



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center, Suite 801**  
**Newark, NJ 07102**  
**www.nj.gov/bpu/**

WATER

IN THE MATTER OF THE PETITION OF )	ORDER ADOPTING INITIAL
SHORELANDS WATER COMPANY FOR )	DECISION/STIPULATION OF
AN INCREASE IN RATES FOR WATER )	SETTLEMENT
SERVICE )	
)	BPU DKT NO. WR10060394
)	OAL DKT NO. PUC07101-2010N

Walter F. Reinhard, Esq., Norris, McLaughlin & Marcus, PA, Attorney for Petitioner

**BY THE BOARD:**

On June 7, 2010, Shorelands Water Company ("Petitioner" or "Company") filed a petition with the Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.11 and 14:1-5.12, requesting an increase in rates for water service in the amount of \$1,829,643 or 19.8% above test year revenues for the period ending December 31, 2010.

By this Order, the Board considers the Initial Decision recommending adoption of the Stipulation of Settlement ("Stipulation") executed by the Company, the Division of Rate Counsel ("Rate Counsel") and Board Staff (collectively, the "Parties"), agreeing to an overall increase in revenues in the amount of \$1,260,000 representing a 13.64% increase over Company revenues. The increase will result in Company revenues of \$10,492,143.

Petitioner is a public water utility engaged in the business of collecting, treating and distributing water for retail service to approximately 11,000 customers in its service territory which includes portions of the Townships of Hazlet and Holmdel; and connection service for bulk sales to the Borough of Keyport, the Township of Aberdeen, and New Jersey American Water Company, all of which are situated in the County of Monmouth.

**PROCEDURAL HISTORY**

On August 4, 2010, the Board issued an Initial Suspension Order suspending the proposed rates until November 7, 2010. On October 20, 2010, the Board issued a second suspension Order suspending the proposed rates until March 7, 2011.

The matter was transmitted to the Office of Administrative Law ("OAL") on June 24, 2010, as a contested case where it was assigned to Administrative Law Judge ("ALJ") Mumtaz Bari-Brown. On August 9, 2010, a telephone Pre-hearing conference was held in which counsel for the Company and the statutory parties to the case, Rate Counsel and Board Staff, participated. A Pre-hearing Order was issued on August 12, 2010, setting forth, among other things, the issues to be litigated and the schedule going forward.

After proper notice, a public hearing was held on November 17, 2010, in the Company's service territory at the municipal building in the Township of Hazlet. No member of the public appeared.

Subsequent to the public hearing and prior to the evidentiary hearings in this matter, the Parties engaged in settlement negotiations. As a result of those negotiations, the Parties reached a stipulation that, among other things, provides for an overall increase of \$1,260,000, representing approximately a 13.64% increase above current operating revenues.. A copy of the Stipulation is attached. There were no Interveners in this matter.

On December 15, 2010, ALJ Bari-Brown issued her 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 the law. No exceptions to the Initial Decision have been filed.

#### **DISCUSSION AND FINDINGS**

Among the provisions of the Stipulation, the Parties recommend a rate base of \$15,491,324 and that the Company be authorized a return on equity of 10.30% for an overall rate of return of 6.97%. Pursuant to the Stipulation, the average bill for a single family residential customer with a 5/8" meter and using 75,000 gallons of water per year will increase from the current rate of \$408.24 to \$477.60, an annual increase of \$69.36 or 16.99%.

Pursuant to the Stipulation the Company agreed to withdraw I/M/O the Petition of Shorelands Water Company for Deferred Accounting Treatment, Docket No. WFO9110933.

Having reviewed the record in this matter, including ALJ Bari-Brown's Initial Decision and the Stipulation, the Board FINDS that the Parties have voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all the issues in this proceeding and is consistent with the law. The Board HEREBY ADOPTS the ALJ's Initial Decision and the Stipulation, attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if they were fully set forth at length herein, subject to the following:

- a) The tariff sheets attached to the Stipulation 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; and
- c) The Board HEREBY ORDERS that Petitioner file a new tariff with the Board, with copies to the Parties, in conformity with this Stipulation; and

- d) The Board HEREBY DIRECTS the Company to submit a letter withdrawing I/M/O the Petition of Shorelands Water Company for Deferred Accounting Treatment, Docket No. WFO9110933 within ten (10) days from the date of this Order.


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: 1/19/11


BOARD OF PUBLIC UTILITIES  
BY:



LEE A. SOLOMON  
PRESIDENT



JEANNE M. FOX  
COMMISSIONER



JOSEPH L. FIORDALISO  
COMMISSIONER



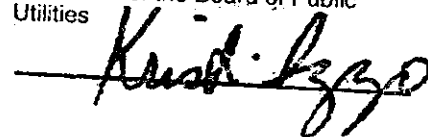
NICHOLAS ASSELTA  
COMMISSIONER

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



I/M/O THE PETITION OF SHORELANDS  
WATER COMPANY FOR AN  
INCREASE IN RATES FOR WATER SERVICE

BPU DOCKET NO. WR10060394  
OAL DOCKET NO. PUC07101-2010N

SERVICE LIST

Walter G. Reinhard, Esq.  
Norris McLaughlin & Marcus, P.A.  
721 Route 202-206  
P.O. Box 5933  
Bridgewater, NJ 08807-5933

Michael Walsh, President  
Eric Olsen, Chief Operating Officer  
Shorelands Water Company  
1709 Union Avenue  
Hazlet, NJ 07730

Geoffrey Gerstein, DAG  
Caroline Vachier, DAG  
Anne Marie Shatto, DAG  
Department of Law and Public Safety  
Division of Law  
124 Halsey St. 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, NJ 07101

Stefanie A. Brand, Esq., Acting Director  
Debra Robinson, Esq.  
Susan McClure, Esq.  
Division of Rate Counsel  
31 Clinton St., 11<sup>th</sup> Floor  
P.O. Box 46005  
Newark, NJ 07101



**State of New Jersey**  
OFFICE OF ADMINISTRATIVE LAW

RECEIVED  
MAIL ROOM

10 DEC 21 PM 12:58

BOARD OF PUBLIC UTILITIES  
NEWARK, N.J.

C M 9  
Beslow  
Gersten  
DAG  
RPA  
Mugrace  
Water

**INITIAL DECISION**

**SETTLEMENT**

OAL DKT. NO. PUC 07101-10

AGENCY DKT. NO. WR10060394

**IN THE MATTER OF THE PETITION OF  
SHORELANDS WATER COMPANY FOR AN  
INCREASE IN RATES FOR WATER  
SERVICE.**

---

**Walter G. Reinhard, Esq., for petitioner Shorelands Water Company (Norris,  
McLaughlin & Marcus, PA, attorneys)**

**Susan E. McClure, Esq., for the Division of Rate Counsel (Stefanie A. Brand,  
Esq., Director)**

**Ann Marie Shatto, Deputy Attorney General and Caroline Vachier, Deputy  
Attorney General for Staff of the Board of Public Utilities (Paula T. Dow,  
Attorney General of New Jersey, attorneys)**

Record Closed: December 14, 2010

Decided: December 15, 2010

**BEFORE MUMTAZ BARI-BROWN, ALJ:**

This matter was transmitted to the Office of Administrative Law (OAL) on July 2, 2010, for resolution as a contested case pursuant to N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14F1 to -13.

Hearing dates were scheduled for December 13, 15, 16, 20 and 21, 2010 and January 25 and 26, 2011. Prior to the date of hearing the parties settled the matter. The attached Stipulation of Settlement was submitted on December 14, 2010, indicating the terms of agreement which are incorporated herein by reference.

Having reviewed the record and the settlement terms, I **FIND**:

1. The parties have voluntarily agreed to the settlement as evidenced by their signatures and/or the signatures of their representatives.
2. The settlement fully disposes of all issues in controversy and is consistent with the law.

I **CONCLUDE** that this agreement meets the requirements of N.J.A.C. 1:1-19.1 and that the settlement should be approved. I approve the settlement and, therefore, **ORDER** that the parties comply with the settlement terms and that these proceedings be concluded.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days -and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

December 15, 2010  
DATE

Mumtaz Bari Brown  
MUMTAZ BARI BROWN, ALJ

Date Received at Agency:

\_\_\_\_\_

Date Mailed to Parties:  
dr

\_\_\_\_\_

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF  
SHORELANDS WATER COMPANY FOR  
AN INCREASE IN RATES FOR WATER  
SERVICE

) STIPULATION OF SETTLEMENT  
)  
) BPU Docket No. WR10060394  
) OAL Docket No. PUC 07101-2010N

**APPEARANCES**

Walter G. Reinhard, Esq., for Petitioner  
(Norris, McLaughlin & Marcus, PA, Attorneys)

Susan E. McClure, Esq.  
for the Division of Rate Counsel  
(Stefanie A. Brand, Esq. Director)

Anne Marie Shatto, Esq., and Caroline Vachier, Esq., Deputy Attorneys General,  
for Staff of the Board of Public Utilities  
(Paula T. Dow, Attorney General of New Jersey)

RECEIVED  
STATE OF NEW JERSEY  
DIVISION OF ADMIN. LAW  
2010 DEC 14 A 9:45

1. On June 7, 2010, Shorelands Water Company (hereinafter "Petitioner" or the "Company") filed a petition with the Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.11 and 5.12 which requested an increase in rates for water service of approximately 1,829,643 or 19.8% above revenues for the test year ending December 31, 2010.

2. On August 9, 2010, a prehearing conference was held by telephone before Hon. Mumtaz Bari-Brown, ALJ and a Prehearing Order dated August 12, 2010 was issued by Judge Bari-Brown.

3. After proper notice, a public hearing was held on November, 17, 2010 at the Municipal Building in the Township of Hazlet. No member of the public appeared to make a statement. No Motions for Intervention were filed by Hazlet Township, Holmdel Township, or any other party.



4. Evidentiary hearings were originally scheduled for seven dates in December 2010 and January 2011. The Company responded timely to a number of pre-trial discovery requests from both Rate Counsel and Staff. Thereafter a number of in-person settlement conferences took place which resulted in the following stipulation based upon those conferences and an analysis of the Company's pre-filed testimony and exhibits, discovery responses and the Public Hearing.

STIPULATION

5. The Parties agree to a Rate Base in the amount of \$15,491,324 for the 12 month period ending December 31, 2010. The Parties agree that an overall rate of return of 6.97% is appropriate including a return on common equity of 10.3%, as shown below:

	<u>Required Cost of Capital</u>			
	<u>Amount</u>	<u>%</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
Common Equity	\$6,329,799	45.58%	10.3%	4.69%
Long Term Debt	<u>\$7,558,415</u>	<u>54.42%</u>	4.18%	<u>2.28%</u>
Total Cost	\$13,888,214	100%		6.97%

6. The Parties further agree that utilizing an overall rate of return of 6.97% results in an additional total revenue requirement of \$1,260,000 above test year revenues of \$9,232,164 or 13.64%, resulting in pro forma revenues of \$10,492,143, as shown on Exhibit A.

