Agenda Date: 3/19/14 Agenda Item: 5A



#### STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

		WATER
IN THE MATTER OF THE PETITION OF NEW JERSEY AMERICAN WATER COMPANY, INC. FOR AUTHORIZATION TO CHANGE THE LEVELS OF ITS	)	ORDER ADOPTING INITIAL DECISION/STIPULATION
PURCHASED WATER ADJUSTMENT CLAUSE AND PURCHASED WASTEWATER (SEWERAGE) TREATMENT ADJUSTMENT CLAUSE	) ) )	BPU DOCKET NO. WR13111038 OAL DOCKET NO. PUC 17989-13

MAIATED

#### Parties of Record:

Robert J. Brabston, Esq., on behalf of New Jersey American Water Company, Inc., Petitioner Stefanie A. Brand, Esq., Director, on behalf of the Division of Rate Counsel Kenneth J. Quinn, Esq., on behalf of Middlesex Water Company, Intervener

#### BY THE BOARD:

On November 15, 2013, New Jersey American Water Company, Inc. ("Petitioner" or "Company"), a public utility of the State of New Jersey, filed a petition with the Board of Public Utilities ("Board") pursuant to N.J.A.C. 14:9-7.1 et seq. and 14:9-8.1 et seq., for approval to change the levels of its existing Purchased Water Adjustment Clause ("PWAC") charge and Purchased Wastewater (sewerage) Treatment Adjustment Clause ("PSTAC") charges, with respect to increased purchased water expense and increased purchased wastewater treatment expense. The total amount originally requested was an overall increase of \$4,483,878 or 0.69% above estimated total Company revenues of \$653,210,852. As a result of settlement discussions, the Petitioner, the Division of Rate Counsel ("Rate Counsel") Board Staff ("Staff") (collectively the "Signatory Parties") have agreed to a total overall stipulated increase of \$1,342,760 or 0.21% above total Company revenues of \$653,201,643.

Petitioner services approximately 605,000 general metered water customers and approximately 35,500 sewer customers in all or part of 188 municipalities in 18 of the State's 21 counties.

Petitioner purchases water on a routine basis from twelve separate entities and purchases wastewater treatment services from three separate entities, each of which adjusts its rates for service, and, in the case of wastewater treatment service providers, issues sewerage deficit/credit adjustments, at different times throughout the year. The twelve water purveyors

are: Passaic Valley Water Commission; Morris County Municipal Utilities Authority; Montclair Water Bureau; Shorelands Water Company; New Jersey Water Supply Authority; Atlantic City Municipal Utilities Authority; City of Wildwood; Borough of Seaside Heights; City of Newark; Township of Maple Shade; East Windsor Municipal Utilities Authority; and Marlboro Township Municipal Utilities Authority. The three sewerage treatment purveyors are: Cape May County Municipal Utilities Authority for the Petitioner's Ocean City Sewer tariff group; Ocean County Utilities Authority for the Petitioner's Lakewood Sewer tariff group; and Howell Township for the Petitioner's Adelphia Sewer tariff group.

In In the Matter of New Jersey American Water Company, Elizabethtown Water Company, and Mount Holly Water Company (Docket No. WR06030257, April 2, 2007), the Board ordered that all purchased water costs and purchased wastewater treatment costs be removed from base rates and recovered through the PWAC and PSTAC as applicable. In the petition filed within the instant proceeding, Petitioner proposed to increase its PWAC rate in PWAC Rate Schedule O-1 from \$0.4368 per thousand gallons of water to \$0.4810 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.3767 per thousand gallons of water to \$0.4148 per thousand gallons for Exempt customers. It also proposed to address its PSTAC charges as follows:

For customers in Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter water quarter usage (January, February and March meter readings) as reflected in PSTAC Rate Schedule 2-B, would increase from \$3.7037 per thousand gallons to \$4.0035 per thousand gallons.

For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings) as reflected in PSTAC Rate Schedule 1-B, would increase from \$24.2983 per thousand gallons to \$25.5426 per thousand gallons.

For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected in PSTAC Rate Schedule 3-B, would increase from \$6.033 per thousand gallons to \$6.7920 per thousand gallons.

#### BACKGROUND/PROCEDURAL HISTORY

This matter was transmitted to the Office of Administrative Law ("OAL") on November 21, 2013, as a contested case and was assigned to Administrative Law Judge ("ALJ") Elia A. Pelios. A telephonic prehearing conference was held on January 27, 2014, with ALJ Pelios during which, among other things, the ALJ directed that public hearings be held on this matter.

On November 12, 2013, Middlesex Water Company (Middlesex) filed a motion to intervene in the instant proceeding. On February 20, 2013, the motion was granted by ALJ Pelios. After proper notice, four public hearings were held in following locations in Petitioner's service area: in Howell Township on February 12, 2014 at 6:00 p.m.; in Ocean City on February 11, 2014 at 2:00 p.m.; in Maplewood on February 12, 2014 at 2:00 p.m.; in Westhampton on February 11, 2013 at 6:00 p.m. No member of the public appeared at the Westampton, Maplewood or Howell public hearings. Ten (10) members of the public attended the Ocean City public hearing, which had public testimony on the record. The Company will be scheduled a follow-up meeting in the

Spring, with the Ocean City Utility Advisory Board, to address all of the questions asked at the Ocean City Public Hearing.

Subsequent to the public hearings, the Petitioner, Rate Counsel, Staff and Middlesex engaged in settlement negotiations. On February 28, 2014, the Signatory Parties entered into a Stipulation of Settlement ("Stipulation). The intervener, Middlesex, submitted a letter to ALJ Pelios, on February 25, 2014, stating that it had no objection to the Stipulation.

On March 10, 2014 ALJ Pelios issued his Initial Decision recommending adoption of the Stipulation executed by the Signatory Parties, finding that they had voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues and is consistent with the law.

#### DISCUSSIONS AND FINDINGS<sup>1</sup>

The Signatory Parties recommend that the Board approve a change to Petitioner's PWAC rate on PWAC Rate Schedule O-1 from \$0.4368 per thousand gallons of water for Non-Exempt customers to \$0.4525 per thousand gallons of water for Non-Exempt customers and from \$0.3767 per thousand gallons of water for Exempt customers to \$0.3902 per thousand gallons of water for Exempt customers.

The Signatory Parties further recommend that the Board permit Petitioner to change its effective PSTAC charges as follows (including the effects of rate compression):

For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter as reflected within PSTAC Rate Schedule 2-B will decrease from \$3.7037 per thousand gallons to \$3.7965 per thousand gallons.

For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings) as reflected upon PSTAC Rate Schedule 1-B, will decrease from \$24.2983 per thousand gallons to \$24.0083 per thousand gallons.

For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, will increase from \$6.0933 per thousand gallons to \$6.4594 per thousand gallons.

<sup>&</sup>lt;sup>1</sup> Although described in this Order at some length, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions in this Order.

The effective PWAC rate change would result in an increase in the annual bill of an average residential customer utilizing 6,500 gallons per month as follows:

	Present Monthly Bill	Proposed Per month	Amount <u>Increase</u>	Percentage <u>Increase</u>
SA-1	\$52.05	\$52.15	\$0.10	0.19%
SA-1B Pennsgrove	\$38.28	\$38.38	\$0.10	0.26%
SA-1D	\$45.69	\$45.68	\$0.10	0.22%
SA-2, SA-3 & SA-1A	\$49.51	\$49.51	\$0.11	0.22%
SA-2 Manville	\$45.08	\$46.08	\$0.10	0.22%
SA-3 Southampton	\$42.67	\$42.67	\$0.10	0.23%

The PSTAC rate changes will result in: (a) an increase for a typical residential sewer service customer in Lakewood Township, Ocean County utilizing 18,000 gallons of water in the winter quarter of \$0.56 per month or 0.97%; (b) a decrease to an average sewer service customer in Ocean City, Cape May County utilizing 20,000 gallons in the summer quarter and 44,000 gallons of water per year of (\$0.48) per month or (0.73%); and (c) an increase to an average sewer service customer in the Adelphia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.47 per month or 2.28%.

These PWAC and PSTAC rates are calculated as being effective April 1, 2014.

The Parties have agreed on a methodology for calculating the amount of interest to be applied to over-recoveries within the PWAC. This method is described as follows: Total PWAC True-up balance (Over)/Under-recovered (which is the adjusted total purchased water expense minus total PWAC revenues net of cost recoveries for the current month) of the current month, plus the total PWAC cumulative true-up balance (Over)/under recovery) of the prior month, minus the amortization of the PWAC true-up from the previous PWAC year of the current month. The Parties agree to review this methodology and adjust it as necessary and appropriate in future PWAC proceedings.

Having reviewed the Initial Decision and the Stipulation of Settlement, the Board <u>HEREBY FINDS</u> that the Signatory Parties have voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. The Board <u>FURTHER FINDS</u> the Initial Decision, which adopts the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board <u>HEREBY ADOPTS</u> the 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:

In accordance with the provisions of <u>N.J.A.C.</u> 14:9-7.3 (c) and 14:9-8.3 (c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, a PWAC true-up schedule in connection with this proceeding. Copies of the true-up schedule shall be served upon all parties to the present proceeding.

The Board <u>HEREBY ACCEPTS</u> the tariff pages attached to the Stipulation as filed with the Board, to be effective on April 1, 2014.

The effective date of this Order is April 1, 2014.

DATED: 3/19/2014

BOARD OF PUBLIC UTILITIES BY:

DIANNÉ SOLOMON

**PRESIDENT** 

EANNE M. FOX '

JOSEPH L. FIORDALISC

COMMISSIONER

ATTEST:

KRISTI IZZO

**SECRETARY** 

HEREBY CERTIFY that the world document is a true copy of the original in the likes of the Board of Public In the Matter of the Petition of New Jersey American Water Company, Inc. for Authorization to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater (Sewerage) Treatment Adjustment Clause

BPU DOCKET NO. WR13111038

OAL DOCKET NO. PUC 17989-13

#### SERVICE LIST

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# State of New Jersey OFFICE OF ADMINISTRATIVE LAW

NJ BPU CASE MANAGEMENT

#### INITIAL DECISION SETTLEMENT

OAL DKT. NO. PUC 17989-13 AGENCY DKT. NO. WR13111038

I/M/O NEW JERSEY AMERICAN WATER COMPANY, INC. FOR AUTHORIZATION TO CHANGE THE LEVELS OF ITS PURCHASED WATER ADJUSTMENTS CLAUSE ("PWAC") AND PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE ("PSTAC").

FORWARDING
7014 MAR 11 PM 7 18

Robert J. Brabston, Esq., for petitioner (New Jersey American Water Company, Inc.)

