



March 17, 2022

#### VIA REGULAR MAIL

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

Re:

In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of Increased Tariff Rates and Charges for Water and Wastewater Service and Other

**Tariff Modifications** 

OAL Docket No. PUC 00808-2022 N; BPU Docket No. WR22010019

Dear Sir/Madam:

Pursuant to N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b), (c) and (d), enclosed herewith for service upon you are the Notice of Filing of Proposed Rate Increase and of Public Hearing, and the Board of Public Utilities' order issued on February 23, 2022, suspending any rate increase until June 13, 2022.

Please note the following dates and times of the virtual public hearings at which members of the public are invited to attend and express their views on the Company's petition are as follows:

April 6, 2022 - 4:30 PM

Call in number: 1-646-828-7666 Meeting ID: 161 537 5156 Password: 899852

April 6, 2022 - 5:30 PM

Call in number: 1-646-828-7666 Meeting ID: 161 537 5156 Password: 899852

Additional details and further instructions for dialing in to the meeting are included in the enclosed Public Notice, and posted on the Company's website at <a href="https://amwater.com/njaw/customer-service-billing/your-water-and-wastewater-rates">https://amwater.com/njaw/customer-service-billing/your-water-and-wastewater-rates</a>.

Very truly yours

John S. Tomac

Senior Director, Rates and Regulatory

CC:

Hon. Tricia Caliguire, ALJ (w/enc., via regular mail)

Hon. Aida Camacho-Welch, Secretary of the BPU (w/enc., via regular mail)

Department of Law & Public Safety (w/enc., via regular mail)

Division of Rate Counsel (w/enc., via regular mail)

## NOTICE OF FILING OF PROPOSED RATE INCREASE AND PUBLIC HEARING

# ALL PARTIES ARE INVITED TO ATTEND AND PRESENT THEIR VIEWS

IN THE MATTER OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC. FOR APPROVAL OF INCREASED TARIFF RATES AND CHARGES FOR WATER AND WASTEWATER SERVICE, AND OTHER TARIFF MODIFICATIONS

## OAL DOCKET NO. PUC 00808-2022N BPU DOCKET NO. WR22010019

TO OUR CUSTOMERS:

PLEASE TAKE NOTICE that on January 14, 2022, New Jersey-American Water Company, Inc., (the "Company") filed with the Board of Public Utilities ("Board"), pursuant to N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12, a petition ("Petition") seeking to increase rates for water and wastewater service and to implement other tariff revisions. These changes were proposed to become effective for service rendered on or after February 13, 2022, or at such later date as may be determined by the Board. On February 23, 2022, the Board of Public Utilities issued an order suspending any rate increase until June 13, 2022. Based on the Company's total projected operating revenues for the twelve months ending June 30, 2022, the new rates proposed herein will yield additional operating revenues of \$94.7 million or 11.71%. The total projected operating revenues include the revenue being recovered through the Distribution System Improvement Charge ("DSIC") previously approved by this Board, and revenues recovered through the Purchased Water Adjustment Clause (PWAC) and Purchased Wastewater (Sewer) Treatment Adjustment Clause (PSTAC).

PLEASE TAKE FURTHER NOTICE that virtual public comment hearings on the

Company's petition have been scheduled as follows:

#### APRIL 6, 2022 4:30 PM

- The call in number is as follows: 1-646-828-7666.
- Upon calling in, participants will be prompted to enter the meeting ID of 161 537 5156 and press the pound or hashtag button (#).
- Press the pound or hashtag button (#) a second time (in response to the second electronic prompt).

OPPORTUNITY FOR VIRTUAL PUBLIC COMMENT, PLEASE SUBMIT ANY REQUESTS FOR NEEDED ACCOMMODATIONS, INCLUDING INTERPRETERS OR VISUAL OR AUDITORY ASSISTANCE, TO THE COMPANY 48 HOURS PRIOR TO THIS HEARING TO DENISE FREE, DIRECTOR OF COMMUNICATIONS AND EXTERNAL AFFAIRS, NJAWC, 856-955-4874, DENISE.FREE@AMWATER.COM.