7. The parties specifically agree that the cost of purchased water for the Test Year is \$2,410,400 as set forth below:

<u>Agency</u>	<u>Volume</u>	<u>Cost</u>
New Jersey Water Supply Authority	703.72MG	\$700,708
NJ American Water Company	1059.545MG	1,687,844
Amortization of Water Rights		21,847
		<hr/>
		\$2,410,400

8. Attached to this Stipulation as Exhibit B are revised tariff pages reflecting the required changes in rates which the parties request be approved along with this Stipulation. The parties agree that the attached tariff pages reflecting the agreement of the Parties should be adopted by the Board in their entirety.

9. In addition to this Petition, the Company previously filed a Petition with the Board requesting deferred accounting treatment of certain increased pension costs. I/M/O the Petition of Shorelands Water Company for Deferred Accounting Treatment, Docket No. WF09110933. The relief granted in this case precludes the necessity for such deferred accounting treatment and the Company hereby respectfully withdraws that Petition as moot.

10. This Stipulation is the product of extensive negotiation by the signatories, and it is an express condition of the settlement embodied by this Stipulation that it be accepted by the Board in its entirety without modification or condition. It is also the intent of the signatories to this Stipulation that this settlement, once accepted and

approved by the Board, shall govern all issues specified and agreed to herein. The parties to this Stipulation specifically agree that if adopted in its entirety by the Board, no appeal shall be taken from the order adopting same as to those issues upon which the parties have stipulated herein. The 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 parties hereto expressly and jointly state 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 party hereto materially affected thereby shall not be bound to proceed under this Stipulation. The parties further agree that the purpose of this Stipulation is to reach fair and reasonable rates, and that it will avoid protracted and costly litigation of certain issues and that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the 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.


11. This Stipulation may be simultaneously executed in several counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts shall together constitute one and the same instrument consistent of several counterparts.

---

IN WITNESS WHEREOF, the parties hereto have caused this Stipulation of Settlement to be duly executed as of the date set forth below.

SHORELANDS WATER COMPANY

Dated: 12/10/10

By:   
Walter G. Reinhard, Esq.  
Norris, McLaughlin & Marcus, PA

STEFANIE A. BRAND, ESQ.  
DIRECTOR, DIVISION OF RATE  
COUNSEL

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Susan E. McClure, Esq.

PAULA T. DOW  
ATTORNEY GENERAL OF NEW JERSEY

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Anne Marie Shatto, Esq.  
Caroline Vachier, Esq.  
Deputy Attorneys General

IN WITNESS WHEREOF, the parties hereto have caused this Stipulation of Settlement to be duly executed as of the date set forth below.

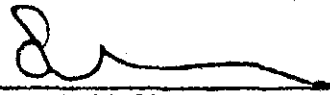
SHORELANDS WATER COMPANY

Dated: 12/10/10

By:   
Walter G. Reinhard, Esq.  
Norris, McLaughlin & Marcus, PA

STEFANIE A. BRAND, ESQ.  
DIRECTOR, DIVISION OF RATE  
COUNSEL

Dated: 12/10/10

By:   
Susan E. McClure, Esq.

PAULA T. DOW  
ATTORNEY GENERAL OF NEW JERSEY

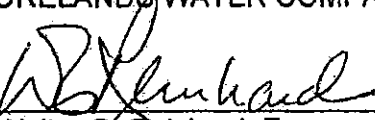
Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Anne Marie Shatto, Esq.  
Caroline Vachler, Esq.  
Deputy Attorneys General

IN WITNESS WHEREOF, the parties hereto have caused this Stipulation of Settlement to be duly executed as of the date set forth below.

SHORELANDS WATER COMPANY

Dated: 12/10/10

By:   
Walter G. Reinhard, Esq.  
Norris, McLaughlin & Marcus, PA

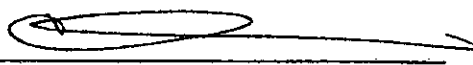
STEFANIE A. BRAND, ESQ.  
DIRECTOR, DIVISION OF RATE  
COUNSEL

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Susan E. McClure, Esq.

PAULA T. DOW  
ATTORNEY GENERAL OF NEW JERSEY

Dated: 12/10/10

By:   
Anne Marie Shatto, Esq.  
Caroline Vachier, Esq.  
Deputy Attorneys General

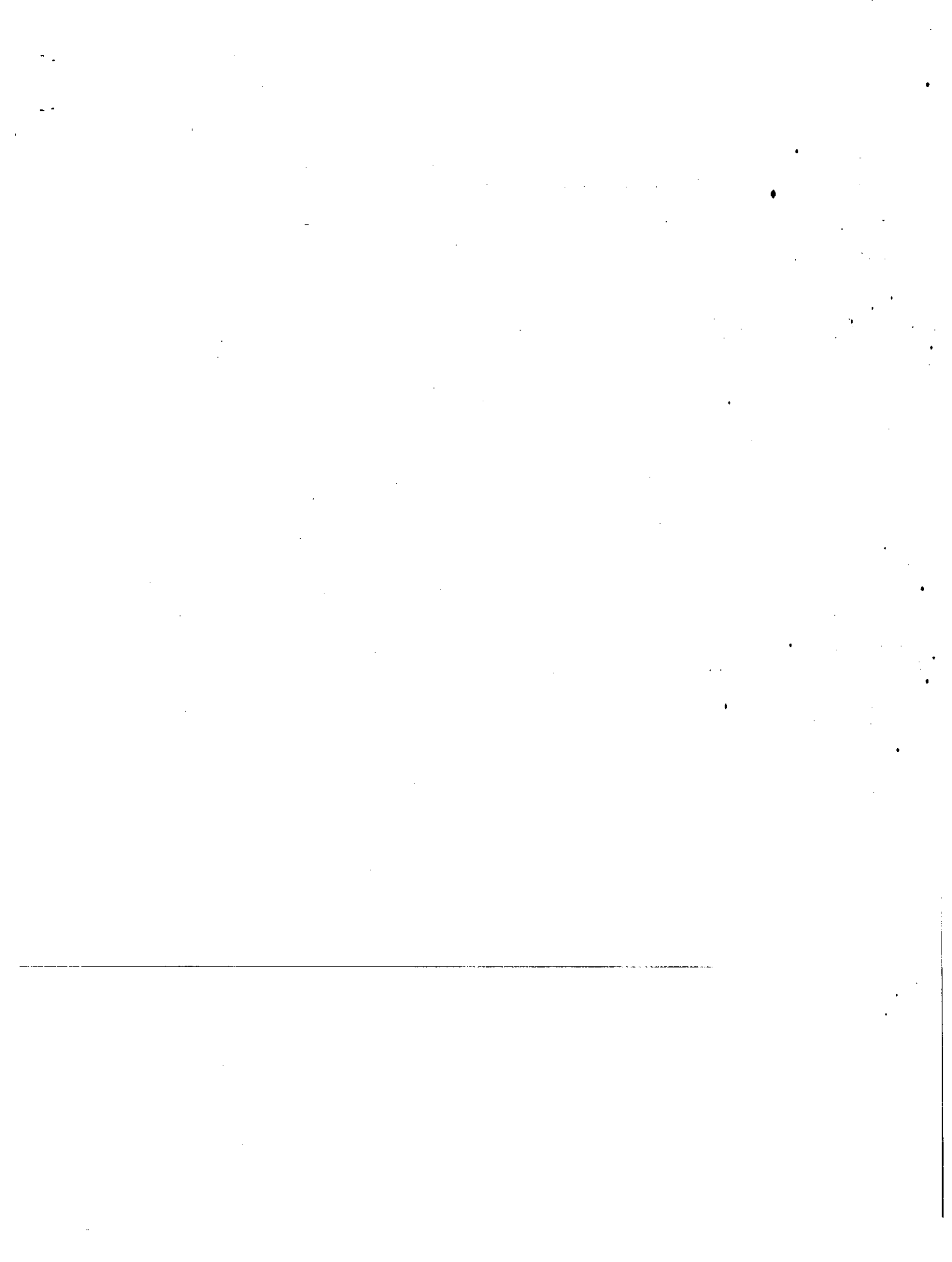


EXHIBIT A

Shorelands Water Company  
Revenue Deficiency

Rate Base	\$15,491,324
Rate of Return	6.97%
Required Operating Income	\$1,079,980
Operating Income at Present Rates	366,987
Income deficiency	712,992
Revenue Multiplier	1.7672
Required Revenue Increase	<u>\$1,260,000</u>
Present Rate Revenues	\$9,232,164
% Increase	13.6%
Total Proforma Revenues	\$10,492,143

---



	Billing Determinants - Test Year 2010 (RCR-A-62, except as noted)						Present Rates		Settlement Rates	
	Residential	Commercial	Public Authority	Manasq Resale	Bulk Resale	Total	Rate	Revenue	Rate	Revenue
	Meters (per month)									
5/8"	8,106	363	13			8,482	\$ 9.30	\$ 946,591	\$ 11.05	\$ 1,124,713
3/4"	651	7	1			659	\$ 13.95	110,317	\$ 16.58	131,115
1"	1,441	109	13			1,563	\$ 23.25	436,077	\$ 27.63	518,228
1 1/2"	14	51	4			69	\$ 46.50	38,502	\$ 55.25	45,747
2"	21	136	19			176	\$ 74.40	157,133	\$ 88.40	186,701
3"		11	6			17	\$ 139.50	28,458	\$ 165.75	33,813
4"		11	5	1		17	\$ 232.50	47,430	\$ 276.25	56,355
4" Exempt				2		2	\$ 199.62	4,791	\$ 237.18	5,692
6"			2	1	1	4	\$ 465.00	22,320	\$ 552.50	26,520
6" Exempt				2	1	3	\$ 399.25	14,373	\$ 474.38	17,078
Subtotal	10,233	688	63	6	2	10,992		\$ 1,805,992		\$ 2,145,962
<b>Usage (annual)</b>										
Usage - GMS	965,495	238,853	20,257		14,000	1,238,606	\$ 3.9550	\$ 4,898,686	\$ 4.6000	\$ 5,697,587
Usage Exempt					21,000	21,000	\$ 3.3950	71,295	\$ 3.9487	82,923
Usage Squan / Keyport				167,170		167,170	\$ 2.3160	387,166	\$ 2.4705	412,993
Usage Squan Exempt				182,500		182,500	\$ 1.9880	362,810	\$ 2.1206	387,010
Subtotal	965,495	238,853	20,257	349,670	35,000	1,609,276		\$ 5,719,957		\$ 6,580,513
<b>Private Fire (per month)</b>										
Hydrants						184	\$ 52.37	\$ 115,633	\$ 53.94	\$ 119,100
1" w/o hose						-	\$ 14.63	-	\$ 15.07	-
2" w/o hose						2	\$ 47.25	1,134	\$ 48.67	1,168
3" w/o hose						2	\$ 99.00	2,376	\$ 101.97	2,447
3" w/ hose						-	\$ 141.75	-	\$ 146.00	-
4" w/o hose						42	\$ 165.28	83,352	\$ 170.34	85,851
4" w/ hose						3	\$ 237.18	8,546	\$ 244.50	8,802
6" w/o hose						47	\$ 331.68	187,180	\$ 341.84	192,798
6" w/ hose						10	\$ 473.63	56,836	\$ 487.84	58,541
8" w/o hose						14	\$ 531.00	89,208	\$ 546.93	91,884
8" w/ hose						10	\$ 758.25	90,990	\$ 781.00	93,720
10" w/o hose						-	\$ 828.00	-	\$ 852.84	-
10" w/ hose						1	\$ 1,172.25	14,067	\$ 1,207.42	14,489
Subtotal						315		\$ 649,322		\$ 668,800
<b>Public Fire (a)</b>										
Hydrants (per month)						819	\$ 26.10	\$ 256,511	\$ 26.88	\$ 264,177
Inch-feet (annual)						7,689,856	\$ 0.1025	788,210	\$ 0.1056	812,049
Subtotal								\$ 1,044,721		\$ 1,076,226