Alex Moreau, Deputy Attorney General, for respondent (Jeffrey S. Chiesa, Attorney General of New Jersey, attorney)

Susan E. McClure, Assistant Deputy Rate Counsel, for Division of Rate Counsel, appearing pursuant to N.J.A.C. 1:1-5.4(a)2

Kenneth J. Quinn, Esq., for intervenor, Middlesex Water Company

Record Closed: March 5, 2014 Decided: March 5, 2014

'n

#### BEFORE ELIA A. PELIOS, ALJ:

This proceeding involves a petition by New Jersey American Water Company, Inc., for approval of a purchased water adjustment clause and purchased sewerage treatment adjustment clause. The petition was transmitted to the Office of Administrative Law on December 17, 2013, for determination as a contested case. Duly noticed public hearings were held in Ocean City, New Jersey, and Westampton Township, New Jersey on February 11, 2014, and in Howell, New Jersey, and Maplewood, New Jersey, on February 12, 2014. Ten members of the public appeared on February 11, 2014, in Ocean City, with public testimony provided on the record. No members of the public appeared in Maplewood, Freehold or Westampton. No written comments were submitted by the public.

The parties filed on February 28, 2014, a Stipulation of Settlement (J-1) which resolves all issues in this proceeding. Said Stipulation of Settlement has been signed by all parties, indicates the terms of settlement, and is attached and fully incorporated herein.

A motion to intervene was filed on behalf of Middlesex Water Company on November 12, 2013. No opposition was filed and the motion is hereby **GRANTED**. Middlesex Water Company has conveyed that it does not object to the stipulation (I-1).

#### I have reviewed the terms of settlement and I FIND:

- The parties have voluntarily agreed to the settlement as evidenced by their signatures or their representatives' signatures on the attached document.
- 2. The settlement fully disposes of all issues in controversy between the parties and is consistent with the law.



Robert J. Brabston Corporate Counsel 167 J.F. Kennedy Parkway Short Hills, NJ 07078 P 973.564.5716 F 973.564.5708

Robert.Brabston@amwater.com

February 28, 2014

#### Via Email, Facsimile and Regular Mail

Hon. Elia A. Pelios, ALJ Office of Administrative Law 9 Quakerbridge Plaza P.O. Box 049 Trenton, New Jersey 08625-0049

Re:

I/M/O the Petition of New Jersey American Water Company, Inc. to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater

(Sewerage) Treatment Adjustment Clause

BPU Docket No. WR13111038
OAL DOCKET NO. PUC 17989-13

Dear Judge Pelios:

Attached to this letter is the signed stipulation, representing the parties' settlement of the above-captioned matter. Earlier this week, Middlesex Water Company submitted a letter indicating they have no objection to this matter proceeding by way of the attached settlement.

Thank you for your attention to and handling of this matter. Please do not hesitate to call if there are any questions about this matter.

Very truly yours,

/s/ Robert J. Brabston

Robert J. Brabston

RJB

cc: Service list (via e-mail)

#### STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF BPU DOCKET NO. WR13111038

NEW JERSEY-AMERICAN WATER

OAL DOCKET NO. PUC 1989-2013 COMPANY, INC. FOR APPROVAL TO

CHANGE THE LEVEL OF ITS PURCHASED

WATER ADJUSTMENT CLAUSE AND

PURCHASED WASTEWATER (SEWERAGE)

STIPULATION OF SETTLEMENT TREATMENT ADJUSTMENT CLAUSE

#### APPEARANCES:

Robert J. Brabston, Esq., on behalf of New Jersey-American Water Company, Inc., Petitioner:

Alex Moreau and Jennifer Hsia, Deputy Attorneys General, on behalf of the Staff of the Board of Public Utilities (John J. Hoffman, Acting Attorney General of New Jersey);

Susan E. McClure, Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel: and

Kenneth J. Quinn, Esq., on behalf of Middlesex Water Company, Intervenor

#### TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

On November 15, 2013, New Jersey-American Water Company, Inc. ("Petitioner"), a public utility of the State of New Jersey, filed a Petition with the Board of Public Utilities ("Board") pursuant to N.J.A.C. 14:9-7.1 et seq. and 14:9-8.1 et seq., for approval to change the levels of its existing purchased water adjustment clause ("PWAC") charge and purchased wastewater (sewerage) treatment adjustment clause ("PSTAC") charges, with respect to increased purchased water expense and increased purchased wastewater treatment expense. The total amount originally requested was an increase of \$4,483,878 or 0.69% above total Company revenues of \$653,210,852. As a result of settlement discussions, the Signatory Parties indicated

below have agreed to a total overall stipulated increase of \$1,342,760 or 0.21% above total Company revenues of \$653,201,643.

Petitioner purchases water on a routine basis from twelve separate entities and purchases wastewater treatment services from three separate entities, each of which adjusts its rates for service, and, in the case of wastewater treatment service providers, issues sewerage deficit/credit adjustments, at different times throughout the year. The twelve water purveyors are: Passaic Valley Water Commission; Morris County Municipal Utilities Authority; Montclair Water Bureau; Shorelands Water Company; New Jersey Water Supply Authority; Atlantic City Municipal Utilities Authority; City of Wildwood; Borough of Seaside Heights; City of Newark; Township of Maple Shade; East Windsor Municipal Utilities Authority; and Marlboro Township Municipal Utilities Authority. The three sewerage treatment purveyors are: Cape May County Municipal Utilities Authority for the Petitioner's Ocean City Sewer tariff group; Ocean County Utilities Authority for the Petitioner's Lakewood Sewer tariff group; and Howell Township for the Petitioner's Adelphia Sewer tariff group.

In Docket No. WR06030257 (April 2, 2007), the Board ordered that all purchased water costs and purchased wastewater treatment costs be removed from base rates and recovered through the PWAC and PSTAC as applicable. In the Petition filed within the instant proceeding, Petitioner proposed to increase its PWAC rate upon PWAC Rate Schedule O-1 from \$0.4368 per thousand gallons of water to \$0.4810 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.3767 per thousand gallons of water to \$0.4148 per thousand gallons for Exempt customers. It also proposed to address its PSTAC charges as follows:

 For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter usage (January, February and March meter

- readings) as reflected upon PSTAC Rate Schedule 2-B, would change from \$3.7037 per thousand gallons to \$4.0035 per thousand gallons.
- For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings) as reflected upon PSTAC Rate Schedule 1-B, would change from \$24.2983 per thousand gallons to \$25.5426 per thousand gallons.
- For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, would change from \$6.033 per thousand gallons to \$6.7920 per thousand gallons.

The Board transmitted this matter to the Office of Administrative Law (the "OAL") as a contested case. A telephonic prehearing conference was held with the Honorable Elia A. Pelios, Administrative Law Judge, during which, among other things, Judge Pelios directed that public hearings be held on this matter.

On November 12, 2013, Middlesex Water Company ("Middlesex") filed a motion to intervene in the instant proceeding. On January 27, 2014, during the telephonic prehearing conference, no party opposed Middlesex's motion and Judge Pelios indicated that the motion would be granted. Middlesex has been included on the service list, received all discovery, and participated in all conferences and meetings. Four public hearings were held in Petitioner's service area: in Howell Township on February 12 at 6 p.m. (no public attendees); Ocean City on February 11 at 2 p.m. (ten public attendees); Maplewood on February 12 at 2 p.m. (no public attendees); and Westampton on February 11 at 6 p.m. (no public attendees). The Ocean City hearing had public testimony on the record, and the Company is scheduling a follow-up meeting later in the spring with the Ocean City Utility Advisory Board to address all of the questions asked at the Ocean City public hearing.

The Division of Rate Counsel ("Rate Counsel") and Board Staff served interrogatories on Petitioner, which were responded to in full by Petitioner. Petitioner, Board Staff, and Rate Counsel ("Signatory Parties") and Middlesex participated in a discovery/settlement conference on February 24, 2014, after the public hearings had been held and public comment received into the record for consideration by all parties. As a result of discovery conducted and of the negotiations, the Signatory Parties have been able to reach agreement on this matter, the provisions of which are set forth below.

#### SETTLEMENT AGREEMENT

- 1. The Signatory Parties recommend that the Board approve a change to Petitioner's PWAC rate on PWAC Rate Schedule O-1 from \$0.4368 per thousand gallons of water for Non-Exempt customers to \$0.4525 per thousand gallons of water for Non-Exempt customers and from \$0.3767 per thousand gallons of water for Exempt customers to \$0.3902 per thousand gallons of water for Exempt customers.
- 2. The Signatory Parties further recommend that the Board permit Petitioner to change its effective PSTAC charges as follows:
  - For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter as reflected within PSTAC Rate Schedule 2-B will change from \$3.7037 per thousand gallons to \$3.7965 per thousand gallons.
  - For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings) as reflected upon PSTAC Rate Schedule 1-B, will change from \$24.2983 per thousand gallons to \$24.0083 per thousand gallons.
  - For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, will change from \$6.0933 per thousand gallons to \$6.4594 per thousand gallons.

3. The effective PWAC rate change would result in an increase in the annual bill of an average residential customer utilizing 6,500 gallons per month as follows:

	Present <u>Monthly Bill</u>	Proposed <u>Per Month</u>	Amount Increase	Percentage Increase
SA-1	\$52.05	\$52.15	\$0.10	0.19%
SA-1B Pennsgrove	\$38.28	\$38.38	\$0.10	0.26%
SA-1D	\$45.58	\$45.68	\$0.10	0.22%
SA-2, SA-3 & SA1A	\$49.40	\$49.51	\$0.11	0.22%
SA-2 Manville	\$45.98	\$46.08	\$0.10	0.22%
SA-3 Southampton	\$42.57	\$42.67	\$0.10	0.23%

- 4. The PSTAC rate changes, will result in: an increase for a typical residential sewer service customer in Lakewood Township, Ocean County utilizing 18,000 gallons of water in the winter quarter, of \$0.56 per month or 0.97%; a decrease to an average sewer service customer in Ocean City, Cape May County utilizing 20,000 gallons in the summer quarter and 44,000 gallons of water per year, of (\$0.48) per month or (0.73%); and an increase to an average sewer service customer in the Adelphia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.47 per month or 2.82%.
  - 5. These PWAC and PSTAC rates are calculated as being effective April 1, 2014.
- NJAWC plans to file its 2014 PWAC/PSTAC petition on or before November 15,
   2014.
- 7. Within this Stipulation, the Signatory Parties have agreed on a methodology for calculating the amount of interest to be applied to over-recoveries within the PWAC. This method is described as follows: Total PWAC True-up balance (Over)/Under-recovered (which is the adjusted total purchased water expense minus total PWAC revenues net of cost recoveries for the current month) of the current month, plus the total PWAC cumulative true-up balance

(Over)/under recovery) of the prior month, minus the amortization of the PWAC true-up from the previous PWAC year of the current month. By way of example of this methodology, see Note 5, Schedule DMD-2, attached to this Stipulation. The Signatory Parties agree to review this methodology and adjust it as necessary and appropriate in future PWAC proceedings.

