



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
Two Gateway Center  
Newark, NJ 07102  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

WATER

|                                    |                              |
|------------------------------------|------------------------------|
| IN THE MATTER OF THE PETITION OF ) | ORDER ADOPTING INITIAL       |
| UNITED WATER ARLINGTON HILLS )     | DECISION/STIPULATION         |
| SEWERAGE, INC. FOR AN INCREASE )   |                              |
| IN RATES FOR WASTEWATER )          |                              |
| SERVICE AND OTHER TARIFF )         | BPU DOCKET NO. WR08100929    |
| CHANGES )                          | OAL DOCKET NO. PUC 13761-08N |

(SERVICE LIST ATTACHED)

**BY THE BOARD:**

On October 21, 2008, pursuant to N.J.S.A. 48:2-2, and N.J.A.C. 14:1-5.12, United Water Arlington Hills Sewerage, Inc. ("UW Arlington Hills" or "Company") a public utility corporation of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") filed a petition with the Board seeking approval to increase rates for wastewater service and to make other tariff changes. UW Arlington Hills initial rate request, if approved, would have resulted in an increase of \$399,398 or 50.38% over the Company's adjusted annual revenues.

By this Order, the Board<sup>1</sup> considers the Initial Decision recommending adoption of the Stipulation of Settlement ("Stipulation") executed by the Parties. The Parties to the Stipulation are the Company, the Department of Public Advocate, Division of Rate Counsel ("Rate Counsel") and Board Staff (Collectively, the "Parties"). Other than the Parties, there were no other intervenors or participants to this proceeding.

BACKGROUND/PROCEDURAL HISTORY

Petitioner is engaged in the business of collecting, treating and disposing of wastewater for retail service to approximately 600 customers located in the Borough of Mount Arlington, Morris County, New Jersey. As noted above, the petition seeking a 50.38% increase in total Company revenues was filed on October 21, 2008.

The Board transmitted the matter to the Office of Administrative Law ("OAL") on November 14, 2008, where it was assigned to the Honorable Walter M. Braswell, Administrative Law Judge

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<sup>1</sup> Commissioner Frederick F. Butler did not participate in this matter.

("ALJ"). On February 9, 2009, a public hearing was held at Arlington Caterers in Mount Arlington, NJ. Approximately 175 citizens attended the Public Hearing and approximately ten people spoke. Their comments generally concerned the magnitude of the increase requested and the impact of the increase on the fixed income of senior citizens. The Board initially suspended the requested increase in rates by Order dated December 9, 2008, until April 1, 2009, and further suspended the requested increase until August 1, 2009, by Order dated March 12, 2009.

The Parties exchanged discovery throughout this proceeding. Subsequent to the public hearing and prior to the scheduled evidentiary hearings in this matter, the Parties held a settlement conference on March 16, 2009. As a result, the Parties reached a settlement on all issues and entered into the Stipulation. A copy of the Stipulation is attached.

The Stipulation provides for a total proposed increase of \$195,000 representing approximately a 25% increase over current Company revenues. If approved, the \$195,000 increase will be phased in over a period of two years. The proposed increase in revenues in the first year is \$118,919 or 15%, and in the second year of \$76,081 or 8.35%, which will be in effect twelve months after the effective date of the first increase.

On April 15, 2009, ALJ Braswell issued his Initial Decision recommending adoption of the stipulation executed by the Parties, finding that the Parties had voluntarily agreed to the Stipulation and that the Stipulation fully disposed of all issues and was consistent with law. No exceptions were received by the Board.

#### DISCUSSION AND FINDINGS

Among the provisions of the Stipulation, the Parties recommend a rate base of \$3,035,133 and an authorized return on equity for the Company of 8.32%. Additionally, the Parties agreed that the Company's rate increase will be phased-in over a period of two years. Applying the two year phase-in to the average bill for a residential customer will result in an increase of 15% in the first year, and an 8.35% increase in the second year. Pursuant to the Stipulation, the percentages for the residential customer equates to an annual bill increasing from the current amount of \$636.72 (\$159.18 per quarter) to \$732.24 (\$183.06 per quarter) in the first year or an annual increase of \$95.52. In year two, the rate will increase from \$732.24 annually (\$183.06 per quarter) to \$793.26 annually (\$198.31 per quarter) or an annual increase of \$61.02. Each increase will go into effect twelve months from the effective date of the previous increase.

Having reviewed ALJ Braswell's Initial Decision and the Stipulation among the Parties to this proceeding, the Board HEREBY FINDS that the Parties have voluntarily agreed to the Stipulation, that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. Having considered the magnitude of this increase and the comments made at the public hearing, the Board HEREBY FINDS that the proposed phase-in period for the rate increase is appropriate. Therefore, the Board HEREBY FINDS the Initial Decision which adopts the Stipulation to be reasonable and in the public interest.

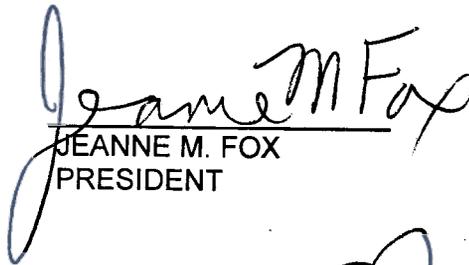
Accordingly, the Board HEREBY ADOPTS the Initial Decision and the Stipulation attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions as if fully set forth herein, subject to the following:

- a) The tariff sheets attached to the Stipulation as Schedule B containing rates and charges conforming to the Stipulation and designed to produce the additional annual revenues to which the Parties have stipulated herein are HEREBY ACCEPTED; and
- b) The stipulated increase and the tariff design allocations for each customer classification are HEREBY ACCEPTED.

The Board HEREBY DIRECTS the Company to submit a complete revised tariff conforming to the terms and conditions of the Stipulation and this Order within ten (10) days from the date of this Order.

DATED: 4/27/09

BOARD OF PUBLIC UTILITIES  
BY:

  
JEANNE M. FOX  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

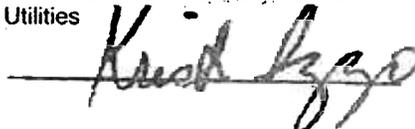
  
NICHOLAS ASSELTA  
COMMISSIONER

  
ELIZABETH RANDALL  
COMMISSIONER

ATTEST:

  
KRISTI IZZO  
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 UNITED WATER ARLINGTON HILLS, INC.  
FOR AN INCREASE IN RATES FOR WASTEWATER SERVICE AND  
OTHER TARIFF CHANGES  
BPU DOCKET NO. WR08100929  
OAL DOCKET NO. PUCRS 13761-08N

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April 15, 2009

Honorable Walter M. Braswell, ALJ  
Office of Administrative Law  
33 Washington Street  
Newark, NJ 07102

Re: In the Matter of the Petition of United Water Arlington Hills Sewerage, Inc.  
for Approval of an Increase in Rates for Wastewater Service and Other Tariff  
Changes  
BPU Docket No. WR08100929  
OAL Docket No. PUCRS13761-08N

Dear Judge Braswell:

Enclosed please find two (2) copies, plus one additional copy, of the Stipulation of Settlement which has been executed on behalf of Petitioners, Staff of the Board of Public Utilities and the Division of Rate Counsel, in the above-referenced matter.

Thank you for your attention to this matter.

Respectfully submitted,

Stephen B. Genzer

SBG/jg  
Enclosure  
cc: Attached Service List (w/encl.)

One Riverfront Plaza • Newark, NJ 07102 • Phone: (973) 286-6700 • Fax: (973) 286-6800  
Stephen B. Genzer - Newark Managing Partner

DELAWARE MARYLAND NEW JERSEY NEW YORK PENNSYLVANIA WASHINGTON, DC  
A DELAWARE LIMITED LIABILITY PARTNERSHIP

**SERVICE LIST**

**In the Matter of the Petition of  
United Water Arlington Hills Sewerage Inc. for Approval of an Increase  
in Rates for Wastewater Service and Other Tariff Changes  
BPU Docket No. WR08100929  
OAL Docket No. PUCRS 13761-2008N**

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**\*receives all corr. except disc.**

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

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IN THE MATTER OF THE PETITION OF  
UNITED WATER ARLINGTON HILLS  
SEWERAGE, INC. FOR APPROVAL OF  
AN INCREASE IN RATES FOR  
WASTEWATER SERVICE AND  
OTHER TARIFF CHANGES

---

BPU DOCKET NO. WR08100929

OAL DOCKET NO.  
PUCRS 13761-08N

STIPULATION OF  
SETTLEMENT

APPEARANCES:

Stephen B. Genzer, Esq., and Colleen A. Foley, Esq., Saul Ewing LLP, on behalf of  
United Water New Jersey Inc., Petitioner

Alex Moreau and Cynthia Holland, Deputy Attorneys General (Anne Milgram, Attorney  
General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

Susan E. McClure, Esq., Assistant Deputy Public Advocate, and Christine M. Juarez,  
Esq. Assistant Deputy Public Advocate, on behalf of the Department of the Public  
Advocate, Division of Rate Counsel

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

The Parties in this proceeding are as follows: United Water Arlington Hills  
Sewerage, Inc. ("Petitioner", "Company" or "United Water Arlington Hills"), the Department of  
the Public Advocate, Division of Rate Counsel ("Rate Counsel"), and the Staff of the Board of  
Public Utilities ("Staff"). As a result of an analysis of the Company's verified petition, pre-filed  
testimony and exhibits, extensive discovery, and a public comment hearing held in Mt.  
Arlington, on February 9, 2009, the Petitioner, Staff and Rate Counsel (collectively, the  
"Signatory Parties") have come to an agreement on the issues in dispute in this matter. The  
Signatory Parties hereto agree and stipulate as follows:

The procedural history of this matter is as follows:

On October 21, 2008, Petitioner, a public utility corporation of the State of New Jersey, pursuant to N.J.S.A. 48:2-21, and N.J.A.C. 14:1-5.12 filed a petition to increase rates for water service on December 1, 2008, and to make other tariff changes. Specifically, the Petitioner requested a rate increase of approximately \$399,000 or approximately 50.38% above the adjusted annual level of revenues for the twelve months ending December 31, 2008.