	Billing Determinants - Test Year 2010 (RCR-A-62, except as noted)					Present Rates		Settlement Rates		
	Residential	Commercial	Public Authority	Manasq Resale	Bulk Resale	Total	Rate	Revenue	Rate	Revenue
	Miscellaneous									
Restoration of Service (b)						540	\$ 15.00	\$ 8,100	\$ 30.00	\$ 16,200
Returned Check (b)						150	\$ 12.00	1,800	\$ 12.00	1,800
Misc. Consumption (c)								2,273		2,644
Subtotal								\$ 12,173		\$ 20,644
Total								\$ 9,232,165		\$ 10,492,145

Class Revenues Under Present Rates

	Customer	Usage	Fire	Miscellaneous	Total	% of Revenue
Residential	\$ 1,442,207	\$ 3,818,534	\$ -	\$ -	\$ 5,260,741	57.0%
Commercial	271,076	944,664			1,215,740	13.2%
Public Authority	59,594	80,118			139,712	1.5%
Manasq Resale	22,743	749,976			772,719	8.4%
Bulk Resale	10,371	126,665			137,036	1.5%
Private Fire			649,322		649,322	7.0%
Public Fire			1,044,721		1,044,721	11.3%
Miscellaneous				12,173	12,173	0.1%
Total	\$ 1,805,991	\$ 5,719,957	\$ 1,694,043	\$ 12,173	\$ 9,232,164	100.0%

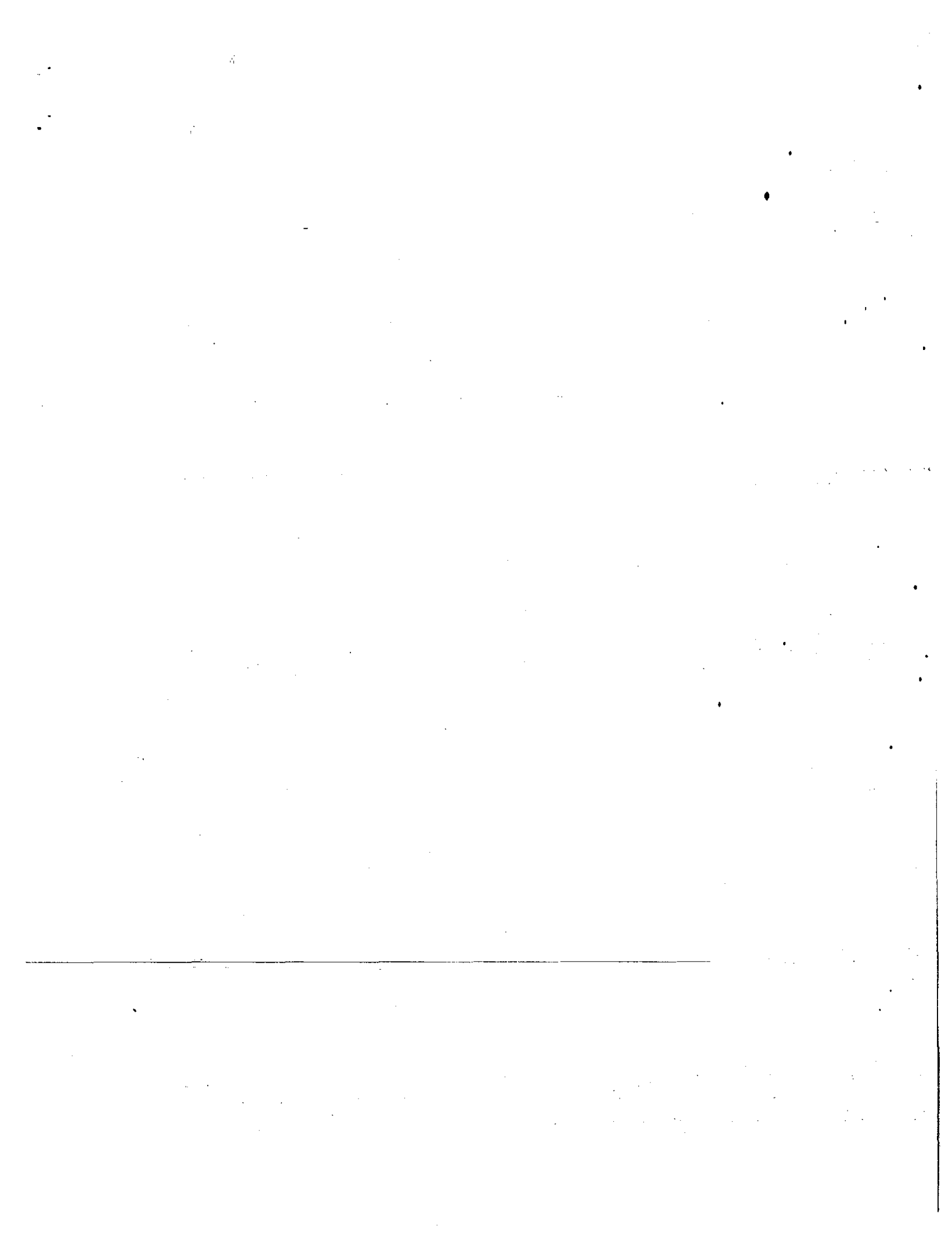
Class Revenues Under Settlement Rates

	Customer	Usage	Fire	Miscellaneous	Total	% Increase	% of Revenue
Residential	\$ 1,713,715	\$ 4,441,278	\$ -	\$ -	\$ 6,154,993	17.0%	58.7%
Commercial	322,092	1,098,724			1,420,816	16.9%	13.5%
Public Authority	70,809	93,184			163,993	17.4%	1.6%
Manasq Resale	27,022	800,003			827,025	7.0%	7.9%
Bulk Resale	12,323	147,323			159,646	16.5%	1.5%
Private Fire			668,800		668,800	3.0%	6.4%
Public Fire			1,076,226		1,076,226	3.0%	10.3%
Miscellaneous				20,644	20,644	69.6%	0.2%
Total	\$ 2,145,961	\$ 6,580,512	\$ 1,745,026	\$ 20,644	\$ 10,492,143	13.6%	100.0%
\$ Increase	\$ 339,970	\$ 860,555	\$ 50,983	\$ 8,471	\$ 1,259,979		
% Increase	18.8%	15.0%	3.0%	69.6%	13.6%		

(a) Billing determinants from Monie Table 8, showing increase in 2010

(b) Billing determinants from RCR-RD-11

(c) RCR-A-62 shows \$4,073 from Returned Check and Misc. Consumption; revenue increased by % change in GMS usage revenue



SHORELANDS WATER COMPANY, INC.  
BPU No. 5 – Water

TARIFF

for

WATER SERVICE

Applicable in

ALL TERRITORY SUPPLIED BY THE COMPANY

IN TOWNSHIPS OF HAZLET AND HOLMDEL

MONMOUTH COUNTY, NEW JERSEY

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.

1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

AN INTRODUCTION TO CUSTOMERS

The approved tariff located in the Company's office is available for your review. The Company is responsible to maintain its tariff with any changes approved by the Board of Public Utilities and must, by State Law and regulations, maintain it in exactly the same format as its Company's tariff on file at the Board of Public Utilities, Two Gateway Center, Newark, NJ. The Division of Water and Wastewater is on the 9<sup>th</sup> floor.

If, after you review this tariff and discuss it with appropriate Company employees, you still have questions regarding clarification or interpretations, please contact the Board of Public Utilities, Division of Water and Wastewater, Bureau of Rates and Tariff Design at (973) 648-2275 or the Board's Division of Customer Assistance at 1-800-624-0241 or 1-973-648-2350, as well as the Board's website: [www.nj.gov/bpu/](http://www.nj.gov/bpu/).

You have the right to review this tariff at the Company's offices or at the Board's office in Newark. Your inquiries will be handled by the Board's staff in an expeditious manner in order to protect your rights as well as those of the water and/or sewer Company. Please feel free to exercise this right by telephone or by visiting the Board's offices at any time between the hours of 9:00 AM to 5:00 PM, Monday through Friday, or by writing a letter. The letter should contain the writer's name, address and phone number – including the area code. If the writer is a customer of record, the account number should be included.

The Company also has available in its office a leaflet entitled "An Overview of Common Customer Complaints and Customer Rights." This is a summary of the most frequent customer complaints and rights; it does not include all customer rights or utility obligations.

The Board of Public Utilities is responsible for the final interpretation and enforcement of a utility's tariff provisions and rates. The utility is bound by New Jersey's statutes and the Board's regulations. If a conflict should exist in the tariff that is detrimental to the customer, the Board's regulation supersedes the tariff provision absent specific approval to the contrary by the NJ Board of Public Utilities. A utility company may provide for more liberal treatment than that provided for in the Board's regulations.

Revised January 2011

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

AN OVERVIEW OF COMMON CUSTOMER COMPLAINTS AND CUSTOMER RIGHTS

- (1) No public utility shall refuse to furnish or supply service to a qualified applicant. (Board Order CX86602155).
- (2) The utility shall not place the name of a second individual on the account of a residential customer unless specifically requested by said second individual (N.J.A.C. 14:3-3.2(b)).

DEPOSITS

- (3) The utility may require a reasonable deposit as a condition of supplying service. The amount of a deposit shall be calculated by adding the average monthly charge for the service for a 12-month service period and one month's average bill. In determining the average monthly amount of a bill, there shall be excluded from the average bill any amount for which payment is made in advance (N.J.A.C. 14:3-3.4).
- (4) The utility shall furnish a receipt to each customer that makes a deposit. If the deposit is provided by mail, internet or telephone, the utility may comply with this requirement by displaying the amount of the deposit on the customer's next bill (N.J.A.C. 14:3-3.4(i)).

Each utility shall review a residential customer's account at least once every year and a nonresidential customer's account at least 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 (N.J.A.C. 14:3-3.5(a)).

