

September 9, 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 Borough of

Hillsborough, Somerset County BPU Docket No. WE24

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.

Please do not hesitate to contact me should you have any questions or require additional information.

Very truly yours,

Stephen R. Bishop

Vice President and 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 Hillsborough, County of Somerset

BPU Docket No. WE24_____ Service 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 HILLSBOROUGH, COUNTY OF SOMERSET

PETITION	
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BPU DOCKET NO. WE24

TO: THE HONORABLE COMMISSIONERS OF THE 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 Hillsborough, County of Somerset (the "Township") to serve the portion of the Township currently served by the Borough of Manville ("Manville").

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

¹ On March 27, 2024, NJAWC filed a Petition with the Board for approval of the municipal consent granted by Manville to provide wastewater services to the Manville System. <u>I/M/O the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the Borough of Manville, Somerset County, Board Docket No. WE24030202.</u>

- 1. NJAWC is a regulated public utility corporation engaged in the production, treatment and distribution of water and collection 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.
- 2. Hillsborough is a Township in Somerset County, New Jersey. NJAWC already provides water service to the Township by virtue of a previous ordinance adopted by the Township and municipal consent petition approved by the Board.
- 3. By this Petition, NJAWC is seeking approval of the Municipal Consent (officially Municipal Consent Ordinance No. 2024-06) introduced by Hillsborough on May 14, 2024, and adopted on June 11, 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 wastewater mains, pipes and appurtenances throughout a portion of the geographical area of the Township as noted in the Municipal Consent (the "Proposed Franchise Area") and to provide wastewater collection services to the residents, businesses and government buildings formerly served by Manville. A copy of the Municipal Consent, including a map of the Proposed Franchise Area, is attached hereto as Exhibit A and incorporated into this Petition by reference.
- 4. Thus, the governing body of the Township has decided that it is in the public interest for the portion of the Manville System that serves the Township to be owned and operated by the Petitioner. As a result of the acquisition, the governing body realizes that the Manville 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 Manville System.

- 5. The Manville System serves approximately 440 connections in the Township, all of which already receive water service from NJAWC.
- 6. By this Petition, NJAWC is only seeking approval by the Board of the Municipal Consent. The Company is not, at this time, seeking any ratemaking treatment relative to the Manville System. Rather, in a separate docket, NJAWC will seek ratemaking recognition for the Manville System, as part of a subsequent general base rate proceeding.
- 7. Approval of the Municipal Consent submitted to the Board with this Petition will serve the public interest by permitting NJAWC to provide wastewater utility service within the Township, 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.
- 8. 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, and leave any ratemaking issues to be addressed in a base rate case to be filed by Petitioner.

WHEREFORE, Petitioner respectfully requests that the Board approve Ordinance No. 2024-06 of the Township of Hillsborough, County of Somerset, 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.

By:

Stephen R. Bishop, Esquire

Vice President and General Counsel

Dated: September 9, 2024

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

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Vice President and General Counsel
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856.955.4116
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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 9th day of September 2024.

DONNA L. CARNEY NOTARY PUBLIC STATE OF NEW JERSEY

MY COMMISSION EXPIRES MAY 24, 2028



Township of Hillsborough

COUNTY OF SOMERSET THE PETER J. BIONDI BUILDING 379 SOUTH BRANCH ROAD HILLSBOROUGH, NJ 08844 (908) 369-4313 www.hilisborough-ni.org

ORDINANCE 2024-06

An Ordinance Granting Consent and Permission to New Jersey-American Water Company, Inc., to Furnish Wastewater Collection and Conveyance Service in a Portion of the Township of Hillsborough, Somerset County, New Jersey.

