BPU Docket No.: WR24040240**

Dear Secretary Golden:

Please accept this letter as the non-objection by the Division of Rate Counsel ("Rate Counsel") to the Petition referenced above. In the Petition, New Jersey American Water Company ("Company") seeks approval of its foundational filing. If approved, the Company will be able to implement a resiliency and environmental system investment charge, which will allow a charge outside of a base rate case to recover the cost of certain capital expenditures, and will be a separate and distinct charge on the Company's monthly bill. To the extent possible, Rate Counsel has reviewed the Company's Petition. Following this review, Rate Counsel has no objection to approval of the Company's Petition.

Very truly yours,

Brian O. Lipman, Director
Division of Rate Counsel

By: Christine M. Juarez
Christine M. Juarez
Assistant Deputy Rate Counsel

FORNARO FRANCIOSO LLC
COUNSELLORS AT LAW

1540 KUSER ROAD, SUITE A1, HAMILTON, NEW JERSEY 08619-3828
TELEPHONE 609-584-6104 ♦ TELEFAX 609-584-2709

RICHARD D. FORNARO*
ANTHONY R. FRANCIOSO*
MICHAEL R. FORNARO**

Of Counsel
KATHLEEN A. FRANCIOSO*

*MEMBERS OF THE NEW JERSEY & PENNSYLVANIA BAR
** MEMBER OF THE NEW JERSEY BAR

August 26, 2024
Via Electronic Mail

Honorable Sherri Golden, Secretary
NJ Board of Public Utilities
44 South Clinton Avenue
PO Box 350
Trenton, New Jersey 08625

Re: In the Matter of the Petition of New Jersey American Water Company, Inc. for Authorization to
Implement a Resiliency and Environmental System Investment Charge
BPU Docket No. WR24040240

Dear Secretary Golden:

Fornaro Francioso LLC represents Mount Laurel Township Municipal Utilities Authority in the referenced matter. With respect to this matter, this letter shall serve as confirmation to the New Jersey Board of Public Utilities that the Mount Laurel Township Municipal Utilities Authority will not be a signatory to the Stipulation of Settlement but will not be filing any opposition.

Thank you for your attention to the foregoing.

Very truly yours,

FORNARO FRANCIOSO LLC

Anthony R. Francioso

Anthony R. Francioso, Esq.

ARF/

c: Service List
Pamela J. Carolan, Executive Director