Interest payments on the customer deposits held to secure residential accounts shall be made to the customer at least once during each 12-month period in which a deposit is held (N.J.A.C. 14:3-3.5(g)).

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) 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)).

- (5) Where a water utility furnished unmetered service, for which payment is received in advance, it may not require a deposit (N.J.A.C. 14:3-3.4(j)).

DEFERRED PAYMENT ARRANGEMENTS

- (6) A customer is entitled to at least one deferred payment plan in one year. In the case of a residential customer who receives more than one utility service from the same utility (EX: Water and Sewer; Gas and Electric) and the amount which is in arrears is a combination of those services, the utility shall offer a separate deferred payment agreement for each service based on the outstanding balance for that service (N.J.A.C. 14:3-7.7(b)2). The Company MUST renegotiate the deferred payment agreement should the customer's financial situation change significantly (N.J.A.C. 14:3-7.7(b)5). In the case of a residential customer who receives more than one utility service from the same utility and has subsequently entered into an agreement for each separate service, default on one such payment agreement shall constitute grounds for discontinuance of only that service (N.J.A.C. 14:3-7.7(f)).

### DISCONTINUANCE OF SERVICE

- (7) A utility shall not discontinue service because of nonpayment in cases where a charge is in dispute, provide the undisputed charges are paid and the customer has requested that the Board of Public Utilities investigate the disputed charge (N.J.A.C. 14:3-3A2(e)5).

In accordance with N.J.A.C. 14:3-7.6(b) the utility shall notify the customer that they may make a request to the Board of Public Utilities for an investigation of the disputed charge.

- (8) A notice of discontinuance sent to the customer shall be postmarked no earlier than (15) days after the postmark date of the outstanding bill. The notice of discontinuance for nonpayment shall provide the customer with at least 10 days written notice of the utility's intention to discontinue service (N.J.A.C. 14:3-3A.3).

The utility shall make good faith efforts to determine which of their residential customers are over 65 years of age, and shall make good faith efforts to notify such customers of discontinuance of service by telephone in addition to notice by regular mail. This effort may consist of an appropriate inquiry set forth on the notice informing customers that they may designate a third party to receive notice of discontinuance (N.J.A.C. 14:3-3A.4(c)).

- (9) Public utilities shall not discontinue residential service except between the hours of 8:00 AM and 4:00 PM Monday through Thursday, unless there is a safety related emergency. There shall be no involuntary termination of service on Fridays, Saturdays, and Sundays or on the day before a holiday or on a holiday, absent such emergency (N.J.A.C. 14:3-3A.1(c)).

- (10) The occupant of a multiple family dwelling, has the right to be notified of a pending service discontinuance at least fifteen (15) days prior to the service being discontinued (N.J.A.C. 14:3-3A.6).

- (11) A customer has the right to have any complaint against the utility handled promptly by that utility (Board Order, Docket No. C08602155).

- (12) Each utility shall, upon request, furnish its customers with such information as is reasonable in order that the customers may obtain safe, adequate and proper service (N.J.A.C. 14:3-3.3 (a)). Each utility shall inform its customers, where peculiar or unusual circumstances prevail, as to the conditions under which sufficient and satisfactory service may be secured from its system (N.J.A.C. 14:3-3.3(c)). Each utility shall supply its customers with information on the furnishing and performance of service in a manner that tends to conserve energy resources and preserve the quality of the environment (N.J.A.C. 14:3-3.3 (d)).

- (13) The Company must issue a new discontinuance notice each time it intends to shut off service, except that no additional notice shall be required when a customer pays the bill by check and the check is subsequently dishonored (N.J.A.C. 14:3-3A.3(d)).

METERS

- (13) Each utility shall, without charge, make a test of the accuracy of a meter upon request of a customer, provided such customer does not make a request for test more frequently than once in 12 months (N.J.A.C. 14:3-4.5(a)). 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)). When a billing dispute is known to exist, the electric, gas or water utility shall, prior to removing the meter, advise the customer that the customer may have the meter tested by the utility, or may have the Board witness a testing of the meter by the utility, and that in any event the customer may have the test witnessed by a third party (N.J.A.C. 14:3-4.5(c)).
  
- (14) Whenever a meter is found to be registering fast by more than one and one-half percent an adjustment of charges shall be made in accordance with the following: (1) If the date when the meter had first become inaccurate can be ascertained then the adjustment shall be such percentage as the meter is found to be in error at the time of test adjusted to 100 percent on the amount of the bills covering the entire period that the meter has registered inaccurately. (2) In all other cases the adjustment shall be such percentage as the meter is found to be in error at the time of test on one-half of the total amount of the billing affected by the fast meter adjusted to 100 percent since the previous test. No adjustment shall be made for a period greater than the time during which the customer has received service through that meter. No adjustment shall be made for a meter that is found to be registering less than 100 percent except in the case of meter tampering, non-registering meters or in circumstances in which the customer should reasonably have known that his bill did not reflect his usage (N.J.A.C. 14:3-4.6).
  
- (15) A utility must maintain records of customers' accounts for each billing period occurring within a six (6) year period. Such records shall contain all information necessary to permit computation of the bill (N.J.A.C. 14:3-6.1(b)).
  
- (16) Bills rendered must contain the following: (a) The meter readings at the beginning and end of the billing period; (b) The dates on which the meter is read; (c) The number and kind of units measured; (d) Identification of applicable rate schedule or a statement that the applicable rate schedule will be furnished on request; (e) The amount of the bill; (f) A distinctive marking to indicate an estimated, averaged or a remote meter index; (g) An explanation or statement of any conversion from meter reading to billing units or any other calculations or factors used in determining the bill; and (h) The gross receipts and franchise tax statement (N.J.A.C. 14:3-7.2).

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.



TABLE OF CONTENTS

	<u>SHEET NO.</u>
An Introduction to Customers	I
An Overview of Common Customer Complaints and Customer Rights Deposits Deferred Payment Arrangements	II
Discontinuance of Service	III
Meters	IV
Territory Served	3
<u>STANDARD TERMS AND CONDITIONS:</u>	
Application for Water Connections	4 and 5
Application for Water Service	6
Customers' Deposits	7
Service Pipes	8
Connecting Pipes	9
Meters	10, 11 and 12
Customers' Premises	13 and 14
Bills	15 and 16
Discontinuance of Service	17 and 18
Public Fire Protection Fire Hydrants	19 and 20
Private Fire Protection Services	21
General Rules	22 and 23
Emergency Responses	23a, 23b and 23c
Water Main Extensions	23d
Lawn Sprinkler and Irrigation Systems	23e

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

TABLE OF CONTENTS  
(continued)

SHEET NO.

RATE SCHEDULES AS LISTED BELOW:

	<u>Rate Schedule</u>	
General Metered Service	1	24
Public Fire Protection	2	25
Private Fire Protection	3	26 and 27
Miscellaneous Service	4	28, 29 and 30
Bulk Rate Sales To Municipalities	5	31
Sales for Resale – Manasquan	6	32
Purchased Water Adjustment Clause	7	33
Sales for Resale – Keyport	8	34

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

TERRITORY SERVED

- 1.) Hazlet Township, Monmouth County, New Jersey.
- 2.) Holmdel Township (north of Crawfords Corner Road/Van Brackle Road), Monmouth County, New Jersey.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011.

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

1. APPLICATION FOR WATER CONNECTION

- 1.1 Application for water connections may be made in person, by mail, or by telephone, and the Company will provide and submit to the applicant a form to be filled out and signed by the owner, or their agents, of the premises to be supplied (N.J.A.C. 14:3-3.2(a)).
- 1.2 Such applications shall be made in a reasonable time before required to obtain the installation of service pipes and accessories by the Company, as hereinafter defined, for new buildings and premises not previously supplied.
- 1.3 Separate applications shall be made for each premises and for each type of water service to be furnished, including temporary water service for general construction and contracting purposes.
- 1.4 Application for water connections will be accepted by the Company subject to the prior existence of a distribution main abutting the property or premises to be served and acceptance of such application shall in no way obligate the Company to extend its distribution mains to abut the property or premises.
- 1.5 Where a charge is made by the municipality for a street opening permit and such permit is necessary for the water connection, the applicant is required to pay such charge.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

- STANDARD TERMS AND CONDITIONS

1. APPLICATION FOR WATER CONNECTION (Continued)

- 1.6 Application may also be made for a water connection where water service is not immediately desired. A special form of agreement is provided under the terms of which the Company provides and installs the water connection. In such cases, the applicant is required to make an advance payment equal to the cost of the water connection, which is subject to refund without interest less an annual charge for depreciation and maintenance, when water service is supplied through the service pipe.
- 1.7 The Company is not obligated to install more than one service and meter for each property or premises.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

2. APPLICATION FOR WATER SERVICE

- 2.1 Application for water service may be made in person, by mail, or by telephone by owners or lessees of premises (or their agents or representatives) when the water connection has been completed by the Company and the piping within the premises (in the case of a new building) has been completed by the owner or lessee. The Company will provide and submit to said applicant a form of application to be filled out and signed.
- 2.2 Applications for water service are not transferable. Each new owner or occupant of the premises to be supplied is required to make a new application.
- 2.3 A separate application for water service must be made for each water connection, including fire service.
- 2.4 Application shall not be accepted from present or former customers in arrears on the payment for water service on any other premises for which the customer made application for water service.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

3. CUSTOMERS' DEPOSITS

- 3.1 Deposits may be required where any customer to whom the Company may be supplying water or applicants for metered water service who have not established or maintained their credit. The amount of a deposit shall be calculated by adding the average monthly charge for the service for a 12-month service period and one month's average bill. In determining the average monthly amount of a bill, there shall be excluded from the average bill any amount for which payment is made in advance (N.J.A.C. 14:3-3.4).
- 3.2 Simple 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 the 12 month period in which a deposit is held (N.J.A.C. 14:3-3.5(d)). 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 accrued (N.J.A.C. 14:3-3.6(b)).
- 3.3 A deposit shall not be considered payment or part payment of any bill for water service, except as provided by Regulation 14:3-3.5 of the BPU.
- 3.4 Deposits will be kept in such accounts as prescribed by the BPU, and the customer providing the deposit shall not retain any beneficial interest in the deposits which are accepted without restriction as to use.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

4. SERVICE PIPES

- 4.1 The service pipes leading from the street main to the curb stop or valve at the property to be supplied is installed and maintained by the Company at its expense.
- 4.2 The curb stop or valve, also installed by the Company, at its expense, is usually located at or near the property line for the attachment of the customer's connecting pipe. This curb stop or valve is available for turning on and shutting off the supply of water in emergencies, or for purposes of repair. Only Company employees or persons duly authorized to do so by the Company are permitted to operate the curb stop or valve.
- 4.3 No service pipe shall be used to supply more than one building or one group of buildings in one common enclosure and under one ownership.
- 4.4 Where two or more customers within a building are supplied through a single service pipe, a suitable location must be provided for a meter for each customer. The piping of the building must be so arranged that each customer can be supplied through an independent meter and piping system with separate shut-off valve.
- 4.5 No single building or single group of buildings in one common enclosure and under one ownership shall be supplied by more than one service pipe, except with the authorization of the Company.
- 4.6 When work performed by the Customer requires the relocation of a curb stop, valve or any other appurtenance owned by the Company, the cost of the relocation shall be paid for by the Customer.
- 4.7 Where an existing service pipe is available for a customer's premises, the customer may obtain a larger size service without charge, provided such service is established on a permanent basis. Any subsequent request for a reduction in the size of the meter shall be subject to Company approval and the payment by the customer of the cost of installing the larger size service.
- 4.8 Where a large size service pipe greater than ¾" has been installed, for premises not previously supplied, any subsequent request for a reduction in the size of the meter and service line shall be subject to Company approval and the payment by the customer of cost of installing the larger service pipe.
- 4.9 Curb Stops or valves shall be located in an accessible place, protected from vehicular traffic, away from sidewalks, driveways, terraces, fences, or other structures and shall be so located that they will not be a hazard to pedestrians. The lids for the curb stops or valves must be kept clear of snow, ice, dirt, or any other objects which may prevent easy operation and inspection. Relocation of a curb stop or valve for any of the above reasons will be done at the Customer's expense.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.