WHEREAS, the Township of Hillsborough, County of Somerset, State of New Jersey ("Township"), hereby grants consent and permission to New Jersey-American Water Company, Inc. ("NJAW"), a New Jersey corporation, to furnish wastewater service within a portion of the Township; and

WHEREAS, NJAW is in the process of acquiring the wastewater system ("System") currently owned and operated by the Borough of Manville ("Manville") subject to regulatory approvals; and

WHEREAS, Manville is desirous of having NJAW acquire the System; and

WHEREAS, the Manville System currently provides wastewater service to approximately 440 customers located in the Township in the area shown on the map attached hereto as Schedule A; and

WHEREAS, these Township residents have historically been customers of the Manville System and following the completion of the acquisition of the Manville System by NJAW, these Township residents will become customers of NJAW; and

WHEREAS, the Township residents who are currently served by the Manville System, and who will continue to be served by said System and become customers of NJAW upon completion of the acquisition will, with approval of the Board of Public Utilities of the State of New Jersey, be subject to the seven-year rate plan provided for in the Agreement of Sale by and between Manville and NJAW; and

WHEREAS, NJAW is a regulated public utility corporation of the State of New Jersey currently providing water service to the Township and seeking the municipal consent of the Township to permit NJAW to provide wastewater collection and conveyance service through the Manville System to a portion of the Township currently served by the Manville System; and

WHEREAS, NJAW has requested the consent of the Township, as required by N.J.S.A. 48:13-10 and N.J.S.A. 48:13-11, to lay its pipes and conduits beneath such public roads, streets, avenues and alleys as it may deem necessary for its corporate purposes, in the area shown on the map attached hereto as Schedule A, provided all such pipes shall be laid henceforth at least three feet (3') below the surface and shall not unnecessarily interfere with public travel or damage public or private property; and

WHEREAS, it is deemed to be in the best interests, health, safety and welfare of the Hillsborough residents and property owners currently serviced by the Manville System to provide this consent; and

WHEREAS, notice of this Ordinance was published in accordance with the requirements of N.J.S.A. 48:3-13 and N.J.S.A. 48:3-14.

NOW, THEREFORE, BE IT ORDAINED by the Township Committee of the Township of Hillsborough, County of Somerset, State of New Jersey, as follows:

Section 1. Exclusive and perpetual consent and permission to furnish wastewater collection and conveyance for those residents, businesses and government buildings in the area of the Township depicted on **Schedule A** is hereby given and granted to NJAW, its successors and assigns for the maximum duration permitted by law, subject to the permission by the New Jersey Board of Public Utilities.

Section 2. Exclusive consent and permission is given to NJAW, its successors and assigns, under the provisions of N.J.S.A. 48:13-10 and N.J.S.A. 48:13-11, to lay its pipes and conduits beneath such public roads, streets, avenues and alleys as it may deem necessary for its corporate purposes, in the area shown on the map attached hereto as Schedule A, provided all such pipes shall be laid henceforth at least three feet (3') below the surface and shall not unnecessarily interfere with public travel or damage public or private property. All work and maintenance of the System shall be performed in accordance with all applicable federal, state and local statutes, rules, regulations, codes, ordinances and permit requirements. NJAW shall be responsible for the continued upkeep and maintenance of the System. This consent is limited by statute to fifty (50 years).

Section 3. A certified copy of this Ordinance, upon final passage, shall be sent to NJAW, the New Jersey Department of Environmental Protection and the New Jersey Board of Public Utilities.

Section 4. The consent granted herein shall be subject to NJAW complying with all applicable federal, state and local statutes, rules, regulations, codes, ordinances and permit requirements. This consent is expressly contingent upon New Jersey Board of Public Utilities approval and the Borough and NJAW completing the acquisition of the Manville System.

Section 5. The Mayor and the Administrator of the Township are authorized to execute the documents and agreements necessary to effectuate this municipal consent.

Section 6. If any provisions of this Ordinance shall be adjudged invalid, such adjudication shall not affect the validity of the remaining provisions which shall be deemed severable therefrom.

Section 7. This Ordinance shall take effect upon passage and publication.

ATTEST:

Sarah Brake, Township Clerk

Introduced: 5/14/2024

Published: 4/26/2024,5/3/2024 Public Hearing: 6/11/2024

Adopted: 6/11/2024 Published: 6/21/2024 Robert Britting, Jr., Mayor