- The PWAC/PSTAC rates established herein will increase annual revenues by \$1,342,760 or 0.21%.
- 9. In accordance with the provisions of N.J.A.C. 14:9-7.3(c) and 14:9-8.3(c), the Petitioner shall file with the Board, not later than 45 days after the adjustment clauses have been in effect for one year, PWAC and PSTAC true-up schedules in connection with this proceeding. Copies of the true-up schedules will be served upon Board Staff and Rate Counsel.
- 10. This Stipulation shall be binding on the Signatory Parties to this proceeding upon approval hereof by the Board. This Stipulation shall bind the Signatory Parties in this matter only and shall not be considered precedential in any other proceeding involving the Signatory Parties hereto.
- 11. This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the Signatory Parties individually and jointly state that they would not have signed the Stipulation had any term been modified in any way. In the event that any modifications whatsoever are made to this Stipulation, each of the Signatory Parties hereto is entitled to certain procedures in the event of such occurrence.
- 12. If any modification is made to the terms of this Stipulation, the Signatory Parties must be given the right to be placed in the position in which each Signatory Party was before this Stipulation was executed. It is essential that each Signatory Party be given the option either to

modify its own position, to accept the proposed change(s) or to resume the proceeding as if no agreement had been reached.

- 13. The Signatory Parties believe that these procedures are fair to all concerned and, therefore, they are made an integral and essential element of this Stipulation.
- 14. This Stipulation may be executed in as many counterparts as there are signatories to this Stipulation, each of which counterpart shall be an original, but all of which shall constitute one and the same instrument.
- 15. On February 25, 2014, Middlesex filed a letter with the OAL indicating that it did not object to the Stipulation.

#### STEFANIE A. BRAND, DIRECTOR **DIVISION OF RATE COUNSEL**

Susan E. McClure

**Assistant Deputy Rate Counsel** 

**NEW JERSEY-AMERICAN WATER** COMPANY, INC.

JOHN J. HOFFMAN ACTING ATTORNEY GENERAL OF NEW JERSEY Attorney for the Staff of the Board of Public Utilities

Deputy Attorney General

Tenth Revised Sheet: No. 81 Superseding Ninth Revised Sheet: No. 81

# RATE SCHEDULE 1-A GENERAL METERED SERVICE

#### **APPLICABILITY**

Applicable for general residential, commercial, industrial and municipal wastewater service in the City of Ocean City. The charge for wastewater service shall consist of the total of the Minimum Service Charge, the Sewer Usage Charge and the Purchased Wastewater Treatment Adjustment Clause (PSTAC) Charge, as defined under the Standard Terms and Conditions in this tariff. The PSTAC charge is included within the Minimum Service Charge rates reflected below.

#### CHARACTER OF SERVICE

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

#### MINIMUM SERVICE CHARGE

All wastewater service customers shall pay a Minimum Service Charge in addition to the Sewer Usage Charge, if any, of \$26.26387 times the number of CCF (hundred cubic feet) or \$35.1121 times the number of thousand gallons of water usage at that property during the prior summer quarter, but in no case less than \$262.64 for non-exempt customers. Exempt charges are \$25.15381 per CCF or \$33.6281 per thousand gallons, but in no case less than \$251.54. Included within the Minimum Service Charges are \$17.95821 per CCF or \$24.0083 per thousand gallons for the PSTAC. On a percentage basis, the PSTAC represents 68.3762% (\$24.0083 / \$35.1121) non-exempt or 71.3937% (\$24.0083 / \$33.6281) exempt, of the Minimum Service Charge. Summer quarter consumption shall be determined based on an initial meter reading taken in June with the concluding meter reading taken approximately 90 days thereafter in September.

#### SEWER USAGE CHARGE

The volume of sewer use is assumed to equal water meter registration. Charges shall be based on water consumption as indicated by water meter readings on a monthly or quarterly basis at the option of the Company.

Non-Exempt	Gallons <u>Per Month</u> All	Gallons <u>Per Quarter</u> All	Rate <u>Per 100 Gallons</u> \$0.18698	Rate <u>Per 1,000 Gallons</u> \$1,8698
Exempt	All	All	\$0.16199	\$1.6199
Non -Exempt Exempt	Cubic Feet <u>Per Month</u> All All	Cubic Feet <u>Per Quarter</u> All All	Rate <u>Per 10 Cubic Feet</u> \$0.139861 \$0.121169	Rate <u>Per 100 Cubic Feet</u> \$1.39861 \$1.21169

#### **TERMS OF PAYMENT**

The following plan for payment of the Minimum Service Charge is offered as a convenience to our customers and does not relieve the customer of the liability to pay the entire Minimum Service Charge if wastewater service is rendered for only a portion of the year.

For monthly billed customers, one-twelfth of the Minimum Service Charge shall be due and payable upon receipt of the regular bill for wastewater service. For quarterly billed customers, one-third of the Minimum Service Charge shall be due and payable upon receipt of the March billing, the June billing and the September billing for wastewater service.

If the Company determines by application of the following criteria that the customer's past record of payments does not warrant application of this payment plan, the Company may require payment of the entire service charge at one time rather than in installments.

- If a customer has been terminated at least once in the past two years for non-payment of a bill for wastewater service; or,
- If a customer receives three (3) Final Reminder Notices during a twelve month period.

In addition, in the case of a reactivated account, the customer will be required to pay any installment(s) which would have been billed if the account had been active as of January 1. A new account will be required to pay a pro-rate share of the Minimum Service Charge based on the period of service to be rendered during that year.

Usage charges based upon meter readings shall be billed in monthly in arrears (or quarterly at the option of the Company).

Valid bills for service furnished under this schedule are due fifteen (15) days from the date of the postmark on the envelope in which the bill was transmitted. All bills shall list a due date.

Issued: April 1, 2014

Effective: April 1, 2014

Eleventh Revised Sheet: No. 65 Superseding Tenth Revised Sheet: No. 65

## RATE SCHEDULE 0-1 PURCHASED WATER ADJUSTMENT CLAUSE (PWAC)

#### APPLICABILITY

Applicable to all Metered Water Customer classes served by the Company in all service areas for water service, except for Manasquan Uninterruptible Service. The PWAC charge, as defined under the Standard Terms and Conditions of this tariff, is designed to recover the cost of purchased water associated with the normal operations of the Company and allow the Company to achieve a zero or near-zero deferred balance each April 1st on its purchased water costs.

#### CHARACTER OF SERVICE

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

#### PURCHASED WATER ADJUSTMENT CLAUSE (PWAC) CHARGE

In addition to all other charges for metered service, the following charges per one hundred gallons, per one thousand gallons, per 10 cubic feet and per 100 cubic feet for all sales will be made to recover purchased water costs not included in the Water Charge or any other Charge:

	Gallons Per Month	Gallons Per Quarter	Rate Per 100 Gallons	Rate Per 1.000 Gallons
Non-Exempt	Ali	All	\$0.04525	\$0.4525
Exempt	Ali	Ail	\$0.03902	\$0.3902
	Cubic Feet	Cubic Feet	Rate	Rate
	Per Month	Per Quarter	Per 10 Cubic Feet	Per 100 Cubic Feet
Non -Exempt	All	All	\$0.033847	\$0.33847
Exempt	All	All	\$0.029187	\$0.29187

The PWAC Charge is also applicable to any difference between the quantity of water actually purchased by the customer and any applicable take-or-pay commitment.

#### **FILING**

The Company shall endeavor to make an annual PWAC filing no later than December 1<sup>st</sup> of each year proposing a PWAC rate to be effective on or about the following April 1<sup>st</sup>.

The notice of filing and of public hearing in the annual PWAC proceedings shall include the specific rate change proposed to be implemented on April 1<sup>st</sup>. The notice shall also include the impact of such potential increases on a benchmark bill.

The annual PWAC filing shall contain, but not be limited to, the following:

- A reconciliation of actual versus estimated costs and revenues from the last Board approved PWAC charge for purchased water;
- Projected rates supported by projected volumes, revenues, and projected purchased water costs;
- 3. Deferred balances and the timeframe over which they are proposed to be collected or returned;
- A written explanation of the circumstances that caused the deferred balances in (3) above;
- 5. A written explanation of any significant activities or trends which may effect costs for the prospective period; and
- Updated tariff sheets to reflect any change to the PWAC rate.

The benchmark bill shall be the average residential water customer bill for a twelve-month period.

(Continued)

Issued: April 1, 2014

Effective: April 1, 2014

Ninth Revised Sheet: No. 82 Superseding Eighth Revised Sheet: No. 82

# RATE SCHEDULE 1-B PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE (PSTAC)

#### **APPLICABILITY**

Applicable to all Wastewater Service customer classes including general residential, commercial, industrial and municipal wastewater service in the City of Ocean City. The PSTAC charge, as defined under the Standard Terms and Conditions in this tariff, is designed to recover the cost of purchased wastewater treatment and disposal costs associated with the normal operations of the Company, and allow the Company to achieve a zero or near-zero deferred balance each April 1st on its purchased wastewater treatment and disposal costs. The PSTAC charges detailed below are included on Rate Schedule 1-A within the Minimum Service Charges and are provided herein only for informational purposes. The customer will not be separately invoiced for the PSTAC charge.

#### **CHARACTER OF SERVICE**

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

#### PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE (PSTAC) CHARGE

The following are the PSTAC charges per one hundred gallons, per one thousand gallons, per 10 cubic feet, and per 100 cubic feet that are included within the Minimum Service Charge rates as set forth in Wastewater-Rate Schedule 1-A to recover purchased wastewater treatment and disposal costs.

Non Exempt and Exempt	Gallons	Gallons	Rate	Rate
	<u>Per Month</u>	<u>Per Quarter</u>	<u>Per 100 Gallons</u>	<u>Per 1000 Gallons</u>
	All	All	\$2.40083	\$24,0083
Non Exempt and Exempt	Cubic Feet	Cubic Feet	Rate	Rate
	<u>Per Month</u>	<u>Per Quarter</u>	<u>Per 10 Cubic Feet</u>	<u>Per 100 Cubic Feet</u>
	Ail	All	\$1.795821	\$17.95821

#### FILING

The Company shall endeavor to make an annual PSTAC filing no later than December 1<sup>st</sup> of each year, proposing a PSTAC rate or percentage to be effective on or about the following April 1<sup>st</sup>.

The notice of filing and of public hearing in the annual PSTAC proceedings shall include the specific rate change proposed to be implemented on April 1st. The notice shall also include the impact of such potential increases on a benchmark bill.

The annual PSTAC filing shall contain, but not be limited to, the following:

- A reconciliation of actual versus estimated costs and revenues from the last Board approved PSTAC charge for wastewater treatment and disposal;
- Projected rates supported by projected volumes, revenues, and projected purchased wastewater treatment and disposal costs;
- 3. Deferred balances and the timeframe over which they are proposed to be collected or returned;
- 4. A written explanation of the circumstances that caused the deferred balances in (3) above;
- 5. A written explanation of any significant activities or trends which may affect costs for the prospective period; and
- Updated tariff sheets to reflect any change to the PSTAC rate.

The benchmark bill shall be the average residential wastewater customer bill for a twelve-month period.

#### TERMS OF PAYMENT

See Rate Schedule 1-A for applicable customer classes.