STANDARD TERMS AND CONDITIONS

5. CONNECTING PIPES

- 5.1 A connecting pipe attached to the service pipe is required for the purpose of conveying the water supply within the premises of the customer.
- 5.2 The connecting pipe is to be installed at the expense of the customer. It is the property of, and is to be maintained and kept in repair by the customer.
- 5.3 Connecting pipes should be installed, without sharp bends, at right angles to the line of the street and shall be installed in a trench not less than 3 ½ feet in depth to avoid damage and possible interruption to service caused by freezing. Other utility service pipes, such as sewer or gas, shall not be installed in the same trench.
- 5.4 No attachment shall be made to the connecting pipe between the main and the meter.
- 5.5 Connecting pipes should not be less than ¾ inch inside diameter.
- 5.6 The customer is required to make all modifications in the connecting pipe due to changes in grade, relocation of mains, or other causes only if such changes, relocations or other causes are mandated by a Municipality, County, State or other governmental body.
- 5.7 Where it is necessary to install a connecting pipe on the property of persons other than the applicant for service, the applicant must furnish to the Company written authority from such property owner, binding on his administrators, executors, heirs, successors and assigns.
- 5.8 The Company reserves the right to inspect the installation prior to backfilling of the trench and to withhold the supply of water service whenever such installation or any part thereof is deemed by the Company to be leaking, unsafe, inadequate or unsuitable for receiving service, or to interfere with or impair the continuity or quality of service to the customer or to others.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

6. METERS

- 6.1 The quantity of water used by customers is recorded on meters. No unmetered connections are permitted, except by the express permission of [the] Company.
- 6.2 Meters will be furnished and installed without charge by the Company, and the Company will determine the size, type and make of the meters to be used. Meter size will match service pipe size with the exception of 5/8" meters which will be installed on ¾ " service pipes. Meters are the property of the Company.
- 6.3 For meters located inside the customer's premises, the meter fittings including a shutoff valve, are purchased and installed by the customer for all services. The fittings and shut-off valve are owned and maintained by the customer. The customer must maintain a functioning shut-off valve before the meter. Such fittings are to be set in line leaving the correct space between the couplings for insertion of the meter by the Company.
- 6.4 The location of meters and the arrangement of the fittings and piping are subject to inspection and approval of the Company.
- 6.5 Meters are to be installed at or near the property line of the customer in a meter pit or housing approved by the Company, but paid for, installed and maintained by the customer for all services. The Company at its own expense may install a meter pit when performing maintenance on an existing curb stop. Future maintenance of meter pits installed by the company is the responsibility of the customer.
- 6.6 For meters 1 ½" in size and larger and when service cannot readily be interrupted for testing or replacing the meter, the meter pit for said meter shall be equipped with piping of a type and arrangement approved by the Company which will permit the removal or testing of the meter without interruption of water service. Meter housings for small meters (one inch and less) can be purchased from the Company at cost.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

6. METERS (Continued)

- 6.7 If the meter pit is installed upon property which is not owned by the customer, the customer is required to furnish the Company written permission from the owner of the property which will be binding on the owner, his administrators, executors, heirs, successors and assigns.
- 6.8 Meter pits or housing shall be located in an accessible place, protected from vehicular traffic, away from sidewalks, driveways, terraces, fences, or other structures and shall be so located that they will not be a hazard to pedestrians. The lids for the pits or housings must be kept clear of snow, ice, dirt, or any other objects which may prevent easy reading and inspection of the meter. Relocation of a meter pit for failure to comply with any of the above will be done at the Customer's expense.
- 6.9 When a meter is installed inside a building, it shall be located in a clean, dry, safe place at or near the front wall as close as possible to the point of entrance of the connecting pipe. The meter shall be supported firmly, not less than twelve inches no more than thirty six inches above the floor level and should be readily accessible at all reasonable times for inspection, reading, or changing by employees of the Company. The area around the meter shall be kept clear of all boxes, equipment, debris and any other items that would prevent the company from obtaining a meter read or performing maintenance on its equipment.
- 6.10 (reserved for future use)
- 6.11 The Company maintains and repairs meters except in case of misuse or damage, in which event a charge for repairing and replacing the meter will be paid by the customer, said charge to be based on the direct labor and equipment costs obviated by removing, repairing, replacing and/or resetting the meter. The charge shall not exceed the replacement cost of the meter.
- 6.12 If a question arises as to the accuracy of a meter, the Company will test it upon request. Company recognizes the right of the customer to witness a test. One such test will be made within a year without charge (N.J.A.C. 14:3-4.5(a)).
- 6.13 All piping and fittings used for the installation of a meter must meet the Company's approved specifications.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

6. METERS (Continued)

If more than one test is made within a year at the request of the customer and the meter is found to be accurate, a charge of seventy eight (\$78.00) dollars will be made for each additional test. For meters over two inches the charge will be based on the direct labor and equipment costs for testing the meter. The charge will not exceed the replacement cost of the meter. If the meter is found to register fast by one and one-half (1 ½ %) or more of the water passed at full capacity, no charge will be made for the test.

- 6.14 If, as the result of a periodic test or a compliant, a meter is found to register fast by one and one-half percent or more of the water passed at full capacity, bills will be adjusted according to Regulation 14:3-4.6(a) of the BPU.
- 6.15 If a meter, upon test, is found to register within the limits of accuracy prescribed by the BPU, the Company reserves the right to reset the same meter in the premises from which it was removed for testing purposes.
- 6.16 The quantity of water recorded by the meter shall be taken to be the amount delivered to the customer, except where the meter has been found to be fast by one and one-half percent or more or has ceased to register.
- 6.17 Where the meter has ceased to register or where access to the meter cannot be obtained, meter readings may be estimated using one or all of the following factors as the basis for the estimate:
  - (a) The average registration of the meter when in order.
  - (b) The consumption for the corresponding quarter or month of the previous year.
  - (c) The indicated consumption for the preceding quarter or month.
  - (d) The trend of quarterly or monthly consumption.
  - (e) Any unusual factors which may be disclosed, such as whether the premises were occupied during the quarter or month.
- 6.18 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 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.

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

**7. CUSTOMER'S PREMISES**

- 7.1 The Company may refuse to provide a water connection, or furnish water through a connecting pipe already installed, when a customer's piping system is not installed in accordance with this Tariff on file and approved by the Board and of the municipality in which the premises are located; or when the system on the premises is not at sufficient depth to prevent freezing.
- 7.2 The Company shall have the right of free and unencumbered access to customer's premises and to all property supplied by the Company at reasonable hours for the purpose of reading and changing meters, inspecting, repairing or replacing property of the Company, or for any other purpose incident to the supply of water service.
- 7.3 Customers shall not permit access to the meter and other appliances of the Company except by authorized employees of the Company or properly authorized state or local inspectors.
- 7.4 In case of defective water service, customers should not interfere with property of the Company, but should immediately notify the Company.
- 7.5 (reserved for future use)
- 7.6 Physical connections, such as cross connections, private wells, valves, pumps, or similar devices, either permanent or temporary, between pipes on a customer's premises supplied by the Company and any unapproved sources of supply are prohibited, except to the extent specifically authorized by law or regulation. Customers with an unapproved source of supply wishing to interconnect their system with water supplied by the Company or customers with dual but physically separate piping, where piping from the customer's unapproved source of supply and piping from the Company's distribution system both enter the customer's premises, shall obtain a physical connection permit from the State of New Jersey, Department of Environmental Protection, by following that Department's permit application procedure. Installation, operation and maintenance of authorized physical connections shall be in accordance with the following:
- (a) All authorized connections and associated hardware, including, but not limited to, a double check valve assembly or a reduced pressure zone backflow preventer assembly as defined in the regulations of the New Jersey Department of Environmental Protection applicable to physical connections, shall be purchased, owned, installed and maintained solely at the customer's expense and at no expense to the Company.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

7. CUSTOMER'S PREMISES (Continued)

- (b) Customers with authorized connections shall maintain all records required by law or regulation and shall upon request make the same available for inspection to authorized Company representatives.
- (c) Dual water supply customers who are interconnected in violation of law, those customers holding valid physical connection permits who fail to have said permits renewed in accordance with the provisions of this Tariff or applicable laws and regulations, and those customers holding valid permits who fail to comply with all legal requirements and procedures with respect to the installation, operation and maintenance of "approved physical connection installations," including but not limited to the regulations of the New Jersey Department of Environmental Protection applicable to physical connections, shall have their water service discontinued in accordance with Paragraph 9.1(b) of this Tariff.

- 7.7 In any premises where an auxiliary water source is available, the pipes carrying water from the mains of the Company are required to be marked in some distinctive manner for ready identification.
- 7.8 At Company discretion, no device or connection is permitted between pipes carrying water from the mains of the Company and any portion of the plumbing system of the premises, which may under any condition permit back-flow or back-siphonage.
- 7.9 In any premises where devices are used which might produce a back pressure, such as steam boilers, carbonation equipment for soft drinks, booster pumps, etc., an approved backflow prevention device shall be installed by the customer downstream of the meter.
- 7.10 Whenever 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, the Company reserves the right to discontinue the supply until such time as the leak is repaired. A reconnection charge will apply should the Company take action to physically discontinue water service.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

8. BILLS

- 8.1 All bills will be computed in accordance with the rates of the Company as shown in this Tariff, and as the same may be amended or revised from time to time. Rates are subject to such changes as the state regulatory body having jurisdiction may require, authorize or allow.
- 8.2 Upon a customer making application for water service, the Company will assist in the selection of the Rate Schedule most favorable for the customer's individual requirements, but the Company assumes no responsibility for any information given in this respect.
- 8.3 Bills for General Metered Service are rendered at least once in each calendar month.
- 8.4 Bills for General Metered Service will show the reading dates, the meter reading at the beginning and end of the period, the consumption or minimum charge. Except in a case where an inaccuracy has been established, the amount of the bill, based on the reading of the meter, is deemed conclusive and must be paid (N.J.A.C. 14:3-7.2(b)).
- 8.5 Where a bill has been estimated due to the fact that the Company has been unable to obtain access to the meter, appropriate adjustments will be made for any difference between actual use and estimated use of water when the next regular meter reading is obtained (N.J.A.C. 14:3-7.2).
- 8.6 A customer's responsibility to pay for water service continues from the time service is commenced, pursuant to his application until written notice is received by the Company of a change of ownership or occupancy of the premises or written notice is received by the Company to discontinue the applicable service. Upon receipt of such notice, the Company will arrange for a final meter reading and billing. No allowance will be made in case of non-occupancy, unless the Company is notified in writing as stated above (N.J.A.C. 14:3-3A.1(b)).
- 8.7 Bills are due within fifteen (15) days after being sent by the Company and may be paid in person or by mail at the office of the Company. The Company may assess a late fee of 11/2% per month on all non-residential customers. A utility shall not assess a late payment charge sooner than 25 days after a bill is rendered (N.J.A.C. 14:3-7.1(e)).