On November 14, 2008, the Board transmitted this matter to the Office of Administrative Law ("OAL"), and Administrative Law Judge ("ALJ") Walter Braswell was assigned to hear the case. On December 8, 2008, the Board entered an Order suspending until April 1, 2009 the implementation of changes the Petitioner sought to make to its tariffs. A Pre-Hearing Conference was convened by ALJ Braswell on December 22, 2008, and a Pre-Hearing Order was issued on January 30, 2009. On March 12, 2009, the Board issued a second Order further suspending the implementation of proposed rates until August 1, 2009.

Extensive discovery was conducted by the Parties with Petitioner providing responses. After proper notice, a public hearing was held in the Petitioner's service territory during the evening of February 9, 2009 in Mt. Arlington, New Jersey. Numerous members of the public attended the public hearing and several commented.

Numerous settlement discussions have been held, and the agreements reached during those discussions have resulted in the following stipulation by the Signatory Parties:

1. The Signatory Parties agree, that for purposes of this settlement, rate base is established at \$3,035,133.
2. The Signatory Parties agree that, for the purposes of this settlement only, an overall rate of return of 8.32% will be used, which will result in an overall additional revenue requirement of \$195,000. For the purposes of this proceeding, this overall rate of return is

calculated with long term debt calculated at a rate of 6.33% and equity calculated at a rate of 10.3%. The additional revenue requirement amount was calculated as follows:

|                                |    |           |
|--------------------------------|----|-----------|
| Rate Base                      | \$ | 3,035,133 |
| Rate of Return                 | x  | 8.32%     |
| Required Operating Income      | \$ | 252,523   |
| Test Year Operating Income     |    | 131,285   |
| Deficiency                     |    | 121,238   |
| Revenue Conversion Factor      | x  | 1.6084    |
| Additional Revenue Requirement | \$ | 195,000   |

3. The Signatory Parties stipulate that a revenue increase for the Petitioner of \$195,000 or approximately 25% over total present water sales revenues of \$792,790 is an appropriate result of this matter. The Signatory Parties recommend that the Board consider an Initial Decision accepting the above stipulated revenue increase and all remaining agreed upon issues embodied in this Stipulation as soon as practicable. The Signatory Parties further acknowledge that any increase or issue contained in this Stipulation, and approved by the Board, will become effective on the date of a fully executed written Board Order. The Signatory Parties agree that this revenue requirement should represent a level of revenues necessary to ensure that the Petitioner will continue to provide safe, adequate, and proper wastewater service to its customers.

4. The Signatory Parties recognize the substantial impact that this agreed upon revenue requirement increase, while necessary, may have on the customers of United Water Arlington Hills. Generally, the drivers for this increase lie with investment made to date in utility plant facilities needed to service the Company's customers, the cost of the Company's reasonable and prudent expenses incurred in operating the system, and the length of

time between the setting of initial rates and this rate proceeding resulting from stay-outs<sup>1</sup> Additionally, prospective investment needs and reasonably anticipated increases in operating expenses will result in continuing pressure to increase rates in the foreseeable future after the Board acts on this increased revenue requirement.

In order to deal with these very real concerns, the Signatory Parties have agreed to phase-in, over a two year period, the revenue requirement increase agreed upon as a result of this proceeding, in increments of 15% or \$7.96 per customer per month following the issuance of the Board's Order in this matter and 8.34% or roughly \$5.09 per customer per month on the first anniversary of the Board's Order in this matter. These rate increases are reflected in the two tariff sheets attached to this stipulation as Exhibit A, with estimated effective dates of May 1, 2009 and May 1, 2010.<sup>2</sup>

Before the Company files its next base rate case, the Parties will meet, should the Company so desire, to discuss the Company's future rate filings.

5. The Signatory Parties recommend that the attached tariff pages (Exhibit A), generally reflecting an across the board implementation of the terms of this Stipulation be adopted by the Administrative Law Judge and the Board in their entirety. Attached to this Stipulation as Exhibit B is a Proof of Revenues at proposed rates.

6. This Stipulation is the product of extensive negotiations by the Signatory Parties, and it is an express condition of the settlement embodied by this Stipulation that it be presented to the Board in its entirety without modification or condition. It is also the intent of the Signatory Parties to this Stipulation that this settlement, once accepted and approved by the

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<sup>1</sup> See In the Matter of the Joint Petition of Lyonnaise American Holdings, Inc. and United Water Resources, Inc. for Approval of a Change in Ownership and Control of the New Jersey Operating Utilities, Docket No. WM99110853, Order of Approval, dated July 20, 2000, ordering paragraph (v) at page 9.

<sup>2</sup> The exact dates will depend upon the date of the written BPU Decision & Order in this matter.

Board, shall govern all issues specified and agreed to herein. The Signatory Parties to this Stipulation specifically agree that if adopted in its entirety by the Board, no appeal shall be taken by them from the order adopting same as to those issues upon which the Signatory Parties have stipulated herein. The Signatory Parties agree that the within Stipulation reflects mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation as a whole, since the Signatory Parties hereto expressly state that they would not have signed this Stipulation had any terms been modified in any way. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, then any Signatory Party hereto materially affected thereby shall not be bound to proceed under this Stipulation. The Signatory Parties further agree that the purpose of this Stipulation is to reach fair and reasonable rates, with any compromises being made in the spirit of reaching an agreement. None of the Signatory Parties shall be prohibited from or prejudiced in arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter.

7. Except as expressly provided herein, the Petitioner, the Board, Board Staff, or Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein and, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation. Also, all rates are subject to audit by the Board.

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

UNITED WATER ARLINGTON HILLS SEWERAGE INC.

4/15/09  
\_\_\_\_\_  
Date

By:   
\_\_\_\_\_  
Saul Ewing LLP  
Stephen B. Genzer, Esq.  
Attorney for Petitioner

ANNE MILGRAM  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the New Jersey  
Board of Public Utilities

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Alex Moreau, DAG  
Cynthia Holland, DAG

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PUBLIC ADVOCATE OF NEW JERSEY  
DEPARTMENT OF THE PUBLIC ADVOCATE  
STEFANIE A. BRAND, ESQ.  
DIRECTOR, RATE COUNSEL

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Susan E. McClure, Esq, Assistant Deputy Public Advocate  
Christine Juarez, Esq. Assistant Deputy Public Advocate

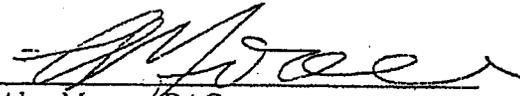
UNITED WATER ARLINGTON HILLS SEWERAGE INC.

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Saul Ewing LLP  
Stephen B. Genzer, Esq.  
Attorney for Petitioner

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ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the New Jersey  
Board of Public Utilities

7/4/15/09  
Date

By:   
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Cynthia Holland, DAG

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DEPARTMENT OF THE PUBLIC ADVOCATE  
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DIRECTOR, RATE COUNSEL

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Susan E. McClure, Esq, Assistant Deputy Public Advocate  
Christine Juarez, Esq. Assistant Deputy Public Advocate

UNITED WATER ARLINGTON HILLS SEWERAGE INC.

\_\_\_\_\_  
Date

By: \_\_\_\_\_

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Stephen B. Genzer, Esq.  
Attorney for Petitioner

ANNE MILGRAM  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the New Jersey  
Board of Public Utilities

\_\_\_\_\_  
Date

By: \_\_\_\_\_

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Cynthia Holland, DAG

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PUBLIC ADVOCATE OF NEW JERSEY  
DEPARTMENT OF THE PUBLIC ADVOCATE  
STEFANIE A. BRAND, ESQ.  
DIRECTOR, RATE COUNSEL

\_\_\_\_\_  
Date

By: \_\_\_\_\_

  
Susan E. McClure, Esq, Assistant Deputy Public Advocate  
Christine Juarez, Esq. Assistant Deputy Public Advocate

## Exhibit A

UNITED WATER ARLINGTON HILLS SEWERAGE INC.

