



(C)

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cc: RES P
L. Harris
Council

Rob G.

Tim Quinn

Via Email

1-19-16

January 13, 2016

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

TO ALL: MUNICIPAL CLERKS, CLERKS OF THE BOARDS OF CHOSEN FREEHOLDERS, COUNTY EXECUTIVE OFFICERS, COUNTY ADMINISTRATORS AND SALE FOR RESALE CUSTOMERS

**Re: I/M/O the Petition of New Jersey American Water Company, Inc. to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater (Sewerage) Treatment Adjustment Clause
BPU Docket No. WR15111289
OAL Docket No. PUC 18503-2015S**

Dear Sir/Madam:

Enclosed herewith for service upon you is a Public Notice of the filing of a Petition to change the levels of purchased water and purchased wastewater (sewerage) treatment adjustment clauses, which could result in an increase or decrease to existing water and sewer rates. As you will see from the notice, the overall percentage increase sought by the Company at this time is 0.49% (which is less than 1%); however, for the proposed rate change for your specific area, please refer to the enclosed Public Notice.

Please note, the dates and times of the public hearings at which members of the public are invited to attend and express their views on the proposed rate increases are as follows:

2:00 PM on February 3, 2016
Ocean City Public Library, Room 116
1731 Simpson Street
Ocean City, New Jersey 08226

6:00 PM on February 3, 2016
Howell Township Municipal Building
4567 Route 9 North
Howell, New Jersey 07731

Very truly yours,

Frank X. Simpson

FXS:dlc
Enclosures

- cc: Service list (via e-mail)
- Hon. Elia A. Pelios, ALJ (via regular mail)
- Hon. Irene Kim Asbury, Secretary, BPU (via certified mail, RRR)
- Department of Law & Public Safety (via certified mail, RRR)
- Division of Rate Counsel (via certified mail, RRR)
- J.H. Buehrer & Associates (via regular mail)

PUBLIC NOTICE

NEW JERSEY AMERICAN WATER COMPANY

NOTICE OF PUBLIC HEARINGS

**NEW JERSEY AMERICAN WATER COMPANY NOTICE OF FILING OF
PETITION FOR APPROVAL TO CHANGE THE LEVEL OF ITS
PURCHASED WATER ADJUSTMENT CLAUSE AND
PURCHASED WASTEWATER (SEWERAGE) TREATMENT ADJUSTMENT CLAUSE
BPU Docket No. WR15111289
OAL Docket Number PUC 18503-2015S**

TO OUR CUSTOMERS:

Notice is hereby given that on November 6, 2015, New Jersey American Water (“Company”) filed with the Board of Public Utilities, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:9-7.1 et seq., an application seeking to increase rates for water and sewer service through revisions to the Purchased Water and Purchased Wastewater (Sewerage) Treatment Adjustment Clauses (“PWAC” and “PSTAC”, respectively). The proposed rates would increase annual revenues by \$3,081,503 or 0.49%. The proposed change in rates provides no profits to the Company. The change merely represents a pass-through of charges to the Company from purveyors who supply water to the Company and from the cost of wastewater treatment services. Those wastewater treatment services are provided by the Ocean County Utilities Authority, the Cape May County Municipal Utilities Authority, and Howell Township.

The existing rates for GENERAL METERED, GENERAL SALES FOR RESALE, COMMODITY-DEMAND, OFF-PEAK DEMAND, SERVICE TO OTHER SYSTEMS, PEAKING SERVICE, AND OPTIONAL INDUSTRIAL WHOLESALE WATER CUSTOMERS served throughout the State of New Jersey, are proposed to be adjusted as follows:

PURCHASED WATER ADJUSTMENT CLAUSE (PWAC)

In addition to all other charges for metered service, the following additional charges, per Rate Schedule O-1 of the Company's Tariff B.P.U. No. 8, per 100 gallons, per 1,000 gallons, per 10 cubic feet and per 100 cubic feet for all sales will be made to recover increases in purchased water costs not currently included in the consumption or any other charge:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt	All	All	\$0.04624	\$0.4624
Exempt	All	All	\$0.03988	\$0.3988

	<u>Cubic Feet Per Month</u>	<u>Cubic Feet Per Quarter</u>	<u>Rate Per 10 Cubic Feet</u>	<u>Rate Per 100 Cubic Feet</u>
Non-Exempt	All	All	\$0.034588	\$0.34588
Exempt	All	All	\$0.029830	\$0.29830

NOTE: One cubic foot is equal to approximately 7.48 gallons.