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

8. BILLS (Continued)

- 8.8 Should a bill for water service remain unpaid after normal Company collection procedures have been applied, water service will be discontinued as provided by regulations of the BPU applicable to the discontinuance of service for nonpayment of bills (N.J.A.C. 14:3-3A.2). In the case of customers who have made deposits for water service, the Company will apply such deposits toward the bill in arrears, and will also require that the deposit be restored to an amount as set forth under Customer's Deposits (Paragraph 3.1, Page 7) before service is resumed (N.J.A.C. 14:3-3.4(f)).
- 8.9 In case of bankruptcy, fraud, or for other reasons it is indicated that the customer is preparing to vacate the premises served, immediate payment of accounts may be required.
- 8.10 You have the right to budget billing, or payment plans if you are an gas, electric, water or wastewater customer (N.J.A.C 14:3-7.5).

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.



STANDARD TERMS AND CONDITIONS

9. DISCONTINUANCE OF SERVICE

9.1 Customer's water service may be discontinued upon prior notice when it can be reasonably given for any of the following reasons:

- (a) For the use of water for any property or purpose other than that described in the application.
- (b) For failure to remove any temporary or permanent physical connection or interconnection to any unapproved source of supply or for the maintenance of any water outlet improperly protected against back-flow or back-siphonage.
- (c) For willful waste of water through improper or imperfect pipes, fixtures, or failure to comply with restrictions.
- (d) For failure to maintain in good order, connecting pipes, connections, or fixtures owned by the customer, in accordance with law.
- (e) For tampering with any curb stop, service pipe, meter, seal or any other appliances belonging to the Company.
- (f) In case of vacancy of premises, unless the customer requests that service be continued.
- (g) For nonpayment of charges accruing under the schedules of rates of the Company.
- (h) For refusal of reasonable access to property for purposes of inspection, reading, testing, caring for or removing meters, or inspection of the premises for any other purpose incident to the supply of water service.
- (i) Connecting to or disconnecting the meter or in any way tampering or interfering with the meter is prohibited. Penalties provided by law for any such action will be rigidly enforced.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

9. DISCONTINUANCE OF SERVICE (Continued)

- (j) For failure or neglect to connect to a new service pipe installed in front of a customer's premises, previously supplied by a private connecting pipe.
  - (k) For failure to properly construct and maintain meter boxes or vaults in accordance with paragraph 6.8.
  - (l) For violation of any other of these Standard Terms and Conditions, Regulations of the BPU, State Department of Health, and Water Policy and Supply Council, applicable statutes of the State of New Jersey, local ordinances, orders or directives of any governmental body having jurisdiction.
  - (m) Failure to make or increase a deposit.
  - (n) Failure to complete an application for service.
- 9.2 Service will be renewed upon new application when the conditions under which such service was discontinued are corrected, and upon the payment of charges set forth in Rate Schedule No. 4.
- 9.3 Whenever the Company has determined that a customer's service has been reconnected without the permission of the Company after service has been terminated for non-payment of bills or violation of the Company's tariff, the Company will terminate the customer's service for a second time and give written notice to the customer that if service is reconnected again without the permission of the Company, it will be necessary for the Company to excavate and physically disconnect service and that a reconnection charge of \$500, or the actual cost incurred by the Company to excavate and physically disconnect and reconnect the service, whichever is more, will be made.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

10. PUBLIC FIRE PROTECTION FIRE HYDRANTS

- 10.1 Upon application or request by duly authorized representatives of municipalities in the territory supplied, the Company will install fire hydrants for purposes of public fire protection. The locations of such hydrants are selected by agreement between officials of the municipalities and representatives of the Company after careful consideration. Municipalities pay a charge for public fire protection as provided in the applicable Rate Schedule set forth in this Tariff.
- 10.2 No person, other than municipal fire and Company personnel, unless authorized by the Company is permitted to operate or take water from any public fire hydrant for street sprinkling, flushing sewers, storm water drains, or for building construction or any purposes. Unauthorized operation of a fire hydrant is subject to all fines and penalties allowed under local Municipal Ordinances. Hazlet Township Code 214-10 through 214-12 and Holmdel Township Code 19-2.
- 10.3 Use of fire hydrants may be permitted for specific purposes when special permission is obtained from the Company by written permit. Permits to use hydrants will not be issued during cold weather particularly the period from December 1 to April 1. The Company will charge for this service and will require a deposit for the meter furnished by the Company for the service. Any special permission grant shall be revocable at any time by Company.
- 10.4 No wrenches of any sort, other than the one supplied with the permit shall be used for opening or closing hydrants. No attachment of any sort shall be left connected to a hydrant except when it is in actual use. No hydrants should be left unattended while attachments are connected during the time it is in use. The hydrant must be shut, attachments removed, caps replaced, and the hydrant left in readiness for instant use when unattended.
- 10.5 The Company has specified a dedicated fire hydrant for the filling of tanker trucks and tanks. All tanker trucks and tanks must be inspected by the Company to ensure proper backflow prevention is utilized. A permit will be provided to each tanker truck or tank which must be displayed while taking water from the hydrant. The Company reserves the right to rescind a permit at any time. The Company must be notified each time water is taken. Payment for any water so taken shall be in accordance with the tariff then in force.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ,

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

10. PUBLIC FIRE PROTECTION FIRE HYDRANTS (Continued)

- 10.6 All Public Fire Hydrants will be maintained by the Company in accordance with NJAC 14:9-2.2b at its own cost and expense provided that any expense that arises for maintenance or repairs caused by carelessness or negligence of the employees of the Municipality or the members of the Fire Company, shall be paid for by the Municipality.
- 10.7 Whenever the Municipality shall desire a change in the location of any Fire Hydrant, the Company, upon written notice so to do, will make the change at the expense of the Municipality.
- 10.8 In addition to the provisions of NJAC 14:9-1.2b and upon the request of the duly authorized officials of the Municipality, the Company will make inspections at convenient times and at reasonable intervals to determine the condition of the Fire Hydrants, such inspection to be made by a representative of the Company and the Fire Chief, or other duly authorized representative of the municipality.
- 10.9 The location and setting of the new Fire Hydrants shall be made to conform with the current requirements of the National Board of Fire Underwriters.
- 10.10 The rate set for in this tariff for public fire protection does not include the removal of vegetation, snow or debris from around fire hydrants which may inhibit their operation.
- 10.11 Municipal departments should promptly inform the Company of any hydrant which has been used, or is leaking, or in need of attention so that such hydrant may be placed in readiness for instant operation.
- 10.12 All public fire hydrants must be installed per the Company approved specifications and shall not be installed within roadways, curblines, sidewalks or driveways or in anyway impede the safe flow of traffic or pedestrians. Any relocation required due to roadwork and associated activities shall be made at the expense of the Municipality.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

11. PRIVATE FIRE PROTECTION SERVICE

- 11.1 Customers desiring service connection for private fire protection are required to make separate written application for such service. Private fire service installations are made in accordance with the provisions of this Tariff regarding the installation of service and connecting pipes and other facilities. All piping and fittings shall be in accordance with the Company approved specifications.
- 11.2 In general, separate service pipes are installed for customers requiring private fire protection service to supply sprinkler heads or hose connections.
- 11.3 Private fire service lines are to be used exclusively for fire protection purposes and are equipped with special detector check meters which are owned by the company.
- 11.4 A flat rate is charged for private fire protection service based on the size of the service. No charge is made for water used for fire extinguishing purposes or for reasonable testing purposes, provided the Company is notified in advance that tests are to be made.
- 11.5 As a condition of providing fire service protection, the Company requires all applicants to install (1) an "approved physical connection installation," as defined by and in accordance with the regulations of the New Jersey Department of Environmental Protection applicable to physical connections when the applicant's fire protection system will consist of an interconnection between pipes on the premises supplied by the Company and any unapproved source of supply; or (2) an acceptable backflow prevention device if the Company determines that such installation is necessary to protect the public water supply from contamination. Where a tank, standpipe or other storage facility is used for fire protection purposes, it shall be so constructed, arranged, operated and maintained as to protect the water from pollution and shall conform with all applicable rules and regulations of the New Jersey Department of Environmental Protection, including the regulations relative to physical connections, or those of the Company. Arrangements shall be provided to permit drainage of the facilities for inspection and cleaning.
- 11.6 All private fire hydrants are owned by the customer and must be installed per the Company approved specifications and shall not be installed within roadways, curblines, sidewalks or driveways or in anyway impede the safe flow of traffic or pedestrians. Any relocation required due to roadwork and associated activities shall be made at the expense of the customer.
- 11.7 The Company maintains and repairs private fire hydrants except in case of misuse or damage, in which event a charge for repairing or replacing the private fire hydrant will be paid by the customer, said charge to be based on the direct labor and equipment costs obviated by removing, repairing, replacing and/or reinstalling the private fire hydrant. If a hydrant is found to be beyond repair and must be replaced it will be done at the customers expense.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

11. PRIVATE FIRE PROTECTION SERVICE (Continued)

MULTI-USE SERVICE

- 11.8 The Company shall provide multi-use service to a customer or builder upon request unless the Company can show good cause to refuse to supply a multi-use service.
- 11.9 By applying for multi-use service, the customer or builder certifies, in addition to the applicable requirements for Private Fire Protection Service, the following:
- (a) The customer or builder has hydraulically calculated the demand for the customer's or builder's water system based on the simultaneous domestic demand and fire sprinkler demand. The customer or builder shall make this calculation in accordance with the Uniform Construction Code.
  - (b) The customer or builder will ensure that the system is installed in accordance with the Uniform Construction Code at N.J.A.C 5:23.
  - (c) The customer will, prior to installation of the meter, obtain a construction permit in accordance with the Uniform Construction Code from the enforcing agency having jurisdiction over the system.
  - (d) By applying for multi-use service, the customer agrees to be responsible for all claims, costs, and liability for personal injury, death and/or property damage resulting from the customer's individual water system, unless caused by negligence of the water utility.
- 11.10 By applying for multi-use service, and operating the same, the customer agrees:
- (a) To include a backflow prevention device(s) as defined at N.J.A.C. 7:10-1.3 and as specified at N.J.A.C. 7:10-10.3.
  - (b) To be solely responsible for all costs and expense relating to the installation, operation, maintenance, repair and replacement of the customer's water system including the fire suppression system and backflow prevention device(s).
  - (c) To ensure the customer's water system complies with the applicable requirements of the Uniform Construction Code in effect at the time of system installation, including any applicable building, plumbing, and fire protection sub codes.
  - (d) To ensure that the customer's water system is maintained in accordance with all applicable law so as to protect against backflow, back-siphonage and contamination of the potable water system.
  - (e) A water utility may terminate a customer's multi-use service for non-payment of a valid water bill for multi-use service, in accordance with the Board's rules governing discontinuance of service at N.J.A.C. 14:3-3.6.