BPU NO. 3 - SEWER

**UNITED WATER ARLINGTON HILLS SEWERAGE INC.**  
**(Formerly known as Arlington Hills Sewerage Company Inc.)**

**TARIFF**

**For**

**SEWERAGE SERVICE**

**Applicable**

**In**

**A PORTION OF THE**

**BOROUGH OF MOUNT ARLINGTON**

**MORRIS COUNTY, NEW JERSEY**

UNITED WATER ARLINGTON HILLS SEWERAGE INC.

BPU NO. 3 - SEWER

**This Tariff has been filed due to a name change for United Water  
Arlington Hills Sewerage (formerly known as Arlington Hills Sewerage  
Company).**

TABLE OF CONTENTS

|  | <u>SHEET NO.</u> |
|--|------------------|
| Territory Served                       | 2                |
| Standard Terms and Conditions          | 3 - 24           |
| Residential Sewerage Service           | 25               |
| Commercial Sewerage Service            | 26               |
| Homeowner Association Sewerage Service | 27               |
| Miscellaneous Service                  | 28               |

Date of Issue: November 12, 1996

Effective: February 25, 1994  
Docket No. WT92090919

Issued by: Frank J. De Micco, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER ARLINGTON HILLS SEWERAGE INC.

BPU NO. 3 - SEWER

Second Revised Sheet No. 2  
Superseding First Revised Sheet No. 2

### TERRITORY SERVED

The entire Planned Unit Development known as Hills of Arlington, identified as Block 61, Lot 23 of the Borough of Mount Arlington, New Jersey, together with an adjacent parcel identified as Block 61, Lot 23.01 and Block 69, Lot 3 and the premises known as Roxbury Commons located on Block 1 Lot 48 of the Township of Roxbury.

Date of Issue: July 25, 2003

Issued by: Robert J. Iacullo, President

200 Old Hook Road, Harrington Park, New Jersey 07640

Effective: July 25, 2003  
Docket No. WE02090673

### STANDARD TERMS AND CONDITIONS

United Water Arlington Hills Sewerage Inc. hereby adopts the Regulations for Sewer Utilities promulgated by the Board of Public Utilities of the State of New Jersey, which Regulations are incorporated herein by reference thereto:

In the event of a complaint or question, call the Public Utilities' Division of Customer Assistance at 1-973-648-2350 or 1-800-624-0241 or visit the website [www.nj.gov/bpu/](http://www.nj.gov/bpu/).

#### 1. DEFINITION OF TERMS

- 1.1 "Company" as herein used shall be United Water Arlington Hills Sewerage Inc. the party rendering sewer service.
- 1.2 "Tariff", as referred to herein" is this entire "Tariff for Sewerage Service," as the same may be amended or revised from time to time.
- 1.3 "New Account" as herein used shall be defined as an account opened as the result of the construction of a new building. "New Customer Account" shall be defined as an account opened for a customer where service has not been supplied to that customer at that location or premises.
- 1.4 "Sewerage Service" includes all service necessary to supply customers with sewage removal at their premises.
- 1.5 "Customer" means a person that is an end user, a customer of record, or both.
- 1.6 A "Residential Customer" means a customer who receives service from a regulated entity for use in a residence.
- 1.7 "Customer of Record" means the person that applies for utility service and is identified in the account records of a public utility as the person responsible for payment of the public utility bill. A customer may or may not be an end-user.
- 1.8 "End user" means a person who receives, uses or consumes wastewater service. An end user may or may not be a customer of record.
- 1.9 "Person" means an individual, firm, joint venture, partnership, co-partnership, corporation, association, State, county, municipality, public agency or authority, bi-state or interstate agency or authority, public utility, regulated entity, cable television company, cooperation association, or joint stock association, trust, limited liability company, governmental entity, or other legal entity, and includes any trustee, receiver, assignee, or personal representative thereof.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

Date of Issue: April 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

"Building Drain" shall mean that part of the lowest horizontal piping of a drainage system which receives the discharge from drainage pipes inside the walls of the building, terminating outside the face of the building wall at a clean out, or if no clean out exists, five (5) feet outside the face of the building wall from whence it becomes known as the building sewer. The Building Drain shall be the responsibility of and maintained by the customer.

"Building Sewer" shall mean the extension from the building drain to service line and/or other point of connection to the Company system. The Building Sewer shall be the responsibility of and be maintained by the customer.

"Service Line" shall mean the extension from the Company collection system, usually to a clean out at the curb line, where it then connects to the Building Sewer. The Service Line shall be the responsibility of and be maintained by the Company.

"Company Sewerage System" shall mean those sewers, pipes, manholes, pumping stations or other facilities of the Company used for collecting and conveying sewage.

"Biochemical Oxygen Demand", denoted hereinafter as "B.O.D.", shall mean the quantity of oxygen utilized (demanded) in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days when incubated at 20°C.

"Suspended Solids" shall mean solids that either float on the surface of or are carried in suspension in water, sewage or industrial wastes, and which are removable by laboratory filtering.

"pH" shall mean the logarithm to the base ten of the reciprocal of the weight of hydrogen ions in moles per liter of solution.

"Garbage" shall mean solid wastes from domestic and commercial preparation, cooking, dispensing or marketing of food or food products and from the handling, storage and sale of produce.

"Properly Shredded Garbage" shall mean garbage that has been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in the sewerage system with no particle greater than one-half inch (1/2") in any dimension.

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200 Old Hook Road, Harrington Park, New Jersey 07640

## STANDARD TERMS AND CONDITIONS

"Slug" shall mean the discharge of water, sewerage, or industrial waste which in concentration of any constituent or in quantity of flow exceeds for any period of duration longer than fifteen (15) minutes more than five (5) times the average twenty-four hour flow or concentration under normal operating conditions.

"Premises" include the following:

- (a) A house or building owned or leased by one customer and occupied as one residence or one place of business.
- (b) Each building within a combination of buildings owned or leased by one customer, in one common enclosure occupied by one customer as a residence or place of business.
- (c) Each unit of a multiple house or building separated by a solid vertical partition wall occupied by one family, or one corporation or firm, as a residence or place of business.
- (d) A public building.
- (e) A single plot, such as a park, playground or cemetery.
- (f) Each unit or apartment within a residential or commercial condominium, co-operative or apartment development, including garden-type apartments.

A "collection main" is a pipe which collects sewage from the service pipes which serve the premises of customers.

1.22 A "meter" is a mechanical device which registers the quantity of water consumed to the customer.

## 2. APPLICATIONS FOR SERVICE

2.1 Applications for sewerage service shall be in accordance with the following:

- (a) Applications by a customer for the establishment of service may be made at the utility's office either in person, by regular mail, facsimile transmission, electronic mail, where available, or by telephone. If the utility require a written application, the application may be subsequently submitted to the customer for signature as designated on Original Sheet No. 24.

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Issued by: Dennis Cierniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

**STANDARD TERMS AND CONDITIONS**

A utility shall not place the name of a second individual on the account of a residential customer unless specifically requested by said second individual.

- (c) A utility shall advise a customer of the rate schedule most applicable to that customer and suggest a change in rate schedule, if and when appropriate. An applicant for sewerage service shall state at the time of making application, the purposes for which service will be used and may be required to sign an agreement or other form covering special circumstances for the supply of such service. A separate application is required for sewerage service for special purposes.
- (d) Within two business days of receipt of the customer's application for utility service, or on a mutually agreed upon date, the Company shall initiate service except in those cases where the utility or customer must install or contract to install an extension to the structure where said service shall be received. N.J.A.C. 14:3-3.2(g). Applications for sewerage service are not transferable. Each new owner or occupant of the premises to be serviced is required to make an application for sewerage service as provided in Paragraph 2.1 of this Tariff.

A utility shall not require a social security number as a condition of the service. N.J.A.C. 14:3-3.2(h).

**2.2 The Company may reject applications for sewerage service for the following reasons:**

Where such service is not available.

- (b) Where such service might adversely affect the safety or adequacy of service furnished other customers, present or prospective.
- (c) When the applicant's piping installation is not in accordance with applicable plumbing codes or state codes.
- (d) Where the applicant refuses to agree to comply with the Company's standard terms and conditions.
- (e) When any valid bill to the applicant for service furnished at any present or previous locations remains outstanding.

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Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

- 2.3 Application may be made for a new connection and service line through which sewerage service is not immediately desired or is desired for temporary use. Upon making the application, the customer shall enter into a special form of agreement with the Company, which provides that the customer shall bear the entire expense of making the connection, but shall be entitled to a refund of the cost of installing the service line from the main to the curb, including the clean out, whenever permanent regular service is begun within ten years from the date of installation of the connection.

