

NOTICE OF FILING OF PETITION OF AQUA NEW JERSEY, INC.
FOR APPROVAL OF AN INCREASE IN RATES FOR WASTEWATER SERVICE
AND OTHER TARIFF CHANGES
OAL Docket No. PUC 01318-2020 S
BPU Docket No. WR20010056

PLEASE TAKE NOTICE that on January 21, 2020, Aqua New Jersey, Inc. (“Aqua” or the “Company”), pursuant to N.J.S.A. 48:2-21, N.J.S.A. 48:2-18, N.J.A.C. 14:1-5.7, N.J.A.C. 14:1-5.12 and N.J.A.C. 14:9-7.1 et seq., and other relevant statutes and regulations, filed a petition with the Board of Public Utilities (the “Board”) of the State of New Jersey for approval of an increase in Aqua’s charges for wastewater service. The Company believes that the increase is necessary for it to continue to provide safe, adequate and proper service to its customers and to prevent the impairment of its financial integrity. Specifically, the Company is requesting an increase in base rate revenues of \$1,089,968, or approximately 22.2% above the adjusted annual level of revenues for the test year period ending April 30, 2020.

PLEASE TAKE FURTHER NOTICE that virtual public comment hearings on the Company’s Petition have been scheduled as follows:

Thursday, August 6, 2020, 4:30-5:30 P.M.

Call in numbers (callers can use any phone number): (646) 558-8656, (312) 626-6799, and (301) 715-8592;

Upon calling in, the caller will be prompted to enter the meeting ID of **827 4152 0960** and press the pound or hashtag button (#);

Press the pound or hashtag button (#) a second time (in response to the second electronic prompt);

The caller will then be prompted to enter the password for the public meeting of **741450** and press the pound or hashtag button (#);

The caller will then be entered into the waiting room where the OAL IT staff will admit the caller into the public hearing. The caller should mute their phone to prevent background noise. Failure to mute your own line may cause OAL IT staff to mute the caller and the caller would have to disconnect and call back in to participate in the public discussion portion.

Thursday, August 6, 2020, 5:30-6:30 P.M.

Call in numbers (callers can use any phone number): (646) 558-8656, (312) 626-6799, and (301) 715-8592;

Upon calling in, the caller will be prompted to enter the meeting ID of **860 306 1439** and press the pound or hashtag button (#);

Press the pound or hashtag button (#) a second time (in response to the second electronic prompt);

The caller will then be prompted to enter the password for the public meeting of **739118** and press the pound or hashtag button (#);

The caller will then be entered into the waiting room where the OAL IT staff will admit the caller into the public hearing. The caller should mute their phone to prevent background noise. Failure to mute your own line may cause OAL IT staff to mute the caller and the caller would have to disconnect and call back in to participate in the public discussion portion.

An Administrative Law Judge from the Office of Administrative Law will preside over the virtual public hearings. Members of the public are invited to participate and express their views on the proposed rate increase. Such comments will be made a part of the final record in the proceeding. Whether or not you participate in the virtual public hearings, written comments may be submitted to the Hon. Jacob Gertsman, Office of Administrative Law, P. O. Box 049, Trenton, New Jersey 08625-0049. Please include OAL Docket No. PUC 01318-2020 S in your comment letter.

In order to encourage full participation in this opportunity for public comment, please submit any requests for special accommodations, including interpreters, at least 48 hours prior to this hearing by contacting Colleen Foley, Esq., at 973-286-6711.

THE COMPANY’S RATE PROPOSAL

The Company’s petition requests an increase in the rates charged to certain wastewater customers as set out in detail below. In addition, the Company is requesting the establishment of a uniform Purchased Sewerage Treatment Adjustment Clause (“PSTAC”) to be applied on a monthly basis to all customers. The proposed rates are contained in the tariff sheets and petition filed with the Board. The present and proposed rates for each wastewater system are as follows:

COMPARISON OF PRESENT AND PROPOSED WASTEWATER RATES

Current Rate Schedule No. 1
Serving Customers in
Woolwich Township, California Village, North Hanover Village & Spartan Village

The Rate Schedule No. 1 rate is a fixed monthly charge based on the size of the water meter serving the customer. The Company has proposed to increase those fixed monthly charges and to implement a fixed monthly PSTAC rate (pursuant to Proposed Rate Schedule No. 2) as follows:

Fixed & PSTAC Monthly Charges

| Category / Size of Meter | Present Total Rate | Proposed Fixed Rate-Rate Sched. No. 1 | Proposed PSTAC Rate-Rate Sched. No. 2 | Proposed Total Rate | \$ Increase / (Decrease) |
|----------------------------------|---------------------------|--|--|----------------------------|---------------------------------|
| Residential, Single Family | \$ 61.40 | \$ 44.41 | \$ 26.23 | \$ 70.64 | \$ 9.24 |
| Non-Residential and Multi-Family | | | | | |
| 5/8" | 61.40 | 44.41 | 26.23 | 70.64 | 9.24 |
| 3/4" | 92.10 | 53.29 | 31.48 | 84.77 | (7.33) |
| 1" | 153.50 | 106.58 | 62.95 | 169.53 | 16.03 |
| 1.5" | 307.00 | 222.05 | 131.15 | 353.20 | 46.20 |
| 2" | 491.20 | 328.63 | 194.10 | 522.73 | 31.53 |
| 3" | 921.00 | 666.15 | 393.45 | 1,059.60 | 138.60 |
| 4" | 1,535.00 | 888.20 | 524.60 | 1,412.80 | (122.20) |
| 6" | 3,070.00 | 2,220.50 | 1,311.50 | 3,532.00 | 462.00 |
| 8" | 4,912.00 | 3,552.80 | 2,098.40 | 5,651.20 | 739.20 |

A RATE SCHEDULE NO. 1 RESIDENTIAL SEWER SERVICE CUSTOMER WITH A 5/8” METER WILL SEE HIS/HER MONTHLY BILL INCREASE FROM \$61.40 TO \$70.64, WHICH IS AN INCREASE OF \$9.24 (OR 15%) PER MONTH.

Current Rate Schedule No. 2
Serving Customers in
Bear Brook (Fredon Township)

The current Rate Schedule No. 2 rate is a monthly flat rate. The Company has proposed to eliminate this rate class and serve these customers pursuant to Proposed Rate Schedule Nos. 1 and 2, which charges will be billed on a monthly basis. The new monthly charges will include fixed charges based on the size of the water meter serving the customer and a new fixed PSTAC rate, and have been proposed as follows:

Fixed & PSTAC Monthly Charges

| Category / Size of Meter | Present Total Rate | Proposed Fixed Rate- Rate Sched. No. 1 | Proposed PSTAC Rate- Rate Sched. No. 2 | Proposed Total Rate | \$ Increase / (Decrease) |
|----------------------------------|--------------------|--|--|---------------------|--------------------------|
| Residential, Single Family | \$ 75.00 | \$ 44.41 | \$ 26.23 | \$ 70.64 | \$ (4.36) |
| Non-Residential and Multi-Family | | | | | |
| Bear Brook Clubhouse | 1,668.00 | 994.78 | 587.55 | 1,582.33 | (85.67) |

A RATE SCHEDULE NO. 2 RESIDENTIAL SEWER SERVICE CUSTOMER WITH A 5/8” METER WILL SEE HIS/HER MONTHLY BILL DECREASE FROM \$75.00 TO \$70.64, WHICH IS A DECREASE OF \$4.36 (OR 6%) PER MONTH.

Current Rate Schedule No. 3
Serving Customers in
Stanton Ridge (Township of Readington)

The Rate Schedule No. 3 rate is a fixed quarterly charge per Equivalent Dwelling Unit (“EDU”). Each residence in the Stanton Ridge development is equal to one EDU. The Company has proposed to eliminate this rate class and serve these customers pursuant to Proposed Rate Schedule Nos. 1 and 2, which charges will be billed on a monthly basis. The new monthly charges will include fixed charges based on the size of the water meter serving the customer and a new fixed PSTAC rate, and have been proposed as follows:

Fixed & PSTAC Monthly Charges

| Category / Size of Meter | Present Total Rate | Proposed Fixed Rate- Rate Sched. No. 1 | Proposed PSTAC Rate- Rate Sched. No. 2 | Proposed Total Rate | \$ Increase / (Decrease) |
|----------------------------------|--------------------|--|--|---------------------|--------------------------|
| Residential, Single Family | \$ 81.67 | \$ 44.41 | \$ 26.23 | \$ 70.64 | \$ (11.03) |
| Non-Residential and Multi-Family | | | | | |
| Stanton Ridge Clubhouse | 408.33 | 253.14 | 149.51 | 402.65 | (5.68) |

A RATE SCHEDULE NO. 3 RESIDENTIAL SEWER SERVICE CUSTOMER WITH A 5/8” METER WILL SEE HIS/HER MONTHLY BILL DECREASE FROM APPROXIMATELY \$81.67 TO \$70.64, WHICH IS A DECREASE OF \$11.03 (OR 13.5%) PER MONTH.

Current Rate Schedule No. 4
Serving Customers in
Maxim (Howell Township)

Rate Schedule No. 4 includes a fixed monthly service charge and a fixed monthly PSTAC rate. The Company has proposed to eliminate this rate class and serve these customers pursuant to Proposed Rate Schedule Nos. 1 and 2, which charges will be billed on a monthly basis. The new monthly charges will include fixed charges based on the size of the water meter serving the customer and a new uniform monthly PSTAC rate to be charged to all customers, and have been proposed as follows:

Fixed & PSTAC Monthly Charges

Present PSTAC Rate Per 1,000 Gallons: \$4.014
Present Total Rate Per 1,000 Gallons: \$7.064

| Category / Size of Meter | Present Fixed Rate | Average Billed Usage (Gals) | Present Usage Charge | Present Total Bill | Proposed Fixed Rate- Rate Sched. No. 1 | Proposed PSTAC Rate- Rate Sched. No. 2 | Proposed Total Rate | \$ Increase |
|----------------------------------|--------------------|-----------------------------|----------------------|--------------------|--|--|---------------------|-------------|
| Residential, Single Family | \$ 57.16 | - | \$ - | \$ 57.16 | \$ 44.41 | \$ 26.23 | \$ 70.64 | \$ 13.48 |
| Non-Residential and Multi-Family | | | | | | | | |
| 3/4" | 57.16 | 2,289 | 16.17 | 73.33 | 53.29 | 31.48 | 84.77 | 11.44 |
| 1" | 95.33 | - | - | 95.33 | 106.58 | 62.95 | 169.53 | 74.20 |
| 2" | 304.73 | 1,258 | 8.89 | 313.62 | 328.63 | 194.10 | 522.73 | 209.11 |
| 4" | 952.98 | - | - | 952.98 | 888.20 | 524.60 | 1,412.80 | 459.82 |
| Maxim Laundromat | 304.73 | 172,744 | 1,220.26 | 1,524.99 | 1,083.60 | 640.01 | 1,723.61 | 198.62 |

A RATE SCHEDULE NO. 4 RESIDENTIAL SEWER SERVICE CUSTOMER WITH A 5/8” METER WILL SEE HIS/HER MONTHLY BILL INCREASE FROM APPROXIMATELY \$57.16 TO \$70.64, WHICH IS AN INCREASE OF \$13.48 (OR 24%) PER MONTH.

Current Rate Schedule No. 5
Serving Customers in
Wallkill (Hardyston Township)

Rate Schedule No. 5 includes a fixed quarterly service charge based on the size of the water meter serving the customer, and a PSTAC rate (Rate Schedule No. 5 PSTAC) based on the volume of water used by the customer. The Company has proposed to revise the fixed quarterly charge and the PSTAC charge and to charge these proposed rates on a monthly basis. The

Company has also proposed the elimination of the Rate Schedule No. 5 PSTAC to be replaced by the uniform monthly PSTAC rate to be charged to all customers under Proposed Rate Schedule No. 2. The new monthly proposed rates are as follows:

Fixed & PSTAC Monthly Charges

Present PSTAC Rate Per 1,000 Gallons: \$5.420

| Category / Size of Meter | Present Fixed Rate | Average Usage (Gals) | Present Usage Charge | Present Total Bill | Proposed Fixed Rate | Proposed PSTAC Rate | Proposed Total Rate | \$ Increase / (Decrease) |
|----------------------------------|--------------------|----------------------|----------------------|--------------------|---------------------|---------------------|---------------------|--------------------------|
| Residential, Single Family | \$ 13.52 | 3,601 | \$ 19.52 | \$ 33.04 | \$ 21.01 | \$ 26.23 | \$ 47.24 | \$ 14.20 |
| Non-Residential and Multi-Family | | | | | | | | |
| 5/8" | 13.52 | 4,348 | 23.56 | 37.08 | 21.01 | 26.23 | 47.24 | 10.16 |
| 3/4" | 20.28 | 15,433 | 83.65 | 103.93 | 25.21 | 31.48 | 56.69 | (47.24) |
| 1" | 33.80 | 23,910 | 129.59 | 163.39 | 50.42 | 62.95 | 113.37 | (50.02) |
| 2" | 33.80 | 88,758 | 481.07 | 514.87 | 155.47 | 194.10 | 349.57 | (165.30) |

A RATE SCHEDULE NO. 5 RESIDENTIAL SEWER SERVICE CUSTOMER WITH A 5/8" METER AND APPROXIMATELY 3,600 GALLONS PER MONTH OF USAGE WILL SEE HIS/HER MONTHLY BILL INCREASE FROM APPROXIMATELY \$33.04 TO \$47.24, WHICH IS AN INCREASE OF \$14.20 (OR 43%) PER MONTH.

Current Rate Schedule No. 6
Serving Customers in
Oakwood Village (Mount Olive Township)

The Rate Schedule No. 6 rate is a fixed amount per single family dwelling that is billed on a quarterly basis. The Company has proposed to eliminate this rate class and serve these customers pursuant to Proposed Rate Schedule Nos. 1 and 2, which charges will be billed on a monthly basis. The new monthly charges will include fixed charges based on the size of the water meter serving the customer and a new fixed PSTAC rate, and have been proposed as follows:

Fixed & PSTAC Monthly Charges

| Category / Size of Meter | Present Total Rate- | Proposed Fixed Rate- Rate Sched. No. 1 | Proposed PSTAC Rate- Rate Sched. No. 2 | Proposed Total Rate | \$ Increase / (Decrease) |
|-----------------------------------|---------------------|--|--|---------------------|--------------------------|
| Residential, Single Family | \$ 68.75 | \$ 44.41 | \$ 26.23 | \$ 70.64 | \$ 1.89 |
| Non-Residential and Multi-Family | | | | | |
| Oakwood Village Apartment Complex | 19,730.42 | 27,178.92 | 16,052.76 | 43,231.68 | 23,501.26 |

A RATE SCHEDULE NO. 6 RESIDENTIAL SEWER SERVICE CUSTOMER WITH A 5/8" METER WILL SEE HIS/HER MONTHLY BILL INCREASE FROM APPROXIMATELY \$68.75 TO \$70.64, WHICH IS AN INCREASE OF \$1.89 (OR 3%) PER MONTH.

PLEASE TAKE FURTHER NOTICE that any relief determined by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers of the Company in such manner and, in such amounts or percentages, as the Board may deem appropriate. The Board may choose to impose a greater portion of the increase on any present or future class or classes, group or groups of customers, may exclude from any increase any of the foregoing, or may vary the amount of percentage increase applicable to any of the foregoing.

PLEASE TAKE FURTHER NOTICE that the Company intends to implement, subject to any refunds that may be ordered by the Board, the proposed tariffs for service on and after October 21, 2020 if the Board has not finally determined a just and reasonable tariff schedule prior to that date.

PLEASE TAKE FURTHER NOTICE that the complete schedules for the proposed rates are part of the petition filed with the Board, which was served upon the Director of the Division of Rate Counsel. Notice of the filing of the petition was also served on the clerks of municipalities in the service areas of the Company. Further information and copies of the petition (including all exhibits and testimony) may be obtained at the Company's offices located at 10 Black Forest Road, Hamilton, New Jersey 08691, on the Company's website at www.aquaamerica.com, and at the Board's offices located at 44 South Clinton Avenue, 2nd Floor, Trenton, New Jersey 08625. Any members of the public who wish to inspect the petition at the Board should contact the Board's Division of Case Management at (609) 292-0806 to schedule an appointment.

AQUA NEW JERSEY, INC.
10 Black Forest Road
Hamilton, NJ 08691