(Continued)

Issued: April 1, 2014

Effective: April 1, 2014

Eighth Revised Sheet: No. 86 Superseding Seventh Revised Sheet: No. 86

# RATE SCHEDULE 2-B PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE (PSTAC)

#### **APPLICABILITY**

Applicable to all Wastewater Service customer classes including general residential, commercial, industrial and municipal wastewater service in Lakewood Township. The PSTAC charge, as defined under the Standard Terms and Conditions in this tariff, is designed to recover the cost of purchased wastewater treatment and disposal costs associated with the normal operations of the Company, and allow the Company to achieve a zero or near-zero deferred balance each April 1<sup>st</sup> on its purchased wastewater treatment and disposal costs.

#### CHARACTER OF SERVICE

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

#### PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE (PSTAC) CHARGE

In addition to all other charges for general metered service, the following charges per one hundred gallons, per one thousand gallons, per 10 cubic feet and per 100 cubic feet for all sales will be made to recover purchased wastewater treatment and disposal costs not included in the Sewer Usage Charge or any other Charge as set forth in Rate Schedule 2-A of the current Tariff:

Non Exempt and Exempt	Galions	Gallons	Rate	Rate
	<u>Per Month</u>	<u>Per Quarter</u>	<u>Per 100 Gallons</u>	<u>Per 1,000 Gallons</u>
	Ali	All	\$ 0.37965	\$3.7965
Non Exempt and Exempt	Cubic Feet	Cubic Feet	Rate	Rate
	<u>Per Month</u>	<u>Per Quarter</u>	<u>Per 10 Cubic Feet</u>	<u>Per 100 Cubic Feet</u>
	All	All	\$ 0.283978	\$2.83978

#### FILING

The Company shall endeavor to make an annual PSTAC filing no later than December 1<sup>st</sup> of each year, proposing a PSTAC rate or percentage to be effective on or about the following April 1<sup>st</sup>.

The notice of filing and of public hearing in the annual PSTAC proceedings shall include the specific rate change proposed to be implemented on April 1<sup>st</sup>. The notice shall also include the impact of such potential increases on a benchmark bill.

The annual PSTAC filing shall contain, but not be limited to, the following:

- A reconciliation of actual versus estimated costs and revenues from the last Board approved PSTAC charge for purchased wastewater treatment and disposal;
- Projected rates supported by projected volumes, revenues, and projected purchased wastewater treatment and disposal costs;
- Deferred balances and the timeframe over which they are proposed to be collected or returned;
- 4. A written explanation of the circumstances that caused the deferred balances in (3) above;
- A written explanation of any significant activities or trends which may affect costs for the prospective period; and
- Updated tariff sheets to reflect any change to the PSTAC rate.

The benchmark bill shall be the average residential wastewater customer bill for a twelve-month period.

(Continued)

Issued: April 1, 2014

Effective: April 1, 2014

Ninth Revised Sheet: No. 89 Superseding Eighth Revised Sheet: No. 89

# RATE SCHEDULE 3-B PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE (PSTAC)

#### **APPLICABILITY**

Applicable to all Wastewater Service customer classes including general residential, commercial, industrial and municipal wastewater service customers provided service by the Company's Adelphia System (service area of the former Adelphia Sewer Company) in the Township of Howell in Monmouth County. The PSTAC charge, as defined under the Standard Terms and Conditions in this tariff, is designed to recover the cost of purchased wastewater treatment and disposal associated with the normal operations of the Company, and allow the Company to achieve a zero or near-zero deferred balance each April 1<sup>st</sup> on its purchased wastewater treatment and disposal costs.

#### CHARACTER OF SERVICE

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

#### PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE (PSTAC) CHARGE

In addition to all other charges for general metered service, the following charges per one hundred gallons, per one thousand gallons, per 10 cubic feet and per 100 cubic feet for all sales will be made to recover purchased wastewater treatment and disposal costs not included in the Sewer Usage Charge or any other Charge as set forth in Rate Schedule 3-A of the current Tariff:

	Gallons	Gallons	Rate	Rate
	Per Month	Per Quarter	Per 100 Gallons	Per 1,000 Gallons
Non-Exempt and Exempt	All	All	\$0.64594	\$6.4594

#### FILING

The Company shall endeavor to make an annual PSTAC filing no later than December 1<sup>st</sup> of each year, proposing a PSTAC rate to be effective on or about the following April 1<sup>st</sup>.

The notice of filing and of public hearing in the annual PSTAC proceedings shall include the specific rate change proposed to be implemented on April 1<sup>st</sup>. The notice shall also include the impact of such potential increases on a benchmark bill.

The annual PSTAC filing shall contain, but not be limited to, the following:

- A reconciliation of actual versus estimated costs and revenues from the last Board approved PSTAC charge for purchased wastewater treatment and disposal;
- Projected rates supported by projected volumes, revenues, and projected purchased wastewater treatment and disposal costs;
- 3. Deferred balances and the timeframe over which they are proposed to be collected or returned;
- 4. A written explanation of the circumstances that caused the deferred balances in (3) above;
- 5. A written explanation of any significant activities or trends which may affect costs for the prospective period; and
- Updated tariff sheets to reflect any change to the PSTAC rate.

The benchmark bill shall be the average residential wastewater customer bill for a twelve-month period.

(Continued)

Issued: April 1, 2014 Effective: April 1, 2014



Via Facsimile & Overnight Mail (609) 689-4100

February 25, 2014

Honorable Elia A. Pelios, ALJ Office of Administrative Law 9 Quakerbridge Plaza P.O. Box 049 Trenton, NJ 08625-0049

RE: I/M/O the Petition of New Jersey American Water Company, Inc. for Approval to

Change The Level of its Purchased Water Adjustment Clause and Purchased

Wastewater (Sewerage) Treatment Adjustment Clause

BPU Docket No.: WR13111038
OAL Docket No: PUC 1989-2013

Dear Judge Pelios:

Middlesex Water Company ("Middlesex"), an Intervenor in the above matter, has reviewed the proposed Stipulation of Settlement ("Stipulation") in the above-referenced matter which is expected to be executed shortly.

Please be advised that Middlesex does not object to the Stipulation.

Should you have any questions, please contact me.

Respectfully,

Kenneth L Quinn

Vice President, General Counsel.

Secretary and Treasurer

cc: Attached Service List

(via e-mail only)



# State of New Jersey OFFICE OF ADMINISTRATIVE LAW

#### INITIAL DECISION SETTLEMENT

OAL DKT. NO. PUC 17989-13 AGENCY DKT. NO. WR13111038

I/M/O NEW JERSEY AMERICAN WATER COMPANY, INC. FOR AUTHORIZATION TO CHANGE THE LEVELS OF ITS PURCHASED WATER ADJUSTMENTS CLAUSE ("PWAC") AND PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE ("PSTAC").

Robert J. Brabston, Esq., for petitioner (New Jersey American Water Company, Inc.)

Alex Moreau, Deputy Attorney General, for respondent (Jeffrey S. Chiesa, Attorney General of New Jersey, attorney)

Susan E. McClure, Assistant Deputy Rate Counsel, for Division of Rate Counsel, appearing pursuant to N.J.A.C. 1:1-5.4(a)2

Kenneth J. Quinn, Esq., for intervenor, Middlesex Water Company

Record Closed: March 5, 2014 Decided: March 5, 2014

#### BEFORE ELIA A. PELIOS, ALJ:

This proceeding involves a petition by New Jersey American Water Company, Inc., for approval of a purchased water adjustment clause and purchased sewerage treatment adjustment clause. The petition was transmitted to the Office of Administrative Law on December 17, 2013, for determination as a contested case. Duly noticed public hearings were held in Ocean City, New Jersey, and Westampton Township, New Jersey on February 11, 2014, and in Howell, New Jersey, and Maplewood, New Jersey, on February 12, 2014. Ten members of the public appeared on February 11, 2014, in Ocean City, with public testimony provided on the record. No members of the public appeared in Maplewood, Freehold or Westampton. No written comments were submitted by the public.

The parties filed on February 28, 2014, a Stipulation of Settlement (J-1) which resolves all issues in this proceeding. Said Stipulation of Settlement has been signed by all parties, indicates the terms of settlement, and is attached and fully incorporated herein.

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A motion to intervene was filed on behalf of Middlesex Water Company on November 12, 2013. No opposition was filed and the motion is hereby **GRANTED**. Middlesex Water Company has conveyed that it does not object to the stipulation (I-1).

I have reviewed the terms of settlement and I FIND:

- The parties have voluntarily agreed to the settlement as evidenced by their signatures or their representatives' signatures on the attached document.
- 2. The settlement fully disposes of all issues in controversy between the parties and is consistent with the law.

On March 4, 2014, petitioner informed this office by way of letter (P-1) that the stipulation of settlement (J-1) contains a typographical error in that it states that the petition was filed on November 15, 2013 when it was actually filed on November 1, 2013. All parties have been alerted to the existence of the typographical error. I FIND and CONCLUDE that the typographical error does not materially affect the appropriateness of the settlement; the voluntary nature of the parties' entering into it; its disposing of all issues in controversy between the parties; or, its consistency with the law.

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.

March 5, 2014	el al.
DATE	ELIA A. PELIOS, ALJ
Date Received at Agency:	3/6/14
Date Mailed to Parties:	3/6/14

/mel

#### **EXHIBITS**

#### **Jointly Submitted**

J-1 Stipulation of Settlement

#### Submitted by Middlesex Water Company

I-1 Letter Expressing Lack of Objection to J-1

### Submitted by Petitioner New Jersey American Water Company

P-1 Letter identifying typographical error in stipulation of settlement



5-1

Robert J. Brabaton Corporate Counsel 167 J.F. Kennedy Parkway Short Hills, NJ 07078 Robert Brabaton@arrwater.com

ĊД

P 973.664.6716 F 973.584.5708

February 28, 2014

#### Via Email, Facsimile and Regular Mail

Hon. Elia A. Pelios, ALJ
Office of Administrative Law
9 Quakerbridge Plaza
P.O. Box 049
Trenton, New Jersey 08625-0049

Re:

I/M/O the Petition of New Jersey American Water Company, Inc. to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater

(Sewerage) Treatment Adjustment Clause

BPU Docket No. WR13111038 OAL DOCKET NO. PUC 17989-13

#### Dear Judge Pelios:

Attached to this letter is the signed stipulation, representing the parties' settlement of the above-captioned matter. Earlier this week, Middlesex Water Company submitted a letter indicating they have no objection to this matter proceeding by way of the attached settlement.

Thank you for your attention to and handling of this matter. Please do not hesitate to call if there are any questions about this matter.