The Company, where necessary, will make application for any street or highway opening permits for installing service connections and shall not be required to furnish sewerage service until a reasonable time after such permits are granted. Any charge for permission to open the street or highway for installing facilities which is imposed by a municipality or other governmental agency controlling the street or highway shall be paid by the party desiring sewerage service.

The Company will provide sewerage service to premises owned in whole or in part by a condominium association under the following terms and conditions:

- (a) Whenever practicable, water used for billing of sewerage service to condominiums will be provided through separate meters for each condominium unit, and a separate meter, or separate meters, shall be provided for the common elements as such term is defined in the Condominium Act of New Jersey. Upon determination by the Company that condominium units cannot be separately metered, consumption used for measurement of sewerage service shall be provided through separate meters for each building, or portion thereof, or combination of buildings.
- (b) Applications for sewerage service to condominium units shall be made prior to the provision of service. Additionally, no service to the common elements shall be provided until separate application has been made by a qualified applicant.
- (c) Each applicant making application for service shall be responsible for the maintenance and repair of any facilities installed which do not become the property of the Company.

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Date of Issue: April 2009

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Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

**STANDARD TERMS AND CONDITIONS**

- (d) Where water for billing of sewerage service to condominiums will be provided through separate meters for each condominium unit, a separate meter or separate meters shall be provided for the common elements as such term is defined in the Condominium Act of New Jersey.
- (e) Each condominium association, or other qualified applicant, will be liable, as a customer of record, for all charges for sewerage service to the common elements, and where individual condominium units cannot be separately metered, for all charges for sewerage service rendered to such condominium association and its unit owners or customer of record.

**3. CUSTOMERS' DEPOSITS**

3.1 Deposits may be required under the following circumstances:

- (a) Deposits may be required where applicants for sewerage service have not established their credit. The amount of the deposit shall be the estimated average bill of the customer for a given billing period increased by one month's estimated average bill.
- (b) A utility may require an existing customer to furnish a deposit if the customer fails to pay a bill within 15 days after the due date printed on the bill. The deposit required shall be in an amount sufficient to secure the payment of future bills.

3.2 If a utility requires a customer to furnish or increase a deposit under (a) or (b), the utility shall bill the customer for the deposit amount. If the customer fails to pay that required deposit amount within 15 days of the bill, the utility shall not discontinue the customer's service, except in accordance with N.J.A.C. 14:3-3A.2. N.J.A.C. 14:3-3-4(e).

If a customer's service has been discontinued for nonpayment under N.J.A.C. 14:3-3A.2, and the utility holds a deposit for that customer, the utility may apply the deposit as necessary to liquidate the bill. The utility may also, in accordance with N.J.A.C. 14:3-3A.9(c), require that the customer restore the deposit to the original amount. N.J.A.C. 14:3-3-4(8).

3.3 The Company will furnish a deposit receipt to each customer who has made a deposit. Customers will be required to surrender the deposit receipt upon return of their deposits. If the receipt cannot be produced, a written agreement to indemnify the Company against any claim arising from failure to surrender the original receipt may be required.

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Date of Issue: April , 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

- 3.4 In accordance with N.J.A.C. 14.3-3.5(a), each utility shall review a residential customer's account at least once every year and a nonresidential customer's account at least once every two years. If this review indicates that the customer has met the utility's standard requirements for establishing credit; the utility shall refund the customer's deposit.
- 3.5 Interest on all deposits held by the Company pursuant to Paragraph 3.1 of this Tariff will accrue at the current rate prescribed by the Board of Public Utilities. Interest payments will be made at least once during each 12 month period in which a deposit is held.
- 3.6 Upon closing an account, a utility shall refund to the customer the balance of any deposit remaining after the closing bill for service has been settled, including any interest required. N.J.A.C. 14.3-3.5(b).

If the utility refunds a deposit in cash, the utility shall accept the receipt for the deposit, or proof of the customer's identity, as proof of entitlement to the deposit. N.J.A.C. 14.3-3.5(c).

When a utility refunds a deposit or pays a customer interest on a deposit, the utility shall offer the customer the option of a credit to the customer's account or a separate check. In either case, the utility shall provide the full refund or payment within one billing period after the review required under N.J.A.C. 14.3-3.5(a) above is completed, or after the interest payment is due, as applicable, unless other reasonable arrangements are made between the customer and the utility. N.J.A.C. 14.3-3.5(h).

- 3.7 Good credit is established when the customer pays bills within 30 days of receipt. This is only applicable to the deposit section and does not impair the Company's right to take collection.

#### 4. CUSTOMER'S PREMISES

- 4.1 All piping within a customer's premises must be a sufficient depth to prevent freezing and shall otherwise comply with all Federal, State, municipal and other regulations in force with respect thereto. The Company may refuse to provide sewerage service to any customer whose piping system is not installed in accordance with the above.
- 4.2 The Company shall have the right of reasonable access to a customer's premises and to all property supplied by it, at reasonable times, for the purpose of inspection incident to the rendering of service, or inspecting, testing or repairing its facilities used in connection with supplying service, or for the removal of its property.

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Date of Issue: April , 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

The customer shall obtain or cause to be obtained, all permits, consents and certificates necessary to give the Company access to its facilities.

The customer shall not permit access to the meter or other facilities of the Company to anyone except authorized employees of the Company or duly authorized State regulatory officials.

In case of defective service, the customer shall not tamper or interfere with the apparatus or appliances belonging to the Company but shall notify the Company immediately.

- 4.6 In any premises where an auxiliary sewage disposal is available, the customer shall be responsible for marking the pipes carrying water from the mains of the Company in some distinctive manner for ready identification.
- 4.7 If a premises is to remain unoccupied for an indefinite period, it is the customer's responsibility to drain the interior plumbing to avoid damage to pipes and fixtures. When requested by the customer of record, the Company will discontinue service. All bills shall be prorated upon establishment and termination of service.
- 4.8 When leakage occurs on pipes and facilities owned by the customer, the customer shall make the necessary repairs without delay. If the customer fails to make said repairs within a reasonable time, the Company reserves the right to discontinue sewerage service after proper notice until such time as the leak is repaired. The reconnection fee will be billed to the account.

Upon making service connections, the tapping of the main shall be done and the clean outs, the service line from main to curb and the connection to the collecting main and the service from the connecting main to the curb shall be furnished by the Company or its agent at its expense.

## 5 METERS

- 5.1 The Company will provide sewer service only where the water used on the premises is measured by water meter. Where Sewer service is provided and water used on the premises is not supplied by United Water Arlington Hills Inc.

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Date of Issue: April 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki , President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

then the water so used shall be measured by a meter furnished, installed and maintained by the Company without charge at a location approved by the Company and the customer. Sewer charges shall be based on the volume of water supplied to the premises and measured by the water meter.

5.2 Meters shall be located or housed in accordance with the following conditions:

- (a) Meters shall be installed inside buildings unless otherwise required or agreed by the Company. Meters installed indoors shall be located in a clean, dry, safe place not subject to great variations in temperature, at or near the front wall as close as possible to the point of entrance of the connecting pipe. Meters shall be on a support which is free from appreciable vibration and shall be supported firmly, not less than 12 inches nor more than 18 inches above the level of the floor. The location shall be such as to be easily accessible, with a minimum of inconvenience to the customer or to the Company for reading, inspecting, testing, changing and making necessary adjustments or repairs.
- (b) When the Company agrees that meters shall be installed outside of a building, the meter shall be placed in a convenient meter box or vault, often referred to as the meter housing. The meter housing shall be located in an accessible place away from terraces, fences, paved areas, other structures or any location which would create a hazard to vehicles, pedestrians or Company personnel accessing the meters. The meter housing shall be frost proof and shall be provided with a strong cover fastened with a convenient locking device. The cover shall be kept clear of snow, ice, dirt or any other objects which might prevent easy access for reading, inspecting, testing, changing and making necessary adjustments or repairs of the meter. This installation is subject to the approval of the Company. The cost of installing and maintaining the meter housing is the responsibility of the customer.

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Issued by: Dennis Ciemniecki , President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

- (c) If the meter housing is to be installed upon property which is not owned or controlled by the customer, the Company will require that the customer obtain an easement or, where an easement cannot be obtained, the written consent of the owner of the property on which the meter housing will be installed.
- (d) The location of the meter and the arrangement of the fittings to be supplied by the Company and pipe shall be subject to inspection and approval by the Company. A gate valve is to be installed on the inlet and outlet side of the meter, unless another type of valve is specified by the Company.
- (e) Where condominium units will be separately metered and it becomes necessary (1) to house the meter of one customer or the meters of several customers on one customer's property; or (2) to house the meters of several customers in a common area whether inside or outside of a building, the Company will be provided with reasonable access to the property where the meters will be located by the condominium association, the unit owner and/or the customer of record. This requirement shall extend to the installation of Remote Meter Reading devices as described in Paragraph 5.3 herein.