The average residential water customer using 5,520 gallons per month will see their bill increase from \$62.44 to \$69.23, an increase of \$6.78 or 10.86% per month. The actual percentage increase to specific customers will vary according to the applicable rate schedule and level of the customer's usage. The changes proposed in the Petition will result in the changes indicated in the chart below.

The following comparisons of average present and proposed rates will permit customers to determine the approximate net effect upon them of the proposed increases and adjustments in rates. Any assistance required by customers in this regard will be furnished by the Company upon request. Complete information about the present and proposed rates for every class of customer is available on the Company's website at <a href="https://www.newjerseyamwater.com">www.newjerseyamwater.com</a> by first selecting Customer Service and then Rates Information. Please note that the Board, in its discretion, may apply all or any portion of whatever rate increase the Board may ultimately find just and reasonable to any class or classes of customers or to any rate schedule or schedules, or in a manner different than what the Company has proposed in its filing. Accordingly, the final rates and charges to be determined by the Board in this proceeding may be different than what the Company has described herein. All rates include both a fixed service charge and a consumption charge.

		Rates per Month		Change per Month	
Customer Class	Usage	Current Bill*	Proposed Bill	Amount	Percentage
General Metered Service: All except SA- 1B, SA-1C, SA-1E and SA-1F	5,520 gal/mo.	\$62.44	\$69.23	\$6.78	10.86%
SA-1B (Pennsgrove) and SA-1C (Shorelands)	5,520 gal/mo.	\$59.96	\$69.23	\$9.27	15.46%
SA-1E (Haddonfield)	5,520 gal/mo.	\$57.92	\$64.73	\$6.81	11.75%
SA-1F (Roxbury)	5,520 gal/mo.	\$35.93	\$41.97	\$6.04	16.82%
SA-1G (Egg Harbor City)	5,520 gal/mo.	\$72.81	\$72.81	\$0.00	0.00%
Manasquan Resale**	Various	Various	Various	Various	11.30%

Water and Wastewater Rates.

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

NEW-JERSEY AMERICAN WATER COMPANY, INC.

BY: MARK K. MCDONOUGH

**PRESIDENT** 

NEW JERSEY-AMERICAN WATER

1 Water Street Camden, NJ 08102



Agenda Date: 2/23/22 Agenda Item: VA

## STATE OF NEW JERSEY

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

IN THE MATTER OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC. FOR APPROVAL OF INCREASED TARIFF RATES AND CHARGES FOR WATER AND WASTEWATER SERVICE, AND OTHER TARIFF MODIFICATIONS	) ) ) )	ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE BPU DOCKET NO.WR22010019
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WATER

#### Parties of Record:

**Bruce V. Miller, Esq.,** Cullen and Dykman LLP, on behalf of New Jersey-American Water Company, Inc.

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

#### BY THE BOARD:

On January 18, 2022, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, New Jersey-American Water Company ("Company" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition to increase its base tariff rates and charges for water and wastewater service amounting to approximately \$94.7 million or 11.22% in additional annual revenues. The Company proposed that the increase in rates becomes effective on February 13, 2022.1

The Company provides water service to approximately 660,000 customers and provides wastewater service to approximately 49,900 customers in 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.

According to the petition, the primary driver of the proposed rate increase is the capital investment needed to maintain and improve the Company's infrastructure to continue providing safe, reliable and adequate service to its customers.

<sup>&</sup>lt;sup>1</sup> By letter dated January 19, 2022, the Company indicated that it would not implement rates on an interim basis prior to the effective date of the Board's initial suspension order in this matter. However, the Company noted that it did not waive its right to implement the proposed rates at the conclusion of the second suspension period on October 13, 2022, should the Board not issue a final Decision and Order by that date.