Very truly yours,

/s/ Robert J. Brabston

Robert J. Brabston

RJB

cc: Service list (via e-mail)

#### STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF

BPU DOCKET NO. WR13111038

NEW JERSEY-AMERICAN WATER

OAL DOCKET NO. PUC 1989-2013

COMPANY, INC. FOR APPROVAL TO CHANGE THE LEVEL OF ITS PURCHASED

WATER ADJUSTMENT CLAUSE AND

PURCHASED WASTEWATER (SEWERAGE)

TREATMENT ADJUSTMENT CLAUSE

STIPULATION OF SETTLEMENT

#### APPEARANCES:

Robert J. Brabston, Esq., on behalf of New Jersey-American Water Company, Inc., Petitioner;

Alex Moreau and Jennifer Hsia, Deputy Attorneys General, on behalf of the Staff of the Board of Public Utilities (John J. Hoffman, Acting Attorney General of New Jersey);

Susan E. McClure, Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel; and

Kenneth J. Quinn, Esq., on behalf of Middlesex Water Company, Intervenor

### TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

On November 15, 2013, New Jersey-American Water Company, Inc. ("Petitioner"), a public utility of the State of New Jersey, filed a Petition with the Board of Public Utilities ("Board") pursuant to N.J.A.C. 14:9-7.1 et seq. and 14:9-8.1 et seq. for approval to change the levels of its existing purchased water adjustment clause ("PWAC") charge and purchased wastewater (sewerage) treatment adjustment clause ("PSTAC") charges, with respect to increased purchased water expense and increased purchased wastewater treatment expense. The total amount originally requested was an increase of \$4,483,878 or 0.69% above total Company revenues of \$653,210,852. As a result of settlement discussions, the Signatory Parties indicated

below have agreed to a total overall stipulated increase of \$1,342,760 or 0.21% above total Company revenues of \$653,201,643.

Petitioner purchases water on a routine basis from twelve separate entities and purchases wastewater treatment services from three separate entities, each of which adjusts its rates for service, and, in the case of wastewater treatment service providers, issues sewerage deficit/credit adjustments, at different times throughout the year. The twelve water purveyors are: Passaic Valley Water Commission; Morris County Municipal Utilities Authority; Montclair Water Bureau; Shorelands Water Company; New Jersey Water Supply Authority; Atlantic City Municipal Utilities Authority; City of Wildwood; Borough of Seaside Heights; City of Newark; Township of Maple Shade; East Windsor Municipal Utilities Authority; and Marlboro Township Municipal Utilities Authority. The three sewerage treatment purveyors are: Cape May County Municipal Utilities Authority for the Petitioner's Ocean City Sewer tariff group; Ocean County Utilities Authority for the Petitioner's Lakewood Sewer tariff group; and Howell Township for the Petitioner's Adelphia Sewer tariff group.

In Docket No. WR06030257 (April 2, 2007), the Board ordered that all purchased water costs and purchased wastewater treatment costs be removed from base rates and recovered through the PWAC and PSTAC as applicable. In the Petition filed within the instant proceeding, Petitioner proposed to increase its PWAC rate upon PWAC Rate Schedule O-1 from \$0.4368 per thousand gallons of water to \$0.4810 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.3767 per thousand gallons of water to \$0.4148 per thousand gallons for Exempt customers. It also proposed to address its PSTAC charges as follows:

 For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter usage (January, February and March meter

- readings) as reflected upon PSTAC Rate Schedule 2-B, would change from \$3.7037 per thousand gallons to \$4.0035 per thousand gallons.
- For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings) as reflected upon PSTAC Rate Schedule 1-B, would change from \$24.2983 per thousand gallons to \$25.5426 per thousand gallons.
- For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, would change from \$6.033 per thousand gallons to \$6.7920 per thousand gallons.

The Board transmitted this matter to the Office of Administrative Law (the "OAL") as a contested case. A telephonic prehearing conference was held with the Honorable Elia A. Pelios, Administrative Law Judge, during which, among other things, Judge Pelios directed that public hearings be held on this matter.

On November 12, 2013, Middlesex Water Company ("Middlesex") filed a motion to intervene in the instant proceeding. On January 27, 2014, during the telephonic prehearing conference, no party opposed Middlesex's motion and Judge Pelios indicated that the motion would be granted. Middlesex has been included on the service list, received all discovery, and participated in all conferences and meetings. Four public hearings were held in Petitioner's service area: in Howell Township on February 12 at 6 p.m. (no public attendees); Ocean City on February 11 at 2 p.m. (ten public attendees); Maplewood on February 12 at 2 p.m. (no public attendees); and Westampton on February 11 at 6 p.m. (no public attendees). The Ocean City hearing had public testimony on the record, and the Company is scheduling a follow-up meeting later in the spring with the Ocean City Utility Advisory Board to address all of the questions asked at the Ocean City public hearing.

The Division of Rate Counsel ("Rate Counsel") and Board Staff served interrogatories on Petitioner, which were responded to in full by Petitioner. Petitioner, Board Staff, and Rate Counsel ("Signatory Parties") and Middlesex participated in a discovery/settlement conference on February 24, 2014, after the public hearings had been held and public comment received into the record for consideration by all parties. As a result of discovery conducted and of the negotiations, the Signatory Parties have been able to reach agreement on this matter, the provisions of which are set forth below.

#### SETTLEMENT AGREEMENT

- 1. The Signatory Parties recommend that the Board approve a change to Petitioner's PWAC rate on PWAC Rate Schedule O-1 from \$0.4368 per thousand gallons of water for Non-Exempt customers to \$0.4525 per thousand gallons of water for Non-Exempt customers and from \$0.3767 per thousand gallons of water for Exempt customers to \$0.3902 per thousand gallons of water for Exempt customers.
- 2. The Signatory Parties further recommend that the Board permit Petitioner to change its effective PSTAC charges as follows:
  - For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter as reflected within PSTAC Rate Schedule 2-B will change from \$3.7037 per thousand gallons to \$3.7965 per thousand gallons.
  - For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings) as reflected upon PSTAC Rate Schedule 1-B, will change from \$24.2983 per thousand gallons to \$24.0083 per thousand gallons.
  - For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, will change from \$6.0933 per thousand gallons to \$6.4594 per thousand gallons.

3. The effective PWAC rate change would result in an increase in the annual bill of an average residential customer utilizing 6,500 gallons per month as follows:

•	Present Monthly Bill	Proposed Per Month	Amount Increase	Percentage Increase
SA-1	\$52.05	\$52.15	\$0.10	0.19%
SA-1B Pennsgrove	\$38.28	538.38	\$0.10	0.26%
SA-1D	\$45.58	\$45.68	<b>\$0.10</b>	0.22%
SA-2, SA-3 & SA1A	\$49.40	\$49.51	<b>\$0.11</b>	0.22%
SA-2 Manville	\$45.98	\$46.08	\$0.10	0.22%
SA-3 Southampton	\$42.57	\$42.67	\$0.10	0.23%

- 4. The PSTAC rate changes, will result in: an increase for a typical residential sewer service customer in Lakewood Township, Ocean County utilizing 18,000 gallons of water in the winter quarter, of \$0.56 per month or 0.97%; a decrease to an average sewer service customer in Ocean City, Cape May County utilizing 20,000 gallons in the summer quarter and 44,000 gallons of water per year, of (\$0.48) per month or (0.73%); and an increase to an average sewer service customer in the Adelphia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.47 per month or 2.82%.
  - 5. These PWAC and PSTAC rates are calculated as being effective April 1, 2014.
- NJAWC plans to file its 2014 PWAC/PSTAC petition on or before November 15,
   2014.
- 7. Within this Stipulation, the Signatory Parties have agreed on a methodology for calculating the amount of interest to be applied to over-recoveries within the PWAC. This method is described as follows: Total PWAC True-up balance (Over)/Under-recovered (which is the adjusted total purchased water expense minus total PWAC revenues net of cost recoveries for the current month) of the current month, plus the total PWAC cumulative true-up balance

(Over)/under recovery) of the prior month, minus the amortization of the PWAC true-up from the previous PWAC year of the current month. By way of example of this methodology, see Note 5, Schedule DMD-2, attached to this Stipulation. The Signatory Parties agree to review this methodology and adjust it as necessary and appropriate in future PWAC proceedings.

- The PWAC/PSTAC rates established herein will increase annual revenues by \$1,342,760 or 0.21%.
- 9. In accordance with the provisions of N.J.A.C. 14:9-7.3(c) and 14:9-8.3(c), the Petitioner shall file with the Board, not later than 45 days after the adjustment clauses have been in effect for one year, PWAC and PSTAC true-up schedules in connection with this proceeding. Copies of the true-up schedules will be served upon Board Staff and Rate Counsel.
- 10. This Stipulation shall be binding on the Signatory Parties to this proceeding upon approval hereof by the Board. This Stipulation shall bind the Signatory Parties in this matter only and shall not be considered precedential in any other proceeding involving the Signatory Parties hereto.
- 11. This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the Signatory Parties individually and jointly state that they would not have signed the Stipulation had any term been modified in any way. In the event that any modifications whatsoever are made to this Stipulation, each of the Signatory Parties hereto is entitled to certain procedures in the event of such occurrence.
- 12. If any modification is made to the terms of this Stipulation, the Signatory Parties must be given the right to be placed in the position in which each Signatory Party was before this Stipulation was executed. It is essential that each Signatory Party be given the option either to

modify its own position, to accept the proposed change(s) or to resume the proceeding as if no agreement had been reached.

- 13. The Signatory Parties believe that these procedures are fair to all concerned and, therefore, they are made an integral and essential element of this Stipulation.
- 14. This Stipulation may be executed in as many counterparts as there are signatories to this Stipulation, each of which counterpart shall be an original, but all of which shall constitute one and the same instrument.
- 15. On February 25, 2014, Middlesex filed a letter with the OAL indicating that it did not object to the Stipulation.

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

Susan E. McClure

**Assistant Deputy Rate Counsel** 

**NEW JERSEY-AMERICAN WATER** COMPANY, INC.

Robert J. Brabaton Corporate Counsel

JOHN J. HOFFMAN ACTING ATTORNEY GENERAL OF NEW JERSEY Attorney for the Staff of the Board of Public Utilities

Alexadoresu Deputy Attorney General

# New Jersey American Water Company Statement of Actual Purchased Water Operating Expense - PWAC Water Service Prior PWAC Year 4/H/13 - 3/3/H/4

New Jersey American Water Gorquany BPU Docket No. WP13141438 Witness Responsible: Dante M. DeStefano