SET FORTH IN THE CHART BELOW ARE THE PRESENT AND PROPOSED CHARGES FOR THE TYPICAL RESIDENTIAL WATER CUSTOMER CONSUMING 6,000 GALLONS PER MONTH AND THE RESULTING INCREASES:

	<u>Present Per month</u>	<u>Proposed Per month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
SA-1	\$53.41	\$53.57	\$0.16	0.30%
SA-1B	\$43.20	\$43.37	\$0.17	0.39%
SA-2, SA-3 & SA1A	\$52.53	\$52.69	\$0.16	0.30%
SA-2 Manville, SA-1D	\$49.92	\$50.09	\$0.17	0.34%
SA-3 Southampton	\$47.67	\$47.83	\$0.16	0.34%

PURCHASED WASTEWATER (SEWERAGE) TREATMENT ADJUSTMENT CLAUSE (PSTAC)

In addition to all other existing charges for General Metered Sewer Service in OCEAN CITY, CAPE MAY COUNTY the following PSTAC charges per 100 gallons, per 1,000 gallons, per 10 cubic feet and per 100 cubic feet will be included within the Minimum Service Charge rates as set forth on Rate Schedule 1-A of the Company's Tariff B.P.U. No. 8 – Sewer:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt and Exempt	All	All	\$2.63652	\$26.3652
	<u>Cubic Feet Per Month</u>	<u>Cubic Feet Per Quarter</u>	<u>Rate Per 10 Cubic Feet</u>	<u>Rate Per 100 Cubic Feet</u>
Non-Exempt and Exempt	All	All	\$1.972117	\$19.72117

NOTE: One cubic foot is equal to approximately 7.48 gallons.

THE TYPICAL RESIDENTIAL WASTEWATER SERVICE CUSTOMER IN OCEAN CITY WITH SUMMER QUARTER USAGE OF 20,000 GALLONS, 44,000 GALLONS ANNUALLY, PRESENTLY PAYING \$66.83 PER MONTH, WOULD PAY \$69.30 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$2.47 OR 3.70%.

<u>Present Rate per Month</u>	<u>Proposed Rate per Month</u>	<u>Difference</u>	<u>% Increase</u>
\$66.83	\$69.30	\$2.47	3.70%

In addition to all other existing charges for General Metered Sewer Service in LAKEWOOD TOWNSHIP, OCEAN COUNTY, the following PSTAC charges per 100 gallons, per 1,000 gallons, per 10 cubic feet and per 100 cubic feet for all sales will be made to recover

purchased wastewater treatment and disposal costs not included in the Sewer Usage Charge or any other charges set forth on Rate Schedule 2-A of the Company's Tariff B.P.U. No. 8 – Sewer:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt and Exempt	All	All	\$0.40791	\$4.0791
	<u>Cubic Feet Per Month</u>	<u>Cubic Feet Per Quarter</u>	<u>Rate Per 10 Cubic Feet</u>	<u>Rate Per 100 Cubic Feet</u>
Non-Exempt and Exempt	All	All	\$0.305117	\$3.05117

NOTE: One cubic foot is equal to approximately 7.48 gallons.

THE TYPICAL RESIDENTIAL WASTEWATER SERVICE CUSTOMER IN LAKEWOOD WITH WINTER QUARTER USAGE OF 18,000 GALLONS, 72,000 GALLONS ANNUALLY, PRESENTLY PAYING \$58.41 PER MONTH, WOULD PAY \$59.99 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$1.58 OR 2.71%.