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

12. GENERAL RULES

- 12.1 The Company will endeavor to provide a regular and uninterrupted supply of water through its facilities, but in case service shall be interrupted, irregular, or defective, or fall because of breakdown or emergency, the Company will not be liable for damage or inconvenience resulting there from.
- 12.2 Water service supplied by the Company shall not be resold by a customer, except by a water utility.
- 12.3 The Company does not undertake to render any special service or maintain any fixed pressure. In the event of an accident or for other reasons, the Company may shut off the water in its mains and pipes and may restrict the use of water whenever the public welfare may require it. All Customers requiring an uninterrupted supply or a uniform pressure of water for any purpose, such as steam boilers, are cautioned to provide their own means of providing such special uninterrupted service. When the supply is to be interrupted or curtailed, the Company will endeavor to give notice.
- 12.4 The Company does not undertake to supply any uniform quality of water for special purposes, such as laboratories, manufacturing or processing plants, swimming pools, bleaching or dyeing plants, or laundries. Customers requiring water of special quality, or water free from excessive discoloration or turbidity, are required to provide their own means of treating the water, or provide such other protection as may be deemed necessary for purposes required.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

12. GENERAL RULES (Continued)

- 12.5 Neither by inspection, approval nor non-rejection, nor in any other way, does the Company give any guarantee, or assume any responsibility, expressed 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.
- 12.6 (reserved for future use)
- 12.7 No unauthorized person is permitted to turn the water on or off at any street valve, corporation stop and curb stop, or other street connection, or disconnect or remove any meter without the consent of the Company.
- 12.8 No agent or employee of the Company shall have authority to bind it by any promise, agreement, or representation not provided in this Tariff, or in any way inconsistent therewith.
- 12.9 The Company reserves the right to require any customer having unusual requirements of demand, service or supply to enter into a specially written contract, which contract shall provide for the mutual obligations of the customer and Company.
- 12.10 The Company reserves the right to change, take from or add to this Tariff and the Standard Terms and Conditions, to the extent permitted by law, or permitted by the applicable regulations of the state regulatory body having jurisdiction.
- 12.11 If a water pressure reducing valve is required, it shall be installed after the meter. All pressure reducing valves are owned and maintained by the customer.
- 12.12 When the supply of water is to be shut off temporarily or curtailed for scheduled maintenance, a notice stating the purpose and probable duration of the shutoff or curtailment will be given to customers affected whenever practicable.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.



STANDARD TERMS AND CONDITIONS

13. EMERGENCY RESPONSES DUE TO EXTRAORDINARY DEMAND AND/OR DIMINISHED SUPPLY

13.1 Discontinuance of service for failure to comply with use restrictions.

For compliance by the utility in good faith with any governmental order or directive notwithstanding that such order or directive subsequently may be held to be invalid, the Company may, upon reasonable notice, as set forth in section 13.3 and 13.5 herein, suspend, curtail, or discontinue service pursuant to N.J.S.A 48:2-23, N.J.S.A 48:2-24, and N.J.S.C 14:3-3.6 for any of the following acts or omissions on the part of the customer:

- (1) Connecting or operating any piping or other facility, including but not limited to, lawn sprinkling on the customer's premises in such manner as to adversely affect the safety or adequacy of service provided to other customers present or prospective; or
- (2) Continuing waste of water by customers after notice from the utility through improper or imperfect pipes, fixtures, or failure to comply with restrictions; or
- (3) Failure to comply with the Standard Terms and Conditions contained in this Tariff or failure to comply with any state law, or the rules, regulations, orders or restrictions of any governmental authority having jurisdiction.

13.2 Water service shall be restored when the conditions under which such services was discontinued, as specified above, are corrected and upon the payment of the SPECIAL RESTORATION OF SERVICE CHARGE of one hundred dollars (\$100.00) for each restoration.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

13. EMERGENCY RESPONSES (Continued)

- 13.3 The Company will endeavor to provide a regular and uninterrupted supply of water through its facilities. However, if because of emergencies beyond the control of the Company, including governmental mandate, service is interrupted, irregular, defective or fails, the Company will not be liable for damage or inconvenience resulting there from. In the event of an extraordinary demand and/or diminished supply, the Company may restrict the use of water whenever the public welfare may require it and, if necessary, may shut off the water in its mains and pipes. In such cases, the Company shall advise its customers by placing prominent advertisement detailing the conditions and restrictions in a newspaper of general circulation in the utility service area. The notice will state the purpose and probable duration of the restriction or discontinuance. Failure to provide regular and uninterrupted service due to breakdowns is covered under other sections of this Tariff.
- 13.4 The Company may restrict water service during certain periods, where the Company advises the Board of Public Utilities, in order to protect the public water supply, or otherwise to comply with any regulations, orders or decrees issued by the Governor of New Jersey or the Department of Environmental Protection pursuant to the Water Supply Management Act. Such interruptions or restrictions shall be reported to the Department of Environmental Protection and the Board by each utility by the speediest means of communications available, followed by a detailed written report, pursuant to the provisions of N.J.S.C. 14:3-3.9(b), within one week. Thereafter the utility shall provide weekly reports for the duration of the emergency.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

13. EMERGENCY RESPONSES (Continued)

13.5 When the supply to individual customers is to be shut off or curtailed for failure to comply with emergency water restrictions imposed because of extraordinary demand or diminished supply, the Company shall advise its customers by placing a door tag on the front door of the home of the individual(s) in violation of the restrictions, at least twenty-four (24) hours prior to discontinuance or curtailment, or by giving another form of notice acceptable to the Board. The Company will advise business and commercial customers, in writing, by mailing a notice to the customer's billing address. In case of door tags, they shall be sequentially numbered and include the date, time and nature of the violation and the procedure for restoration of service. All such notices shall be accounted for by the utility.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

14. WATER MAIN EXTENSIONS

- 14.1 Applications for extensions may be made in person, by telephone or by mail, at any Commercial Office of the Company. Upon receipt of such application, the Company will make a survey and advise the applicant as to the most suitable plan for installing the proposed extension and the probable cost to the customer.
- 14.2 Distribution mains will be extended only in public streets or highways or in new streets or highways, not yet accepted, but which have been laid out according to an accepted plan approved by the appropriate authority. The Company will require an easement in cases where the streets or highways have not been accepted. In no case, however, will distribution mains be installed until streets or highways have been rough graded to an established and approved grade and curbs have been installed.
- 14.3 Extensions of water service shall be 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. 14:3-1, N.J.A.C. 14:3-6, N.J.A.C. 14:3-8, and N.J.A.C. 14:3-10.
- 14.4 Each extension shall become part of the distribution system of the Company and shall be owned, maintained and controlled by the Company.
- 14.5 The Company shall have the right to connect additional customers to an extension and to construct further extensions thereto.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

STANDARD TERMS AND CONDITIONS

15. LAWN SPRINKLER AND IRRIGATION SYSTEMS

- 15.1 All permanent lawn sprinkler or irrigation systems shall be equipped with an approved vacuum breaker and a satisfactory check valve, or an acceptable backflow prevention device, if required under law or regulation or by the Company to protect the public water supply from contamination.
- 15.2 In addition to the restrictions on water service, the Company may, pursuant to Paragraph 14.3 of this Tariff, prohibit lawn sprinkling and irrigation entirely if it deems that such prohibition is necessary to protect the public water supply, or otherwise to comply with any regulations, orders or decrees issued by the Governor of New Jersey during times of drought or at any other time. The Company will make every endeavor to notify customers in advance of such water use prohibitions.
- 15.3 The Company shall have the right to discontinue service upon the failure of the customer to comply with these provisions.
- 15.4 The Company has set mandatory odd/even irrigation restrictions on all its customers year-round.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

**RATE SCHEDULE NO. 1**  
**GENERAL METERED SERVICE**

Applicability:

Applicable to use of water supplied through meters.

Character of Service:

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

Rates:

Fixed Service charge.

<u>Meter Size</u>	<u>Per Month</u>	<u>Per Quarter</u>	<u>Meter Size</u>	<u>Per Month</u>	<u>Per Quarter</u>
5/8" Meter	\$ 11.05	\$ 33.15	3" Turbine or Compound Meter	\$ 165.75	\$ 497.25
3/4" Meter	\$ 16.58	\$ 49.74	4" Meter	\$ 276.25	\$ 828.75
1" Meter	\$ 27.63	\$ 82.89	6" Meter	\$ 552.50	\$ 1657.50
1 1/2" Meter	\$ 55.25	\$ 165.75	8" Meter	\$ 884.00	\$ 2652.00
2" Disc Meter	\$ 88.40	\$ 265.20	10" Meter	\$ 1270.75	\$ 3812.25
2" Turbine or Compound Meter	\$ 132.60	\$ 397.80			

Meter Rates:

\$4.60\* per thousand gallons

Terms of Payments:

Bills are due within fifteen (15) days after mailing. Bills may be paid in cash, check, money order, bank draft or direct debit. Rolled or loose coin will not be accepted as full payment of bill.

Conditions:

Subject to "Standard Terms and Conditions"

\* The State of New Jersey enacted ch.443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which establishes a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates.

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

**RATE SCHEDULE NO. 2**  
**PUBLIC FIRE PROTECTION SERVICES**

Applicability:

Applicable to municipalities throughout the franchised area.

Character of Service:

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

Rates:

Inch Foot Charge

Yearly charge of \$0.1056 per inch foot of distribution and transmission mains of 6" or more diameter serving municipality.

Hydrant Charge

\$26.88 monthly, \$322.56 yearly per each hydrant owned by the Company within the municipality served.

The amount of the bill will be the total of the Inch Foot Charge and the Hydrant Charge.

Terms of Payments:

Bills are due within fifteen (15) days after mailing.

Conditions:

Subject to "Standard Terms and Conditions".

Special Provisions:

The number of "inch feet" is computed by multiplying the linear feet by the internal diameter in inches of distribution and transmission mains serving a municipality on December 31st of the previous year. (For Example: 100 feet of 6 inch mains is equivalent to 600 inch feet).