Schedule DMD ( (updzied 2224/4) PWAG Filing Year: 4/1/2013 - 2/3/2014 Page 1

													Page 1
Purchased Water	Apr-13	May-13	Jun-13	.hu4-13	Aug-13	Seconds	Ş	er stell		:	;		
Vander/Vescher								21	2	428-14	2	1425.44 14.75	Total
August Cay Municipal Utility Authority	\$ 110,677	\$ 121.863	147 (147	104 604									
Total Sales of Marie Printers	•	0	8		70. 10.		192,997	\$ 194,513	\$ 161,271	\$ 120.507	\$ 120 735	\$ 113 523	4N 797 634
MOTHER Charge Michael Assess	9,718	a	9	•	-	5 27 27 27 27	8	<b>o</b> 1	8	570			0898
Montrials White Street	74,004 37,004	新期	45,538	50.639	3	7 7 7 2	12,78	<b>-</b>	•	11,332	O	0	245.019
OV of Newark - StrautSubmone	12,554	6,620	6,153	12.214	5507	i e		15,53	41,802	47.177	38,582	24,783	\$576,135
NIMEA - Makey - Management	183	S	0	æ	8	5	e G		8,643	5,487	22,740	24,424	\$166,076
N.W.A. Overloofs - Management	0	0	1,220,513	٥	3	1220513	96	8	10.	32	₽	22	\$1,043
NIMEA Down Organization	0	0	ø	•		-	9 6	•	1,220,513	0	a	1,220,513	£4.662,053
Paperic Valley White Commission - 146-1-	•	41,251	10,453	15.561	40.954	18.504	47 2732	73 60	<b>~</b> '	0	o	a	8
Pastale Valley Weder Cyntra - Pouce Comment	<b>.</b>	1,478,508	762,856	100,736	1,961,483	694.000	20 V	1000 T	0	13,726	41,658	15,481	\$228,603
Sea fale City		100,702	98,334	6	0	0	208.315	2	1881.7C	1,147,436	627,359	631,325	\$8,904,172
Seaside Helchts Borounh	<b>~</b> (	Φ.	a	٥	•	0		•	2 6	<b>-</b>	700,000	45,160	\$729,576
Shorelande Weser Company	<b>-</b> 26,50 €	9	9	78°427	0	0	2	5853	9 6	44.633	<b>a</b> 6	<u>ت</u> د	<b>3</b>
City of Wildwood	3	ę.	74 B96	116,031	40,239	33,815	32,031	27.247	28.085	1 × ×	73 608 808	7 C	\$155,213
Pembertast Borough	9 6	<b>=</b>	0 4	Φ.	0	0	140,00	0	0	2	96	96 7	20,000
Other - Vouchers	9 6	9 6	3 0	<b>a</b> (	<b>=</b>	0	0	0	0	•	1 226	<b>&gt;</b> 5	1/0/200
Marthono Municipal Utilities Authority	1		<b>⇒</b> ¢	0 6	۰ ۵	C	0	0	•	•	27.	<b>)</b> (	97,276
Market - Market - Residen	923,274	994,030	923.274	692 640	0.000	8	177.0	31,113	44,149	32,594	31,926	28,604	S415 248
MINNEA - Consiste Design	0	ď	i			4/7/03	DED (440	923,274	884,030	923,274	923,274	635,541	10.673.460
Civil Newson's Summis	0	0	ø	φ	•	9 6	<b>-</b>	φ·¢	0 1	œ.	0	¢	0
East Windson Municipal Ubley	۰.	<del>;</del>	0	0	12,838	9.518		a e	<b>&gt;</b> c	co Ç	0	0	0
Total of Vouchats (2)	\$1 119 523	030 877, CS	0	3	0	ļ	P		Ä	20	ج ج	B 3	23 BOS
		1	100 mm	F1.148, /US	53,230,856	195,300	\$2,298,008	\$1,640,278	\$2,622,120	\$2,370,962	\$2 127,749	\$3.016.761	C17.7
Acquaist for Account 510100	468,245	512.418											
was purpose of Account State (Purch, 1901)	\$1,587,788	\$3,216,375	\$2,548,050	\$2,386,000	23 285 6015	C 647 D44	(11/4:00	317,701	(615,395)	26,768	0	_	546,473
Adjustments				ŀ				- 1		22 397 760	\$2,127,749	53,016,781	\$29,530,332
Elitrifications Elitrifications Elitrification Account 510100 Secretion Search transport (3)	(\$466,245)	(3512,416)	5861,544	(51,237,389)	(\$55,744)	\$677,385	\$117,456	(\$317,701) (75)	\$615,385	(\$26,768)	8	8	(\$546,473)
lots of Elitennations	(\$450.245)	(\$512.416)	<b>\$551,544</b> (\$1.237,389)	(382)	(\$55,744)	\$877.395	\$117.458	(\$317.776	9615,385	(\$26,768)	8	8	(\$546.473)
Additions No Additions	Ö	a	c	•	C	,							
	æ	я	a	8	8	2	ទន	5	9				٥
Yotal Purchased Weter Experse As Adjusted	\$1,119,523	27 773 See	C4 200 FON PA 140 200		1000		11	1		3	3	S	S
Notice; (1) Reflects crack society rejor recipe dulet and in		Ì		F	32,431,006 33,165,309	ı	2286,008	\$1,840,203	\$2,522,120	\$2,370,882 \$2,127,749 \$3,016,761	52,127,749	1	\$28,983,784

<sup>(1)</sup> Furtheast area's egainst prior period debt service payments.
(2) Purchased Weter expense reflects actuals exceptions to this estimate trough March 2014 activity. The estimate activity is based on a 3-year everage of year anded 3/31/11, 3/31/12, and 3/31/13 for that invoiced month, multiplied by the acpticable effective rate. The exceptions to this estimate process are NAMSA-Managuan and NAMSA-Rathan (MECs the contract usage and rate as of 7/1/13).
(3) Interest peld for late payment is nationed form total expenses.

New Jerusy Annation Water Volumes (1000 Galfons) Associated with Actual Purchased Water Expense - PWAC Water Survice Prior PWAC Year 4/1/13 - 3/3/1/14 (1)

New Jersey American Water Company BPU Docket No. WR13111038

Schedule Schedule Benta M. Destefano PWAC Phina	8.5	3
퇴	5	ž

Purchased Weter	Apr-13	May-13	Jun-13	JEF-13	Aug-13	Secure	1	;	;				
								MOV-13	Dec-13	Jan-14	Feb-14	Mar-14	Total
Vendor/Vendor (1,000 gallons)													
Altertic City Municipal Utility Authority	27 32	8											
Borough of Florham Park		975	969'/n	35,637	51,613	86,240	63,783	664 306	5.2 AR3	6	i i	1	
Township of Mapie Shade	132	9 6	φ,	0	0	•	0	9	3	92,126	CHO'N	35,678	558,413
Morris County Municipal Utilities Authority	15,000	15 36 0	9	4	ø	1,669	1,768	0	•	2 6	о,	0	_
Montclair Water Bureau	2,425	900	190 A	23.384	28,913	30,446	22.781	20347	140	9	0 !!	0	*\ 'O
City of Newark - Shew/Selvage	<u> </u>	10°	94cm	7,027	3,18	3,395	3,376	7,00	5 5	81	15,805	4,253	242,1
NAMSA - Water - Managouan	~ 1	2	<b>~</b>	2	\$			1	y one	7/1	13,084	14,053	73,455
N.W.SA - Overdeale - Manager par	<b>-</b>	0	4.45,628	a	Q	1.40 826	•	9 6	8	2	E.	7	88
Passaic Valley Water Commission - Meter	0	0	0	C	0		•	3 6	1,140,525	φ.	0	1,140,625	4,562,500
Sea life City	9	674,870	348,680	49,700	S05.880	228 440	4	7	=	•	0	9	
Seemide Heights	<b>¢</b>	0	0	•	0		26.7	Sec. Sec.	738,500	524,470	273,093	274,620	3,996,743
Shoralezota Waser Commany	0	c;	0	10,335	0	•	18104	2 00	0 1	•	Θ	c	
City of Wildwood	10,331	10,694	13,227	52,036	15,529	13.500	10,000	4, 120	= [	15,140	0	12,677	56,441
Pembertan Barouch	<b>.</b>	0	0	0	0	}	35,045		/2c/LL	10,976	13,665	12,700	188,080
Other Vendors	<b>o</b> 1	0	0	0			3	3 (	•	<b>.</b>	0	0	35,088
Marthoro Auricipal Utitities Authority	•	0	۵	0	0	• •	•	<b>-</b>	9 (	0 :	336	a	336
N.WSA - Water - Regisan	<b>3</b>	•	0	0	٥	60 84 a	10.60	7 750	9 1	o ;	0	0	
NASA Water - Regisen Legislative Court	0.00	3,798,000	3,824,600	3,798,000	3,824,600	3.924 600	2 708 000	20,400	10,113	H,121	7,962	7,134	102,546
NAMEN - Overclad - Raisen	200	87,300	87,300	87,300	87,300	47 200	00000	200 676	000 S	3,924,599	3,924,600	3,544,800	46,208,399
City of Newast - Countries	φ,	0	<b>-</b>		0		96	One /o	9000	87,300	87,300	87,300	1,047,600
Egg Windlese Manighton to the state of	0	4	•	•	7.77	1	•	5	9	0	a	a	
the Violence Beam with press	6	0	6	243	ř	7 5	₩.	0	o	1/3	525	χ	B 754
	4,082,175	4,629,371	5,574,9627	4081 550	200	2	0	٥	88	0	0	966	9
324,116 4,283,031 5,381,156 4,633,401 4,374,328 5,144,479					2005	2,245,009	4,374,116	4.283.031	5,361,156	4.633.401	4,374,328	ŀ	67 088 607

month. The exceptions to this estimate process are NARRA-Managuan and NAMSA-Razian (1820s the extinated activity is based on a 3-year average of year ended 3/31/17, 3/31/17, and 3/31/17,

# New Jerbey American Waher Company Statement of PWAC True Up Schedule - Revenue and Operating Expense - PWAC Water Service Prior PWAC Year 4/113 - 2/21/114

Schedule DMD 2 (updated 2/24/14) PWAC Filing Year: 4/5/2013 - 3/31/2014

New Jersey American Water Company SPU Doctor No. WR13111936 Witness Responsible: Dants M. DeSarisno