<u>Present Rate per Month</u>	<u>Proposed Rate per Month</u>	<u>Difference</u>	<u>% Increase</u>
\$58.41	\$59.99	\$1.58	2.71%

In addition to all other existing charges for General Metered Sewer Service in the Adelpia section of the TOWNSHIP OF HOWELL, MONMOUTH COUNTY the following PSTAC charges per 100 gallons and per 1,000 gallons for all sales will be made to recover purchased wastewater treatment and disposal costs not included in the Sewer Usage Charge or any other charges set forth on Rate Schedule 3-A of the Company's Tariff B.P.U. No. 8 – Sewer:

	<u>Gallons Per Month</u>	<u>Gallons Per Quarter</u>	<u>Rate Per 100 Gallons</u>	<u>Rate Per 1,000 Gallons</u>
Non-Exempt and Exempt	All	All	\$0.59101	\$5.9101

THE TYPICAL RESIDENTIAL WASTEWATER SERVICE CUSTOMER IN HOWELL WITH USAGE OF 48,000 GALLONS ANNUALLY, PRESENTLY PAYING \$51.07 PER MONTH, WOULD PAY \$51.35 PER MONTH UNDER PROPOSED RATES, WHICH IS AN INCREASE OF \$0.28 OR 0.55%.

<u>Present Rate per Month</u>	<u>Proposed Rate per month</u>	<u>Difference</u>	<u>% Increase</u>
\$51.07	\$51.35	\$0.28	0.55%

NO INCREASES ARE PROPOSED FOR PUBLIC OR PRIVATE FIRE PROTECTION SERVICE CUSTOMERS NOR ARE ANY INCREASES PROPOSED FOR ANY OF THE COMPANY'S FIXED SERVICE CHARGES OR DEMAND CHARGES APPLICABLE TO METERED WATER SERVICE, NOR TO SALES FOR RESALE—UNINTERRUPTABLE MANASQUAN SERVICE.

PLEASE TAKE FURTHER NOTICE that public hearings on the Company's Petition have been scheduled for

February 3, 2016, 2:00 PM
 Ocean City Public Library, Room 116
 1731 Simpson Street
 Ocean City, New Jersey 08226

February 3, 2016, 6:00 PM
 Howell Township Municipal Building
 4567 Route 9 North
 Howell, New Jersey 07731

In the event of inclement weather, the public hearings will be rescheduled for

February 11, 2016, 2:00 PM
Linwood Municipal Building
400 W. Poplar Avenue
Linwood, New Jersey 08221

February 11, 2016, 6:00 PM
Howell Township Municipal Building
4567 Route 9 North
Howell, New Jersey 07731

A Hearing Officer designated by the Office of Administrative Law will preside over the public hearings. Hearings will continue, if necessary, on such additional dates and at such locations as determined by the Office of Administrative Law. Members of the public are invited to attend and express their views on the proposed rate increase. Such comments will be made a part of the final record in the proceeding. Written comments may be submitted to Irene Kim Asbury, Secretary of the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, NJ 08625-0350, or the Clerk, Office of Administrative Law, P.O. Box 049, Trenton, New Jersey 08625-0049. Such written comments should contain the BPU Docket Number WR15111289 and OAL Docket Number PUC 18503-2015S assigned to this case.

Further information and copies of the Petition may be obtained at the Board Offices located at 44 South Clinton Avenue, 9th Floor, Trenton, New Jersey 08625 or by calling the Company at 856-782-2351. Additionally, the Petition and applicable attachments as well as the Public Hearing Notice for this proceeding can be viewed on the Company's website at www.newjerseyamwater.com by first selecting Customer Service and then Rates Information.

Any relief determined by the Board of Public Utilities to be just and reasonable may be applied by the Board in such manner as the Board may deem appropriate.

IN ORDER TO ENCOURAGE FULL PARTICIPATION IN THIS OPPORTUNITY FOR PUBLIC COMMENT, PLEASE SUBMIT ANY REQUESTS FOR NEEDED ACCOMMODATIONS, INCLUDING INTERPRETERS OR MOBILITY ASSISTANCE, TO THE COMPANY 48 HOURS PRIOR TO THIS HEARING TO FRANK X. SIMPSON AT (856) 782-2351.

BY: WILLIAM M. VARLEY
PRESIDENT

NEW JERSEY AMERICAN WATER COMPANY
1025 Laurel Oak Road
Voorhees, NJ 08043