5.3 Remote meter reading devices shall be installed in accordance with the following terms and conditions:

- (a) Remote meter reading devices will be installed by the Company at the customer's premises at the Company's expense.
- (b) The remote meter reading device and all parts and portions thereof shall be and remain the sole property of the Company and shall be maintained by the Company insofar as ordinary wear and tear is concerned. The customer will be responsible for the cost of repair due to damage, other than ordinary wear and tear. The charge for such repair shall not exceed the cost of a new device.

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Docket No. WR08100929

Issued by: Dennis Ciemniecki , President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

- 5.4 The Company shall maintain a regular meter reading schedule and make a reasonable effort to read all meters. Those customers to whom access to the premises cannot be secured shall be provided the opportunity, upon request, to transmit meter reading information to the Company over the telephone or through use of a postage-paid business reply card supplied by the Company in accordance with the regulations of the Board of Public Utilities. N.J.A.C. 14.3-7.2(e) 3.

The Company will maintain and repair meters except in case of misuse by the customer or damage by frost, hot water or external causes, in which event the cost of repairing or replacing the meter shall be charged to the customer at the Company's cost.

All meters are carefully tested before being placed in service and are inspected periodically while in service. The quantity of water recorded by the meter, as ascertained by periodic meter readings, shall be taken to be the amount delivered to the customer, except where the meter has been found to be registering inaccurately in excess of actual use by more than one and one-half percent or has ceased to register. When the accuracy of the meter is questioned, the Company will test it upon request, preferably in the presence of the customer. No charge will be made for such test, provided that the customer has not made a request for a test within a period of twelve months prior to such request. If a test is requested at an interval of less than twelve months, a charge will be made for each such test as specified on Rate Schedule No. 4 unless the meter is found to be inaccurate to the disadvantage of the customer. If a customer has a complaint filed with the Board reflecting on the accuracy or performance of the meter, the utility shall not remove the customer's meter from service during the pendency of said complaint, or during the 30 days following the board's decision on the complaint, unless otherwise authorized by the Board's staff. N.J.A.C. 14.3-4.8(c). A report giving the results of such tests shall be made to the customer. When a billing dispute is known to exist and a decision has been made to test the meter (after all other possibilities have been explored), the Company must advise the customer of the right to have the meter tested by the Company or may have the Board either conduct a test of the meter or witness a testing of the meter by the Company and that in any event the customer may have the test witnessed by a third party. The Company must offer this option prior to removing the meter. If a meter, upon test, is found to register within the prescribed limits of accuracy, the Company reserves the right to reset the same meter in the premises from which it was removed.

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Date of Issue: April , 2009

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Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

As permitted by the regulations of the Board of Public Utilities, the Company may estimate meter readings where the meter has ceased to register or where access to the meter cannot be obtained.

- 5.8 If a meter is found to be registering fast in excess of more than one and one-half percent, an adjustment of charges will be made in accordance with the regulations of the Board of Public Utilities.
- 5.9 Bills are based on water passing through the meter. If a customer observes an unusual increase over the average quantity of water used which cannot be accounted for, he should inform the Company immediately.
- 5.10 The Company will not charge for replacing a meter at the request of the customer, unless the meter has been in use for less than two years, in which case a charge may be made in accordance with Rate Schedule No. 4. No charge will be made for replacing a meter for testing purposes or for replacing a defective meter, unless the defect is due to the negligence of the customer. Only employees or persons authorized by the Company shall remove the meter under any circumstances.

Meter records of acquisition, testing and installation shall be stored and retained in accordance with the regulations of the Board of Public Utilities.

Connecting to or disconnecting the meter or in any way tampering or interfering with the meter without written permission from the Company is prohibited. Penalties provided by law for any such action will be rigidly enforced.

### 6. BILLS

- 6.1 All bills will be computed in accordance with the rates of the Company set forth in this Tariff, as the same may be amended or revised from time to time. Rates are subject to such changes as the Board of Public Utilities or any other state regulatory body having jurisdiction may require, authorize or allow. Customers have at least ten (10) days to pay a valid bill from the date received by the customer. Bills may be paid in person or by mail at an address provided by the Company. Before discontinuing a customer's service for non-payment, a utility shall notify the customer that the bill has not been paid and that service will be discontinued. The notice of discontinuance shall be postmarked no earlier than 15 days after the postmark of the outstanding bill, except for a customer with fire protection or multi-use service under N.J.A.C. 14:3-3A.4(j).

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Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

Bills for sewerage service will be rendered at a minimum bimonthly, or monthly, as determined by the Company.

Bills will show meter readings at the beginning and end of the period, the reading dates, the quantity used, the date payment is due, the consumption charges, the facilities charges, and a notation indicating whether the meter reading was a customer reading, remote reading or estimated reading. Bills will also contain a statement that a schedule of rates is available upon request.

Where a bill has been estimated due to the fact that the Company has been unable to gain access to the meter, it will be so noted on the bill. During the billing period when the next regular meter reading is obtained, an appropriate adjustment will be made for any difference between actual use and estimated use of sewerage service.

Except in a case where the meter has been found to be registering in excess of actual use by more than one and one-half percent or has ceased to register, the amount of the bill, based on the reading of the meter, is deemed conclusive and must be paid.

A customer having two or more meters on the same premises will be charged the appropriate facilities charge for each meter.

A customer's responsibility to pay for sewerage service begins upon commencement of service and continues until service is discontinued. A customer wishing to discontinue service shall give notice to the utility. Within 48 hours of said notice, the utility shall discontinue service or obtain a meter reading for the purpose of calculating a final bill. Where such notice is not received by the utility, the customer shall be liable for service until the final reading of the meter is taken. All final and initial bills shall be prorated upon establishment and termination of service. Notice to discontinue service will not relieve a customer from any minimum or guaranteed payment under any contract or rate. N.J.A.C. 14:3-3A.1(b).

- 6.8 The Company shall annually notify all residential customers, that, upon request, notice of discontinuance of service will be sent to a designated third party, as well as to the customer. N.J.A.C. 14:3-3A.4(b). However, the accommodation will in no way relieve the customer of record of the responsibility of paying such charges. The customer of record shall receive a copy of any notice of discontinuance for non-payment of bills which is sent to an agent or a third party.

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Date of Issue: April 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

The Company may discontinue service to a customer for non-payment of bills in accordance with the regulations of the Board of Public Utilities. Where sewerage service is discontinued for non-payment of bills, service will not be resumed until payment or satisfactory arrangements for payment have been made.

Customers in default in the payment of bills may be required to furnish a deposit or increase their existing deposit in accordance with Paragraph 3.1(b) of this Tariff. If a customer who has made a deposit fails to pay a bill, the Company may apply such deposit insofar as is necessary to liquidate the bill and may require that the deposit is restored to its original amount.

Should the Company receive a negotiable instrument from the applicant for service or customer in payment of any bill, charge or deposit due, and such instrument be subsequently dishonored or be uncollectible for any reason, the Company shall charge the applicant or customer a handling charge of \$5.00 plus any charges the Company is required to pay its bank or other agency for handling such instrument.

In cases of fraud or when the Company reasonably believes that the customer is preparing to vacate the premises serviced, an immediate payment for all services rendered will be required. In cases of bankruptcy where the Company is a listed creditor, the Company may require the customer or trustee in bankruptcy to furnish it with adequate assurances of payment in accordance with the Bankruptcy code.

The Company will offer residential customers at least twice annually the option to pay their bill on a monthly budgeted basis via bill message or bill insert. The budget plan year will be a 12-month timeframe. If a customer is a new customer with little or no prior history of utility use, the monthly budget amount shall be determined using a reasonable estimate of likely usage. N.J.A.C. 14:3-7.5(f). The monthly budget amount will be reviewed against the actual usage charges at the midpoint of the plan year and adjust up or down if necessary. The Company will notify the customer of any change in

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Date of Issue: April 2009

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Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

the budget-billing amount by bill message prior to the change. Any balance (credit or debit) remaining at the end of the budget plan year will be rolled into the next budget plan year, with the monthly budget amount adjusted accordingly. If the customer opts out of budget billing, payment of the total charges incurred to date will be due immediately, or credit applied to the account. The plan bill shall contain the information required by N.J.A.C. 14:3-7.2. The plan bill shall show the monthly budget amount, budget balance and, when feasible, the budget billing to date and the actual cost of service rendered billing to date. A customer may go off a plan at any time, in which event the customer shall pay the amount owed for service rendered or, in the alternative, agree to a stipulated payment agreement according to N.J.A.C. 14:3-7.7

#### 7. DISCONTINUANCE OF SERVICE

7.1 The Company may, upon reasonable notice, when such notice can be reasonably given, suspend, curtail or discontinue sewer service in accordance with the regulations of the Board of Public Utilities for the following reasons:

- (a) For the purpose of making permanent or temporary repairs, changes or improvements in any part of its system.
- (b) For compliance in good faith with any governmental order or directive notwithstanding such order or directive subsequently may be held to be invalid.
- (c) For any of the following acts or omissions on the part of the customer:

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Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

- (1) Nonpayment of a valid bill due for service furnished at a present or previous location in accordance with N.J.A.C. 14:3-3A.2. However, nonpayment for business service shall not be a reason for discontinuance of residence service, except in cases of diversion of service pursuant to N.J.A.C. 14:3-7.8, and service shall not be discontinued for nonpayment of repair charges, merchandise charges and non-tariff contracted service charges between the customer and the utility, nor shall notice threatening such discontinuance be given. Additionally, as outlined in the introduction hereto, service shall not be terminated if the customer owing the debt enters into a mutually agreed upon and reasonable payment arrangement with the Company and adheres to the payment arrangement.