13.76% 628,805,448 671,089 528,876,541 \$34,488,541 871,003 \$33,517,448 \$2,054,415 \$28,648,491 6,517 \$873,422 1,529,511 528,110,363 28,963,765 \$12,828 \$87,422 246,415 246,415 185,047 1,108,570 1,4905 2577,885 3 \$2,388,510 76,292 \$2,312,227 13,76% \$1,604,065 76,292 \$2,070,367 3 \$1,928,404 \$2,628 127,466 3,016,781 719,197 #60000 B 51,000,357 \$873,422 Mar-14 13,76% 52,128,157 83,728 52,715,888 0.9023 \$2.194,854 \$2,467,714 127,468 3 \$2,551,443 \$60,90¢ (\$89,468) (58,187) 0.67% \$2,066,843 2,127,749 227.237 20.000 20.000 20.000 20.000 Feb-14 13.76% 13 \$2,751,748 \$1,957,102 \$2,371,808 \$2,425,187 \$63,816 127,486 3 (\$22,900) 820 8.0395% 0.67% 15,883 17,286 17,286 1,005 1,005 1,005 \$2,307,178 2,370,062 \$2,629,97 11-41 78,774,800 52,758,928 78,982 83,073 52,197,818 52,875,256 3 17,488 2,922,120 5458,572 (\$124,026) (\$188,679) \$678,522 8.030e% 8.67% (\$1,572) (F86,A87) 52,243,797 \$40,747 98,110 20,819 15,362 1,130 1,130 220,838 Dec-13 3 1,840,203 127,468 52422,034 \$1,629,162 6.0308% 0.67% (\$2,356) (\$510,108) (351,885) 25,12,58 52,12,51,52 56,73,12 2.3 0.9625 0.9623 0.9623 0.9625 0.9625 0.0625 82,400,142 \$2,400,142 \$2,805,620 \$2,2816,506 \$2,116,773 \$2,805,948 \$2,190,046 \$2,545 \$2,625,670 \$3,098,028 \$3,298,148 \$3,677,684 \$3,207,542 \$2,267,517 \$3,275,542 \$3,267,547 \$3,275,545 \$3,275,547 \$3,275,547,547 \$3,275,547,547 \$3,275,547,547 \$3,275,547,547 \$3,275,547,540 \$3,275,549,540 \$3,275,547,547 \$3,275,547,540 \$3,275,54 127,488 2,298,008 (\$183,001) 3 87,914 0.67% 72,860 20,073 45,058 20,128 20,138 20,138 20,138 04-13 3,195,900 8 8.0309% 0.67% (\$856) 127,488 (128,119) 27,038 27,038 27,038 27,673 28,138 \$2,606,037 \$57,833 Sep-13 \$2,861,563 \$2,867,782 1,148,709 3,230,868 \$243,096 (5314,070) (371,884) 127,468 g 0.67% (\$2,402) A.03205 Aug-13 (51,542,844) 8.030ers 0.67% Ş (\$420,6008) 127,468 #35, #58 Jed-13 3,200,564 52,302,131 £2,523,508 \$896,085 50,441 127,488 3 901,306 \$1,240,614 Jun-13 3 127,468 2,703,050 8.0389% 0.67% \$3,650 (\$964,511) \$401,828 \$881,667 544,817 May-13 0.0923 127,463 22,114,036 1,118,524 ž 8,030es 0,657 445 812,736 \$407.637 Apr. 13 \$1,529,611 Note (1) Mar-13 Exensi (from GATT) Customers Amel West Tales (1990 page 27) Total Purchased Weler Exp. as Adjusted -(per Sch. DAO-1, In.48) Total PWAC Revenues net of Cost recoveries detailed above Total PWAC (Over-Recov.) / Under-Recov. Including Insures Lines: Uncolections 4, BPL// Dir. Rate Counsel Day, Factor (5) PWING Rev. nel of GRFT, Uncol., BPL/LORG sup. (In.P.1) Total Billed PMAC Revenue (non-cryst & exempt) (2) Lear Evenpt PVAC Revenue (fron it. 49) Non-Exempt PVAC Revenue PAMC Non-early, Ran, not of CRPT(in.4 y100%-41.6) Add Back: Evanot PAMC Rawana (n. 3) PWAC Revenue not of GRFT Lest: PAMC True up Under recovery of \$1,828,380 from PMAC Year 412-913 divisid by 12 mot. (f) (Over-Recovered) | Under-Bacovered (In. 21-18) Average of the Correct & Polor moreha Completive Oward ROR Per Docket BPLANAR 1970489 (s) Manthly Owers Rate of Return Mentel on True-to Balances - (Owe) / Linder 11 Coyen (Boyeny) – CIW
12 Agua N. Walar Co. — SFR-CO
13 Lemanowida Walar Co. — SFR-SOS
14 Michaeur Walar Co. — SFR-SOS
15 Ruddous Walar Co. — SFR-Rog Cals
15 Ruddous Walar Co. — SFR-Rog Cals
16 Acidel Exempt Cuetosener Actual Walar Galar True-up Balances (Overriso) / Underriso Internal Calculation Yotel PANC Curvielle True-up Baienza (Over-Recox.) / Under-Recox. (s) Purchassed White Less: PWMC Fling Oper Authorized (4) Total PWAC True Up Stalence GART Lax rate (3) \*\*\* 욧

(2) Bland PWAC water invariant are based on actuals, except estimates utilized by the relationship officetive DADLITS par Docket #WR12111018.

(3) GRET rate and UncollectblandPulkBate Coursel expension because the February through March 2014. Ethinates are based on prior year, sume month revenues, adjusted by the rate of backward because the February brough MR12111019. Schedule DMD-12 - Per Settlement, BPU Docket #WR12111019, Schedule DMD-12 - Per Settlement, BPU Docket #WR11111019. Schedule DMD-12 - Per Settlement, BPU Docket WR11111019, Schedule DMD-12 - Per Settlement, BPU Docket WR11111019.

(3) The DRI United per Settlement is based on the Board Order in the Based Rate Case BPU Docket WR11110048.

(4) The ROX united by the period 4713 - 281711 is been world estimates utilized for february through March 2014, Editinates are based on a 3-year average of 2011, 2012, and 2013 umge for the same month. Notes: (1) March 2013 represents Total PWAC True-up behace per Schedule DMO-2s.

\$0.3767

\$0.3767

\$0.3787

\$0.3767

\$0.3767

\$0.3787 \$76,982

\$77,653

\$0.3767

\$73,070

\$77,616

\$0.3767

\$0.9767

\$0.3767 \$60.243

Exempt PANAC Rade per 1000 gala. (19)

Example PWAC Revenue

# Mem Jetney American Water Company Statement of PNAC Yrue Up Schedule - Revenue and Operating Expense - PNAC Water Service Pror FWAC Year 4FHT - Malifs

New Jersey American Weter Corppery BPU Doctor No. WRT3111036 Withers Responsible: Dente M. DeStefano

\$2,065,899 \$28,802,630 \$0,662 \$16,507 \$2,146,331 \$20,718,146 Schedule DMD 2a PWAC Filing Year: 41/2013 - 221/2014 \$33,306,236 2 52,130,234 \$29,480,384 134,314,743 **8**8 Š 244,145 244,145 184,121 1,071,033 1,5543 2,502,710 814,884 \$28,840,454 30,170,065 \$1,529,611 \$0.3962 \$816,507 \$1,529,611 ğ \$2,475,919 80,862 \$2,306,257 57,805 (\$166,017) \$1,030,984 2097 3,091,228 8.030878 0.67% 15,905 14,280 15,965 15,065 710 208,580 \$2,080,242 73,320 1,217,834 \$0.3905 \$80.662 Mar-13 13 76% \$2,206,055 86,784 \$2,262,819 0.9925 \$2,644,805 86,784 \$2,568,041 16,368 15,310 15,310 26,573 789 722,187 67,906 2,067 0.0308% 0.67% 35.320 2,019,614 \$702,343 785,351 \$2,225,631 \$0,350.5 Feb-13 13.76% 13 53,055,020 \$1,006,346 \$2,764,344 \$2,301,863 \$2,2771,531 \$2,339,047 \$2,394,342 67,906 (\$438) 221) (\$411,883) \$643,880 (\$286,128) (\$1,884,238) \$2,006,067 \$286,377 (\$405,588) \$1,822,311 (\$185,541) \$2,408,142 \$2,640,314 \$2,540,713 \$3,5574,127 \$3,500,942 \$3,221,159 \$2,640,405 \$2,745,402 \$2,745,402 \$7,057 \$2,745 \$7,057 2,087 8.0399% 0.67% \$6.675 12,224,350 2,038,509 \$684,350 PPH,279 \$79,746 Sen-13 8 2,087 8,030**0%** 0.67% \$1,052 \$2,288,055 4.168,388 100,337 20,943 15,719 18,888 22,722 (\$780,208, \$1,074,200 156,967 50.3805 566,754 2 87,906 2,087 \$2,200,530 8.0308% 0.67% (\$2,167) 1,394,981 (323,480) 21,538 21,538 22,538 22,538 22,538 23,538 23,538 23,538 23,538 23,538 23,538 23,538 24,538 26 \$77,067 Nov-12 906,79 2067 99,089 20,540 20,540 98,015 4,36 182,010 2,527,248 ₹ A.030874 0.6774 (\$33) \$2.23f.B71 \$113,267 \$0.3568 Oct-12 4,732,410 67,905 2087 (\$114,185) 8.0308% 0.67% (\$7,385) \$2,004,952 (1,000,200) \$71.436 Sep-12 67,905 (\$322,145) (\$2,084,347) 1,334,065 (159,128) (1,200,245) 2087 8.0399% 0.67% (\$8.062) \$3,029,354 \$62,700 Aug-12 67,905 \$2,400,788 \$2,005,026 3,137,436 2,737,736 2,067 8.0008% 0.67% (\$1,088) \$0.3469 \$60.515 12 1,000,000 0, 67,005 2,087 (200,000) 4.030894 0.6574 751,000 5 1 2 8 4 8 5 1 2 8 4 8 5 1 2 8 8 8 8 800 \$70,9460 \$70,902 Jen 12 67,005 \$2.240,38B 1,628,883 2087 (332,000) 8.0309% 0.67% (\$2.225) 74,647 20,572 15,613 205,317 (65) \$0.3489 \$71.257 May-12 1,160,757 7080 \$1,908,978 (307,200) 67,900 \$2,463 63245% **8** \$0.3469 Apr.12 \$614,864 Note (1) Mar-12 Exercit (from GRET) Contonnen Actival Winger Sales (1900 comb. II) Total Purchased Visinn Exp. as Adjusted -(per Ech. EMC)-1, In. 48) Total PWAC Revenues not of Cost recoveries detailed above Leak Uncolectibles & BPU/Div, Rate Counsel Exp. Fector (3) Total PWAC (Over-Racov.) / Under-Recov. Including Interest PANC Rev. net of GRET, Lincol., BPUORG top. (n.9\*11) Total Billiad PMAC Revenue (nor-exp. & exempt) (2) Last Exempt PNAC Revenue (forn h. 40) Non-Exempt PNAC Revenue PAMO Numeronol, Rev. net of CRFT (n. 4 Y 100% -10.5) Add Beate Esempt PAMO Revenue (n. 3) PWAC Revenue net of ORFT LINEX PHYAC True-up Under-recovery of \$314,884 from PWAC Year 4/11-3/12 devided by 12 max. (4) Total PWAC True-Up Balanca (Over-Recovered)/ Loder-Recovered (fp. 21-18) Average of the Customt & Prior months Custosting Overall ROR Per Doctort BPUMAR (0040280 48) Overall ROR Per Doctori BPUMAR (1979480 (7) 11 Cogen (Beywey) - CXV
12 Again M Visher Co. – SFR-CD
13 Learn NV Visher Co. – SFR-SD
14 Learn Corde Water Co. – SFR-SD
15 Resident Visher Co. – SFR-SD
15 Resident Visher Co. – SFR-SD
16 Total Example Cambraner Actual Water Spide Title-up Salances (Overnec.)/ Undertrec. interest on Taue-up Battercess-(Over) / Under Interest Salouation
Total PAMC Cumulative True-up Salance
(Over-Recov.)/ Under-Recov. (6) Purultused Water LAMIC PWANC Flung Cost Authorizad (4) Soungel PMMC Rutin per 1000 gales. (8) Worthly Overall Pate of Refum EXHIBIT PWAC REPRESE GRFT tax rate (3) 中的 化克朗克拉尔拉克尼尔尼尼尼尼尼尼尼尼亚斯斯 化二甲甲甲酚 52 在古古土在古古古古中的空程或以及的四位的四位

Notes: (1) March 2012 impressive Total PMACT Trice up basince per Schedule DMD3 - Per Serdenment, line 3, 2012 PMAC Rate Filing BPU Doctor #MR12000380.

(2) Billing PMAC water revenues are based on actuals.

(3) Billing PMAC water revenues are based on actuals.

(4) Gilling 2 PMAC water revenues are based on actuals.