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

**RATE SCHEDULE NO. 3**  
**PRIVATE FIRE PROTECTION**

Applicability:

Applicable to customers for private fire protection service.

Character of Service:

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

Rates:

Sprinkler connections with hose or hydrant connected to them:

<u>Size of Service</u>	<u>Per Month</u>	<u>Per Quarter</u>
3"	\$ 146.00	\$ 438.00
4"	\$ 244.50	\$ 733.50
6"	\$ 487.84	\$1463.52
8"	\$ 781.00	\$2343.00
10"	\$1207.42	\$3622.26

Sprinkler connections without hose or hydrant connected to them:

<u>Size of Service</u>	<u>Per Month</u>	<u>Per Quarter</u>
1"	\$ 15.07	\$ 45.21
2"	\$ 48.67	\$ 146.01
3"	\$101.97	\$ 305.91
4"	\$170.34	\$ 511.02
6"	\$341.84	\$1025.52
8"	\$546.93	\$1640.79
10"	\$852.84	\$2558.52

Fire Hydrants:

When hydrants are attached between the main and the meter, a charge of \$53.94 per month, \$647.28 per year per hydrant will be made. In the event no sprinkler service is rendered, then the charge shall be the same as above for each hydrant attached after the meter.

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.

1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.



**RATE SCHEDULE NO. 3 (Continued)**  
**PRIVATE FIRE PROTECTION**

**Terms of Payments :**

Billed monthly. Bills are due within fifteen (15) days after mailing.

**Conditions :**

Subject to "Standard Terms and Conditions" and service shall be exclusively used for fire protection purposes. No water shall be used except for fires or testing on reasonable notice to Company. No charge shall be made for water used in testing or for fires.

**Special Provisions:**

Certified Residential Health Care Facilities and rooming or board homes which are required to install private fire sprinkler systems pursuant to P.L. 1971, c. 136 (N.J.S.A. 26:2H-1, et seq.) And P.L. 1979, c. 496 (N.J.S.A. 55:13 B-1, et seq.) And regulations promulgated under these two statutes, shall be exempt from payment of the private fire protection service charges as detailed in Rate Schedule 3. Such exemption shall not be granted until the applicant has submitted to the Company, and the Company has reviewed and approved, evidence that the applicant is a licensed Residential Health Care Facility or a rooming or boarding house and has been required to install a private fire sprinkler system pursuant to the above regulations.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

**RATE SCHEDULE NO. 4**  
**MISCELLANEOUS 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".

**Rates:**

**(A) - GENERAL CONSTRUCTION AND CONTRACTING PURPOSES**

**Metered Service**

The Rates shall be the same as set fourth under General Metered Service , Rate Schedule No. 1.

**Unmetered Service**

The Rates shall be the same as set fourth under General Metered Service , Rate Schedule No. 1, on the basis of the Company's estimate of the volume of water to be used. Charges shall be payable in advance.

**Special Provisions**

Where metered service is provided, a deposit equal to the Company's estimate of the cost of the service for a four month period shall be made with the Company. The meter shall be kept in a safe place and accessible during its use. The deposit will be less the cost of repairs to the meter, if any, will be returned to the applicant by the Company after surrender of the meter and payment of all charges for water supplied through it.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

RATE SCHEDULE NO. 4 (Continued)  
MISCELLANEOUS SERVICE

(B) - STREET SPRINKLING

Water for street sprinkling shall be taken from designated meter outlets and will be charged for under the Metered Service Charges set forth hereinbefore in Rate Schedule No. 1.

(C) - SEWER OR STREET FLUSHING

Metered Service

The Rates shall be the same as set forth under General Metered Service, Rate Schedule No. 1.

Unmetered Service

The rates shall be the same as set forth under General Metered Service, Rate Schedule No. 1, on the basis of the Company's estimate of the volume of water used. Charges will be payable in advance.

Special Provisions

Water for flushing shall be taken from a fire hydrant only after notification to the Company and under the supervision of a Company employee. Water sales to customers or entities using tanks or trucks require additional attention and incur a surcharge in the amount of \$45.00 for each request in addition to the water charge as set forth in the applicable Rate Schedule.

(D) - CHARGES NOT INVOLVING USE OF WATER

Restoration of Service after discontinuance due to nonpayment of bills, violation of the Company or Board of Public Utilities rules, or for any other reason not the fault of the Company:

\$30.00 for metered customers with meters up to one inch in diameter, during normal business hours

(8:00 a.m. to 4:30 p.m.), all other hours \$60.00

\$46.00 per inch in diameter or fraction thereof for metered customers with meters or fire services larger than one inch;

Removing and Replacing Meters within a period of one year at the request of the customer:

\$45.00 for metered customers with meters up to one inch in diameter;

\$62.00 per inch in diameter or fraction thereof for metered customers with meters or fire services larger than one inch;

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

RATE SCHEDULE NO. 4 (Continued)  
MISCELLANEOUS SERVICE

Work, Labor and Materials:

All work and labor to be performed and all materials furnished by the Company will be charged to the customer at cost, unless otherwise provided in this Tariff.

Returned Check Charge:

Should the Company receive a negotiable instrument from the applicant or customer in payment of any bill, charge or deposit due and such instrument is subsequently dishonored or become uncollectible for any reason, the Company shall charge the applicant or customer for any payments the Company was required to pay its bank or other agency for handling such instrument.

Terms of Payment:

Bills are due within fifteen (15) days after mailing. Bills may be paid in cash, check, or money order.

Term:

As required to meet the class of service rendered.

Unauthorized Use of Company Facilities

There will be a minimum charge of \$500.00 for the unauthorized use of Company facilities plus costs for any water used and for repair of any damages to Company property resulting there from.

---

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

**RATE SCHEDULE NO. 5**  
**EMERGENCY OR BACKUP BULK RATE SALES**

**Applicability:**

Applicable to emergency/backup bulk sales to municipalities or other water purveyors which sales do not fall within RATE SCHEDULE 6.

**Character of Service:**

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

**Rates:**

Fixed Service charge.

<u>Meter Size</u>	<u>Non-Exempt Per Month</u>	<u>Non-Exempt Per Quarter</u>	<u>Exempt Per Month</u>	<u>Exempt Per Quarter</u>
3" Meter	\$ 165.75	\$ 497.25	\$ 142.31	\$ 426.93
4" Meter	\$ 276.25	\$ 828.75	\$ 237.18	\$ 711.54
6" Meter	\$ 552.50	\$1657.50	\$ 474.38	\$1423.14
8" Meter	\$ 884.00	\$2652.00	\$ 758.98	\$2276.94
10" Meter	\$1270.75	\$3812.25	\$1091.04	\$3273.12

Meter Rates:

\$4.60 per thousand gallons - Non Exempt

\$3.9487 per thousand gallons - Exempt

Exempt customers, as defined in N.J.S.A. 54:30A-17(b) and N.J.S.A. 54:30A-50(c), are those public utility corporations which are subject to the payment of a tax based on gross receipts.

Non-Exempt customers are all other customers not entitled to the statutory exemptions provided pursuant to N.J.S.A. 54:30A-17(b) and N.J.S.A. 54:30A-50(c). Uninterruptible and steady state customers are as defined in the Water Resale and Treatment Agreement.

**Terms of Payments:**

Bills are due within fifteen (15) days after mailing.

**Conditions:**

Subject to "Standard Terms and Conditions"

**Special Provisions:**

This service only available by yearly contract between municipality or other water purveyors and Company.

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered

On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

**RATE SCHEDULE NO. 6**  
**SALES FOR RESALE - MANASQUAN**

**Applicability:**

Applicable to bulk sales to municipalities or other water purveyors taking water from the New Jersey Water Supply Authority ("NJWSA") delivered through Shorelands Water pursuant to Water Resale and Treatment contractual requirements where they pay the NJWSA directly for the raw water.

**Charges:**

A charge will be made for all water used pursuant to the take or pay contractual agreement as follows:

	<u>Non-Exempt</u> Rate per Million Gallons	<u>Exempt</u> Rate per Million Gallons
Uninterruptible	\$ 2470.50	\$2120.60
Steady State	\$ 3526.54	\$3027.07

Exempt customers, as defined in N.J.S.A. 54:30A-17(b) and N.J.S.A. 54:30A-50(c), are those public utility corporations which are subject to the payment of a tax based on gross receipts.

Non-Exempt customers are all other customers not entitled to the statutory exemptions provided pursuant to N.J.S.A. 54:30A-17(b) and N.J.S.A. 54:30A-50(c). Uninterruptible and steady state customers are as defined in the Water Resale and Treatment Agreement.

**FIXED SERVICE CHARGE**

All sales for resale service customers shall pay a fixed service charge based on the size of each meter installed, in addition to the charge for the quantity of water used if any. Customers with multiple meters shall be charged for each meter at the indicated rate.

Size of Meter	Non-Exempt		Exempt	
	Per Month	Per Quarter	Per Month	Per Quarter
3" Meter	\$165.75	\$ 497.25	\$142.31	\$ 426.93
4" Meter	\$276.25	\$ 828.75	\$237.18	\$ 711.54
6" Meter	\$552.50	\$1657.50	\$474.38	\$1423.14
8" Meter	\$884.00	\$2652.00	\$758.98	\$2276.94

**Terms of Payment:**

Bills for sale of water under this schedule will be rendered monthly, in arrears, due within 15 days after the bill is mailed. Payments which are not received within 25 days are subject to interest charges at the prime rate as set by ~~Shrewsbury State Bank or its successor.~~

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.

**RATE SCHEDULE NO. 8**  
**SALES FOR RESALE - KEYPORT**

Applicability:

Applicable to bulk sales to the municipality of Keyport for sales which do not fall within RATE SCHEDULE NO. 6 (Sales for Resale - Manasquan) or RATE SCHEDULE NO. 5 (Emergency or Backup Bulk Rate Sales).

In order to qualify for the rate under this schedule, Keyport agrees to transfer to Shorelands Water Company diversion equal to 110% of the treated water delivered.

Rates:

A charge will be made for all water used based on the following:

Rate per Million Gallons  
\$1,500.00

Keyport is a Non-Exempt customer as defined in N.J.S.A. 54:30A-17(b) and N.J.S.A. 54:30A-50(c) wherein an Exempt customer is defined as a public utility corporation which is subject to the payment of a tax based on gross receipts.

Fixed Service Charge:

Keyport will pay a fixed service charge based on the size of each meter installed.

<u>Size of Meter</u>	<u>Non-Exempt</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
4"	\$276.25	\$828.75
6"	\$552.50	\$1657.50

Date of Issue: January \_\_\_\_\_, 2011

Effective for service rendered  
On and after January \_\_\_\_\_, 2011

Issued by: Michael P. Walsh, Pres.  
1709 Union Ave., Hazlet, NJ.

Filed pursuant to Decision and Order of BPU in Docket No. WR10060394, dated January \_\_\_\_\_, 2011.