Tampering with any facility of the utility.

Fraudulent representation in relation to the use of service.

Customer moving from the premises, unless the customer requests that service be continued.

Providing a utility's service to others without approval of the utility.

Failure to make or increase an advance payment or deposit as provided for in the regulations or in this Tariff.

- (7) Refusal to contract for service where such contract is required.
- (8) Connecting and operating in such manner as to produce disturbing effects on the service of the Company or other customers.
- (9) Failure of the customer to comply with any reasonable standard terms and conditions contained in this Tariff.

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Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

**STANDARD TERMS AND CONDITIONS**

- (10) Where the condition of the customer's installation presents a hazard to life or property.
- (11) Failure of customer to repair any faulty facility of the customer.
- (d) For refusal of reasonable access to customer's premises for necessary purposes in connection with rendering of service, including meter installation, reading or testing, or the maintenance or removal of the Company's property. The Company shall provide reasonable notice to the customer, to the extent reasonably possible. N.J.A.C. 14:3-3A.1-5.(d).

A customer wishing to discontinue service must give notice to that effect. Within 48 hours of said notice, the Company shall discontinue service or obtain a meter reading for the purpose of calculating a final bill. N.J.A.C. 14:3-3A.1-5.(c). Where such notice is not received by the utility, the customer shall be liable for service until the final reading of the meter is taken. Notice to discontinue service will not relieve a customer from any minimum or guaranteed payment under any contract or rate.

The Company shall not discontinue residential service except between the hours of 8:00 a.m. and 4:00 p.m. Monday through Thursday, unless there is a safety related emergency. There shall be no involuntary termination of service on Fridays, Saturdays, Sundays or on the day before a holiday or on a holiday, absent such emergency.

- 7.4 Discontinuance of residential service for nonpayment is prohibited if a medical emergency exists within the premises which would be aggravated by discontinuance of service and the customer gives reasonable proof of inability to pay. Discontinuance shall be prohibited for a period of up to two months when a customer submits a physician's statement in writing to the Company as to the existence of the emergency, its nature and probable duration, and that termination of service will aggravate the medical emergency. Recertification by the physician as to continuance of the medical emergency shall be submitted to the Company after 30 days. However, at the end of such period of emergency, the customer shall still remain liable for payment of service(s) rendered, subject to the provisions of N.J.A.C. 14:3-7.6. During the period of medical emergency, the customer shall pay telephone tolls which are in excess of the average bills of the six months preceding the first 30 day period.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

Date of Issue: April , 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

- (a) The Board may extend the 60-day period for good cause. The customer shall request such an extension from Board staff in writing. The request shall be accompanied by an updated physician's note that meets the requirements in 7.4 above.
- (b) The Company may in its discretion delay discontinuance of residential service for nonpayment prior to submission of the physician's statement required by this subsection when a medical emergency is known to exist.

When the Company estimates an account for four consecutive billing periods (where billings are monthly) or two consecutive billing periods (where billings are quarterly), the Company will initiate a program to mail a notice marked "Important Notice" to the customer on the fifth and seventh months explaining that a meter reading must be obtained and the penalty for failure to complete an actual meter reading. After all reasonable means to obtain a meter reading have been exhausted, the Company may discontinue service provided at least eight months have passed since the last meter reading was obtained, the Board of Public Utilities has been so notified and the customer has been properly notified by prior mailing. If service is discontinued and subsequently restored, the Company may charge a reconnection charge equal to the reconnection charge for restoring service after discontinuance for non-payment.

Where a landlord-tenant relationship exists at residential premises being serviced, the Company, for the reasons set forth in Paragraph 7.1 of this Tariff, may discontinue service in accordance with the regulations of the Board of Public Utilities applicable to discontinuance of residential service to tenants. N.J.A.C. 14:3-3A.6.

Sewerage service shall be restored within 12 hours upon proper application when all of the conditions under which service was discontinued are corrected, and payment of all charges due is received at the Company, or at an authorized payment center and the Company has received notice of the payment. N.J.A.C. 14:3-3A.9.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

Date of Issue: April , 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

## STANDARD TERMS AND CONDITIONS

### 8. GENERAL RULES

When the sewerage service is to be shut off temporarily or curtailed, a notice stating the purpose and probable duration of the shutoff or curtailment will, whenever practicable, be given to all affected customers. Planned interruptions for operating reasons shall be preceded by reasonable notice to all affected customers, and the work shall be planned so as to minimize customer inconvenience.

Neither by inspection nor non-rejection, nor in any other way, does the Company give any guarantee or assume any responsibility, express or implied, as to the adequacy, safety or characteristics of any structures, equipment, pipes, appliances or devices owned, installed or maintained by the customer, or leased by the customer from third parties.

- 8.3 Except as to the liability, if any, imposed by law, the Company will not assume responsibility for any injury, casualty, or damage resulting from the presence or operation of the Company's structures, equipment, pipes, appliances or devices on the customer's premises.
- 8.4 Unless authorized by the Company, no person is permitted to tamper with, disconnect or remove, any meter without the consent of the Company. Penalties provided by law for any such action will be rigidly enforced.
- 8.5 No agent, representative or employee of the Company has authority to modify any provision contained in this Tariff or to bind the Company by any promise or representation contrary thereto.
- 8.6 Resale by a customer, except by a duly authorized sewerage utility, of sewerage service supplied by the Company is prohibited.
- 8.7 Where these terms and conditions are in conflict with any regulations promulgated by the Board of Public Utilities, the regulations of the Board shall prevail.
- 8.8 The Company will extend sewer service in accordance with all applicable laws of the State and Board of Public Utilities regulations and orders including but not limited to those regulations contained in N.J.A.C. 14:3.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

Date of Issue: April , 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

### STANDARD TERMS AND CONDITIONS

- 8.9 The Company reserves the right to terminate, change, revise or supplement this Tariff, to the extent permitted by law, or permitted by the applicable regulations of the Board of Public Utilities or other state regulatory body having jurisdiction
- 8.10 The failure of the Company to insist in any one or more instances upon strict compliance with any provision of this Tariff shall not be construed as a waiver or relinquishment of right of the Company thereafter to require compliance with such provision of this Tariff.

### 9. SPECIAL REQUIREMENTS RELATING TO SEWER SERVICE

- 9.1 Separate and independent service lines shall be installed for each customer when practicable.
- 9.2 No customer shall discharge or cause to be discharged any storm water, surface water, ground water, roof runoff, swimming pool water, sub-surface drainage, foundation or basement sump drainage, uncontaminated cooling water or unpolluted industrial process water.
- 9.3 No customer shall discharge or cause to be discharged the following described substances, materials, waters, or wastes without the prior written approval of the Company. Such wastes can harm either the sewerage system or treatment process and/or equipment, have an adverse effect upon the receiving stream for the treated sewage, or can otherwise endanger life, limb or private property or create a nuisance. In forming the opinions as to whether or not to permit the discharge, the Company will consider the effect upon receiving sewers, as well as the conditions placed upon the Company by any local, state or federal regulations.
- 9.4 The Company reserves the right upon completion of its findings to:
- (a) Reject the wastes.
  - (b) Require pretreatment to an acceptable condition for discharge.
  - (c) Require flow equalization.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

Date of Issue: April , 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

**STANDARD TERMS AND CONDITIONS**

- 9.5 In the event pretreatment or flow equalization is required, the facilities shall be subject to approval of the Company and operation of said facilities shall be subject to inspection by the Company. Monitoring and/or sampling equipment shall be installed and operated by the customer as deemed necessary by the Company to ascertain proper operation of the pretreatment facilities.
- 9.6 The wastes requiring written approval are:
- (a) Any liquid or vapor having a temperature in excess of 150° F.  
Any waters or waste waters containing phenols.
  - (c) Any waters or wastes having a pH in excess of 9.5  
Any water containing unusual concentrations of inert suspended solids such as, but not limited to, diatomaceous earth, lime and lime slurries or of dissolved solids such as, but not limited to, sodium chloride or sodium sulfate.
  - (e) Any water or waste water containing excessive discoloration.
  - (f) Waste water having unusual "B.O.D." concentration, suspended solids concentration or high chlorine demand in such quantities as to constitute a significant load on the treatment plant.
  - (g) Unusual volume of flow or concentrations of wastes constituting "slugs" as hereinbefore defined.
  - (h) Water or wastes containing substances not amenable to biological treatment processes.
- 9.7 No customers shall discharge or cause to be discharged any of the following described waters or wastes to the sewers:
- (a) Any gasoline, benzene, naphtha, paints, lacquers, fuel oil or other flammable or explosive liquid, solid or gas which by reason of its nature or quality may cause fire or explosion of which, in any way, may be injurious to personnel or the sewer system.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WT92090919

Date of Issue: November 12, 1996

Effective: February 25, 1994  
Docket No. WT92090919

Issued by: Frank J. De Micco, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

**STANDARD TERMS AND CONDITIONS**

- (b) Any water or wastes containing toxic or poisonous solids, liquids or gases in sufficient quantity, either singly or by interaction with other wastes, to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in the receiving waters of the sewage treatment plant.
  - (c) Any waters or wastes having a pH of lower than 5.5 or having any other corrosive property capable of causing damage or hazard to the sewerage system and/or personnel of the Company.
  - (d) Plating mill waste water or other industrial process water containing spent pickle liquor, concentrated plating solutions, chromium, zinc and similar toxic heavy metals, cyanides and cleaning solvents.
  - (e) Any radioactive material.
  - (f) Any water or wastes containing fats, wax, grease, tar, oils or any other substances, whether emulsified or not, which may solidify or become viscous at temperatures between 32° and 150° F or which would impair, impede, affect, interfere with, or endanger personnel or the sewer system.
  - (g) Any garbage not properly shredded.
  - (h) Any solids of such size or characteristic capable of causing obstruction to the flow in sewers such as, but not limited to, ashes, cinders, sand, mud, straw, metal shavings, glass, rags, feathers, tar, plastic, wood, paunch manure, hair fleshings, offal, entrails, etc.
  - (i) Any waters or wastes to the sewers, the discharge or emission of which shall violate any law or regulation of any local, state or federal agencies or authorities.
- 9.8 Any customer discharging industrial wastes shall provide and maintain a control manhole suitable to facilitate observation, sampling and measurement of the wastes. The Company (and any local, state and federal government agencies having jurisdiction) shall have the right to inspect, sample, measure and analyze wastewater, as they deem necessary.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WT92090919.

Date of Issue: November 12, 1996

Effective: February 25, 1994  
Docket No. WT92090919

Issued by: Frank J. De Micco, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER ARLINGTON HILLS SEWERAGE INC.  
 200 Lake Shore Drive  
 Haworth, New Jersey 07641  
 telephone 888 770 6030  
 facsimile 201 589 6009

United Water



Please completed information marked with (X) and return. Thanks!

## United Water Arlington Hills Sewerage Application for Sewer Service

The acceptance of this application is subject to examination of the premises to be supplied. It is agreed that water services will be furnished in accordance with the rules and regulations of the company as approved by the Board of Public Utility Commissioners of the State of New Jersey. Installation of this service is subject to the availability of an existing main in the street in front of the premises to be supplied.  
(please print)

Filed pursuant to a decision by the Board of Public Utilities in Docket No. WR08100929.

|                        |  |                       |                      |
|------------------------|--|-----------------------|----------------------|
| Service number         | Route number   | Book number           | Account number       |
| <b>Work to be done</b> | Premises to be supplied (X)  |                       |                      |
| New service            | Location   |                       |                      |
| Enlargement            | Lot number   | Block number          | Municipality         |
| Renewal/replacement    | Meter location (X)   | Mailing address (X)   |                      |
| Street to be connected | Customer (X)   |                       |                      |
|                        | Business address   | Telephone (H) (X)     | (W) (X)              |
|                        | <b>Size and description of building</b>                                  | <b>Charges</b>        |                      |
|                        |  | Building rate         |                      |
|                        |  | Meter cost            |                      |
|                        |  | Effect valve          |                      |
|                        |  | Alteration and permit |                      |
|                        |  | Total Sewer           |                      |
|                        | Type of pipe to be used<br><small>(minimum inside diameter 3/4")</small> | Date paid             | Ratio invoice number |
|                        | Size of meter  | Payment received by   |                      |

Customer agrees to pay all charges for service provided in accordance with the rate of the Company as approved by the Board of Public Utility Commissioners of the State of New Jersey.

|                                      |                  |
|--------------------------------------|------------------|
| Signature (Owner, Lessee, Agent) (X) | Name of plumber  |
| Street address                       | Street address   |
| City, State, Zip                     | City, State, Zip |
| Application received by              | Date             |

APPLICATION FOR SEWER SERVICE

Date of Issue: April , 2009

Issued by: Dennis Ciemniecki, President  
 200 Old Hook Road, Harrington Park, New Jersey 07640

Effective: April , 2009  
 Docket No. WR08100929

**RATE SCHEDULE NO. 1  
RESIDENTIAL SEWERAGE SERVICE**

APPLICABILITY:

Applicable to the use of sewerage collection and treatment services by residential customers throughout the entire territory served by the Company.

RATE:

|  |                                  |                                  |
|--|----------------------------------|----------------------------------|
| <u>Consumption Charge:</u>                       | Effective<br><u>April , 2009</u> | Effective<br><u>April , 2010</u> |
| Per thousand gallons of water meter registration | \$10.373                         | \$11.239                         |

Facilities Charge:

| <u>Size of Meter</u> | <u>Bi-Monthly<br/>Facilities Charge</u> | <u>Bi-Monthly<br/>Facilities Charge</u> |
|----------------------|---|---|
| 5/8-inch             | \$59.80                                 | \$64.78                                 |
| 3/4-inch             | 89.70                                   | 97.20                                   |
| 1-inch               | 149.50                                  | 161.98                                  |
| 1-1/2-inch           | 299.00                                  | 323.94                                  |

The amount of a customer's bill for a billing period will be the total of the Consumption Charge and the Facilities Charge.

MINIMUM CHARGE:

Applicable Facilities Charge

TERMS OF PAYMENT:

Bills for service furnished under this schedule will be rendered bimonthly in arrears and are due 10 days after the bill is presented.

PRORATION OF BILLS:

When requested by the customer of record, the Company will discontinue service within a reasonable time. All bills will be prorated upon establishment and termination of service.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

Date of Issue: April , 2009

Effective: April , 2009  
Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

**RATE SCHEDULE NO. 2**  
**COMMERCIAL SEWERAGE SERVICE**

APPLICABILITY:

Applicable to the use of sewerage collection and treatment services by commercial customers throughout the entire territory served by the Company.

RATE:

| <u>Consumption Charge:</u>                       | Effective<br><u>April , 2009</u> | Effective<br><u>April , 2010</u> |
|--|----------------------------------|----------------------------------|
| Per thousand gallons of water meter registration | \$10.373                         | \$11.239                         |

Facilities Charge:

| <u>Size of Meter</u> | <u>Facilities Charge<br/>Per Month</u> | <u>Facilities Charge<br/>Per Month</u> |
|----------------------|--|--|
| 5/8-inch             | \$264.88                               | \$286.98                               |
| 3/4-inch             | 397.33                                 | 430.49                                 |
| 1-inch               | 662.21                                 | 717.47                                 |
| 1-1/2-inch           | 1,324.42                               | 1,434.94                               |
| 2-inch               | 2,119.06                               | 2,295.89                               |
| 3-inch               | 3,973.20                               | 4,304.76                               |
| 4-inch               | 6,621.99                               | 7,174.59                               |
| 6-inch               | 13,243.99                              | 14,349.19                              |
| 8-inch               | 21,190.38                              | 22,958.70                              |

The amount of a customer's bill for a billing period will be the total of the Consumption Charge and the Facilities Charge.

MINIMUM CHARGE:

Applicable Facilities Charge.

TERMS OF PAYMENT:

Bills for service furnished under this schedule will be rendered monthly in the arrears and are due 10 days after the bill is presented

PRORATION OF BILLS:

When requested by the customer of record, the Company will discontinue service within a reasonable time. All bills will be prorated upon establishment and termination of service.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

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Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

**RATE SCHEDULE NO. 3**

**HOMEOWNER ASSOCIATION SEWERAGE SERVICE**

APPLICABILITY:

Applicable to the use of sewerage collection and treatment services by Homeowner Associations throughout the entire territory served by the Company.

RATE:

| <u>Consumption Charge:</u>                       | Effective<br><u>April , 2009</u> | Effective<br><u>April , 2010</u> |
|--|----------------------------------|----------------------------------|
| Per thousand gallons of water meter registration | \$10.373                         | \$11.239                         |

Facilities Charge:

| <u>Size of Meter</u> | <u>Facilities Charge<br/>Per Month</u> | <u>Facilities Charge<br/>Per Month</u> |
|----------------------|--|--|
| 5/8-inch             | \$29.90                                | \$32.39                                |
| 3/4-inch             | 44.85                                  | 48.60                                  |
| 1-inch               | 74.75                                  | 80.99                                  |
| 1-1/2-inch           | 149.50                                 | 161.97                                 |
| 2-inch               | 239.20                                 | 259.16                                 |
| 3-inch               | 448.50                                 | 485.93                                 |
| 4-inch               | 747.50                                 | 809.89                                 |
| 6-inch               | 1,495.00                               | 1,619.78                               |
| 8-inch               | 2,392.00                               | 2,591.64                               |

The amount of a customer's bill for a billing period will be the total of the Consumption Charge and the Facilities Charge.

MINIMUM CHARGE:

Applicable Facilities Charge

TERMS OF PAYMENT:

Bills for service furnished under this schedule will be rendered monthly in the arrears and are due 10 days after the bill is presented.

PRORATION OF BILLS:

When requested by the customer of record, the Company will discontinue service within a reasonable time. All bills will be prorated upon establishment and termination of service.

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WR08100929.

Date of Issue: April , 2009

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Docket No. WR08100929

Issued by: Dennis Ciemniecki, President  
200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER ARLINGTON HILLS SEWERAGE INC.

BPU NO. 3 - SEWER

Original Sheet No. 28

**RATE SCHEDULE NO. 4**  
**MISCELLANEOUS SEWERAGE SERVICE**

APPLICABILITY:

Applicable to the following classes of miscellaneous service throughout the entire territory.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RESTORATION OF SERVICE CHARGE:

A charge for restoring service after discontinuance due to non-payment of bills or violation of the Company's Tariff will be made as follows:

|   |          |
|---|----------|
| During normal business hours (8:00 a.m. to 4:30 p.m.)<br>Monday through Friday, holidays excluded | \$ 25.00 |
| During all other hours  | \$ 40.00 |

METER TESTING CHARGE:

If more than one meter test is made at the request of the customer in less than the interval of one year, a charge of \$25.00 shall be made for each test after the first test.

PRORATION OF BILLS:

When requested by the customer of record, the Company will discontinue service within a reasonable time. All charges set forth under Rate Schedules 1 through 3 will be prorated upon establishment and termination of service. (N.J.A.C. 14:3-7.11(a))

Filed pursuant to a decision by the  
Board of Public Utilities in Docket No. WT92090919.

Date of Issue: November 12, 1996

Effective: February 25, 1994  
Docket No. WT92090919

Issued by: Frank J. De Micco, President  
200 Old Hook Road, Harrington Park, New Jersey

## Exhibit B

**United Water Arlington Hills  
Monthly Residential Customer Impact  
of 2 Year Phase-In Proposal**

|  | YEAR 1   |                          |   | YEAR 2                     |   |
|--|--|--------------------------|---|----------------------------|---|
|  | Present Rates<br>Bi-Monthly<br>Facilities Charge | Yr. 1 Increase<br>at 15% | Proposed Rates<br>Bi-Monthly<br>Charges | Yr. 2 Increase<br>at 8.34% | Proposed Rates<br>Bi-Monthly<br>Charges |
| Bi-Monthly Facilities Charge   | \$52.00  | \$7.80                   | \$59.80                                 | \$4.99                     | \$64.79                                 |
| Monthly Increase-Facilities  |  | \$3.90                   |   | \$2.49                     |   |
| Consumption Charge<br>(per thousand gallons)                               | \$9.02   | \$1.35                   | \$10.37                                 | \$0.87                     | \$11.24                                 |
| Consumption Charge for<br>Customer Using 3,000 gallons<br>of water monthly | \$27.06  | \$4.06                   | \$31.12                                 | \$2.60                     | \$33.71                                 |
| Combined Facilities and<br>Consumption Monthly Increase                    | (\$3.90+\$4.06)                                  | \$7.96                   |   | \$5.09                     | (\$2.49+\$2.60)                         |

**Arlington Hills Sewer, Inc.  
General metered service**

| Meter size                      | Number of Customers | Present Rates         |                | Stipulated Rates Phase 1<br>Proposed Rates |                |                  | Stipulated Rates Phase 2<br>Proposed Rates |                |                  |
|---------------------------------|---------------------|-----------------------|----------------|--|----------------|------------------|--|----------------|------------------|
|                                 |                     | Bi-monthly Charge (2) | Annual Revenue | Bi-monthly Charge (2)                      | Annual Revenue | Percent Increase | Bi-monthly Charge (2)                      | Annual Revenue | Percent Increase |
| <b>Residential</b>              |                     |                       |                |  |                |                  |  |                |                  |
| 5/8"                            | 571                 | \$52.00               | \$178,152      | \$59.80                                    | \$204,875      | 15.00%           | 64.78                                      | \$221,936      | 8.33%            |
| 3/4"                            | 0                   | 78.00                 | 0              | 89.70                                      | 0              | 15.00%           | 97.20                                      | 0              | 8.36%            |
| 1"                              | 0                   | 130.00                | 0              | 149.50                                     | 0              | 15.00%           | 161.98                                     | 0              | 8.36%            |
| 1-1/2" (homeowners)             | 1                   | 260.00                | 1,580          | 299.00                                     | 1,794          | 15.00%           | 323.94                                     | 1,944          | 8.36%            |
|                                 |                     |                       | 179,712        |  | 206,669        |                  |  | 223,880        |                  |
| Consumption (per 1,000 gallons) | 20,460              | 9.020                 | 184,549        | 10.373                                     | 212,232        | 15.00%           | 11.239                                     | 229,950        | 8.35%            |
| Total Residential               |                     |                       | 364,261        |  | 418,901        | 15.00%           |  | 453,830        | 8.34%            |
| <b>Commercial</b>               |                     |                       |                |  |                |                  |  |                |                  |
|                                 |                     | Monthly Charge        | Monthly Charge | Monthly Charge                             |                |                  | Monthly Charge                             |                |                  |
| 5/8"                            | 11                  | \$230.33              | 30,404         | \$264.88                                   | 34,964         | 15.00%           | 286.98                                     | 37,881         | 8.34%            |
| 3/4"                            | 1                   | 345.50                | 4,146          | 397.33                                     | 4,768          | 15.00%           | 430.49                                     | 5,166          | 8.35%            |
| 1"                              | 0                   | 575.83                | 0              | 662.21                                     | 0              | 15.00%           | 717.47                                     | 0              | 8.34%            |
| 1-1/2"                          | 3                   | 1,151.67              | 41,460         | 1,324.42                                   | 47,679         | 15.00%           | 1,434.84                                   | 51,658         | 8.35%            |
| 2"                              | 5                   | 1,842.66              | 110,660        | 2,119.06                                   | 127,144        | 15.00%           | 2,295.89                                   | 137,753        | 8.34%            |
| 3"                              | 1                   | 3,454.95              | 41,459         | 3,973.20                                   | 47,878         | 15.00%           | 4,304.78                                   | 51,657         | 8.35%            |
| 4"                              | 0                   | 5,758.25              | 0              | 6,621.99                                   | 0              | 15.00%           | 7,174.59                                   | 0              | 8.34%            |
| 6"                              | 0                   | 11,516.50             | 0              | 13,243.99                                  | 0              | 15.00%           | 14,349.19                                  | 0              | 8.34%            |
| 8"                              | 0                   | 18,426.40             | 0              | 21,180.38                                  | 0              | 15.00%           | 22,958.70                                  | 0              | 8.34%            |
| Total Fixed Service charges     | 21                  |                       | 228,029        |  | 262,233        | 15.00%           |  | 284,115        | 8.34%            |
| Consumption (per 1,000 gallons) | 19,735              | 9.020                 | 178,010        | 10.373                                     | 204,711        | 15.00%           | 11.239                                     | 221,802        | 8.35%            |
| Total Commercial                |                     |                       | 406,039        |  | 466,944        | 15.00%           |  | 505,917        | 8.35%            |
| <b>Billing adjustments</b>      |                     |                       |                |  |                |                  |  |                |                  |
| Credit adjustment - Commercial  |                     |                       | (1,728)        |  | (1,987)        | 14.99%           |  | (2,153)        | 8.35%            |
| Final Residential               |                     |                       | 979            |  | 1,126          | 15.02%           |  | 1,220          | 8.35%            |
| Final Commercial                |                     |                       | 1,985          |  | 3,433          | 15.01%           |  | 3,720          | 8.36%            |
| Partial - Residential           |                     |                       | 1,879          |  | 4,461          | 15.00%           |  | 4,833          | 8.34%            |
| Partial - Commercial            |                     |                       | 15,370         |  | 18,826         | 15.00%           |  | 20,398         | 8.35%            |
| Total revenues                  |                     |                       | \$792,785      |  | \$911,704      | 15.00%           |  | \$987,785      | 8.34%            |
| Booked revenues                 | Per exhibit         |                       | 792,790        | 118,918 ✓<br>15.0001%                      | 911,708        |                  | 76,081 ✓<br>8.3449%                        | 987,790        | 195,000 ✓        |
| Variance                        |                     |                       | (\$5)          |  | (\$5)          |                  |  | (\$25)         |                  |

Note: (1) Based upon number of customers (meters) at 12/31/07 times bi-monthly fixed service charge times six or monthly times 12.  
(2) Homeowners association are billed monthly at 1/2 the Residential bi-monthly rate but booked to Commercial