(5) Amount part the 2012 PMAC PART 2000380, Schedule DMD3 - Per Serdenment (lines 3 and 4).

(6) Line 24 of the current month take 180 of the spirit month lines the 150 of the unrenth month.

(6) Line 24 of the period dM112 - 450/12 is based upon the ROR per Board Order in the Base Rate Case BPU Doctor #MR11070480.

(7) The ROR ublized for the period dM112 - 450/12 is based upon the ROR per Board Order in the Base Rate Case BPU Doctor #MR11070480.

(8) Water states for the period dM12 - 251/13 is based upon social monthly water sales.

(9) For Settlement - pennetic exempt rate neliseds 22 days of the PMAC rate of \$23,0499 affective \$220/11 per BPU Doctor #WR11030131 and 9 days of the PMBC nate of \$23,0499 affective \$22,0490.

## CONFIDENTIAL: FOR SETTLEMENT PURPOSES ONLY, NOT FOR EVIDENTIARY USE.

## New Jersey American Water Company Statement of Pro Forma PWAC PWAC Year 4/1/2014-3/31/2015

**New Jersey American Water Company** 3PU Docket No. WR13111038

51

52 53

54 55

56 57

Schedule DMD 3 (updated 2/24/14) PWAC Filing Year: 4/1/2013 - 3/31/2014

Nitness Responsible: Dante M. DaStefano Page 1 Line CALCULATION of PWAC Rates for Year 4/1/2014-3/31/2015 Without Compression (regular calc.) Regular Calc. 2 Pro forma Purchased Water Exp.- PWAC Year 4/01/14-3/31/15 (Schd. RRS-1) \$30,521,128 3 PWAC True-up from PWAC Year 4/01/13-3/31/14 (Schedule DMD-2) 573,422 Pro forma filing costs @ 50% (Schedule, DMD-12) 4,000 5 sub-total (lines 2+3+4) 6 \$31,398,550 7 Gross-up factor for Uncollect, Exp. & Actual 2014 BPU / Div. Rate Counsel Assessments [1] 8 0.9925 9 PWAC for Recovery 4/1/14-3/31/15 pre-GRFT (line 6 / 8) 10 \$31,635,818 11 12 Total Projected Water Sales subject to PWAC (1000 gallons) (line 51) (3) 81,076,378 13 14 PWAC Exempt Rate per 1000 gallons (line 10 / 12) \$0.3902 15 PWAC Non-Exempt Rate per 1000 gals. (line 14 / grossed up for GRFT @ 13.76%) (2) 16 \$0.4525 17 18 19 Pricing 20 21 Exempt Sales Projected Exempt Water Sales subject to PWAC (1000 gallons) (line 50) (3) 22 2,491,797 23 PWAC Exempt Rate per 1000 gallons (line 14) \$0,3902 PWAC Exempt Revenue 24 \$972,299 25 28 Non-Exempt Sales Non-Exempt PWAC recovery pre-GRFT (line 10 - 24) 27 \$30,663,519 Non-Exempt PWAC recovery grossed-up for GRFT (line 27 / (100% - 13.76%)) 28 \$35,556,029 29 30 Projected Non-exempt Water Sales subject to PWAC (1000 gallons) (line 50) (3) 78,584,581 PWAC Non-Exempt Rate per 1000 gallons (line 16) 31 \$0.4525 PWAC Non-Exempt Revenue 32 \$35,559,523 33 34 Total PWAC Revenue (In. 24 + 32) \$36,531,822 35 36 37 38 (1) Uncollectible rate @ 0.47% per 3-year average of 2011-2013 uncollectible rates and Actual Assessment Rates @ 0.2845026197318% (combined) (BPU = 0.230466310145% for 2014, Rate Counsel = 0.0540363095868239% 39 40 for 2014). Greas-up factor ( 100% - (0.47% + 0.235972307595%)) or 99.25%, (2) NJAWC Authorized GRFT rate is 13.76% per Docket #WR11070460. 41 42 (3) Projected water sales are an average of calendar years 2011, 2012 and 2013 actual water usage, as datalled below. 43 Water Sales (1000 gals.) 44 45 Area Exempt Non-Exempt Total SA1, SA-1A & SA-1B 48 280.756 43,432,103 43,692,859 (3a) 47 SA2 2.231.041 33,591,038 35,822,079 (3a) **EA2** 48 1,581,440 1,561,440 (3b) 49 **NJAWC Total Authorized Water Sales** 2,491,797 78,584,581 81,076,378 50 Less: Manasquan 0 Removed from SA-1 Pro Forma Water Sales subject to PWAC

2,491,797

(3a) Water sales for former AWWM customers were added to the non-exempt column for SA1 and SA2. These additions equate

(3b) Water sales for former Jensens Run customers were added to the non-exempt column for SA3. These additions equate

to the 4-year average shown in SIR-14, workpaper 5, page 9 of 15 filed in Docket #WR11070460.

to the 5-year average shown in SIR-15, workpaper 5, page 2 of 3 filed in Docket #WR11070480.

78,584,581

81,078,378

How Jerzey American Water October Service Actual Purchased Wastewater Treatment Operating Expense - PSTAC Sewer Service Prior PSTAC Year 41/13 - 301/14

													2
Line Purchased Wastewater Treatment	Apr-13	May-13	Jun-13	5 <del>-</del> 45	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	-tan-14	Fab-14	Her-14	Total
2 Lakewood Sever Service													
5. <u>Sournal Entres</u> 8. Entrined Acontails (1)	S	8	8	S	S	S	ş	S	S	ž	\$	\$	
FORM BREIT PUTCH, WESTRWEIGH TRUCK AIC 511100	ន	æ	B	8	8	OS.	8	8	8	8	3 53	3 8	3 8
Addiscrafteurite     Addiscrafteurite     Addiscrafteurite     Conditional Unities Authority (OCUA) Vouchers (2)     CCUA - 2013 Deficiency Charge Voucher (2)	<b>3</b>	8	\$1,281,650	\$1,261,650	8	<b>9</b>	8	33	\$1,281,850	8	\$1,271,355	\$0 (48,525)	\$5.056,306 (48,525)
15 Total of Additions	S	æ	\$1,261,650	\$1,261,650	8	8	8	ន	\$1,261,650	8	\$1,271,355	(\$48,525)	\$5,007,790
1. 18 Ekimineth Accuels for Account 20	8	8	ន	8	8	8	8	8	S	8	8	8	
21 Total of Ekninations	æ	8	æ	8	Я	2	33	8	53.	8	S	8	° 3
23 Total Purch, Washwater Theat Exp. As Adjusted	3	æ	\$1,261,650	\$1,267,850	8	8	8	8	\$1,261,650	8	\$1.271.365	l I.	25 007 780

. •

New Jathery Control of Lakewood Sewer Service FSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service Prior PATAC Year 4/(1/15) - 183174

Schedule DMO-6 (updated 22414) PETAC Filing Year, 4722013 - 32122014

Hew Jessey American Weler Company BPU Docket No. WR13115038 Witness Responsible: Dante M. Delisieno

														Page 1
Une Furthated Wastewater Treatment	Note (1)	Apr-13	May-13	Jun-13	Jul-13	Aug-13	\$4P-13	04-13	Mrsu-53	1	4	77		;
2 Labrance Server Service												• L. Gal	*1-50	120
4 Total Billed Pattac Revenue (2) 5 GRET for six (NA) (3)		\$431,711	\$386,931	6287,050	122,8863	\$367,364	1308,007	136(38)	\$379,638	5362,630	\$409,589	\$318,983	\$318,983	\$4,544,38 <u>4</u>
6 Billed PSTAC Sevenues net of GRFT	I	\$431,715	\$300.831	\$367,080	\$386,727	\$367,254	5388.097	X385 281	200 EN	2000 Carry	3600	900	×00	9600
8 Least Untrafections & BPLADiv. Ruis Courses Exp. Factor (3)	1	0.9623	0.9923	0.9923	0.8923	0.000	0.0073	6000			BBO'stra	F02'81.74	THE COLFE	H0440H
* FOLKE NAV. HK OF CHFF, UNCOLL, BPUCKEC acts. (fice 016)		186,854	206,500	\$364,060	\$360,734	5384,371	\$385,109	\$14 DES	\$374.715	\$359,730	0.9523 \$406,435	\$316,527	\$316,527	0.99273
11 12 Leter: PGTAC True-up Owe-teacwary of (\$505,521) 12 Ama: PGTAC Year 4/12-3/13 deviced by 12 max [1] 18		(72.381)	(72,380)	(72,380)	(72,380)	(72,380)	(72,380)	(72,380)	(72,390)	(72,380)	(72,390)	(12,390)	(72,390)	(186,881)
17 Total PSTAC Revenue net of Cost recoveries detailed above 18	1	\$77,0083	\$456,342	2456,470	\$458,124	\$456,761	\$467,489	108,1804	\$449,105	\$432,129	\$478,625	5368.917	\$386.017	15 378 571
19 Total Purch Wassewater Treat. Exp. Az Adjused 20 (per Schedde DND-4, In. 23)		•	<b>a</b>	1,251,850	1,241,660	a	o	۰		1,261,650	•	1,271,356	(48,525)	5,007,780
22 Total PSTAC Transup Salance 23 (Over-Recovered) (Under-Recovered (pt. 18 - 17)	11	(5500,778)	(\$456,342)	3806,180	\$803,526	3456.781)	(3457 499)	000 25157	CKAAD 1000	6000	7.74 0.76)	Cardinal Cardina Cardinal Cardinal Cardinal Cardinal Cardinal Cardinal Cardina Cardinal Cardina Car	1	
24 Entercent Calculation 26 Total PSTAC Cennation Trus-up Balance 27 (Over-tecon.) / Under-tacon. (4)	\$868,861)	000 183 (18) (18) (18) (18) (18)	10/20 (189/15)	(Orr EURS)								7700	Taring and the same of the sam	(LEGATIVE)
28 Average of the Current & Prior months Cumulative 30 True-up Belances 31		(1,082,875) (1,489,044	(1,486,044)	(1,242,236)	(385,492)	(057,811)	(504,460)	(B88,221)	(1,267,786)	(1,006,188)	(757,450)	(483,263)	(\$5370,6481) (188,365)	
32 Overal ROR Por Docust BrushRE11070460 (5) 34 Monthly Overal Rate of Bream 36 Interest on Tras-up Balences - (Over) # Under 36	i I	A 61945 A 786 (57,735	\$0360 \$730 778,683	A.039674, 0.6774 (34,323)	8,0368% 0,67% (\$2,449)	8,0399% 0,67% (\$802)	\$739050.8 \$734.0 \$73400	4.030674 0.67% (\$5.851)	\$.0386% D.67% (\$58.494)	0.02500 0.677,057	A.C35494 2.670,037 (3.6,070)	8,0398% 0.67% (\$3,238)	8.0398% 0.67% (\$1,262)	(362,941)

36 Total PSTAC (Dvar-Recov.) / Unider-Recov. Including Interest
39
30
30
41
51 Metch 2013 represents the Total PSTAC True-up believe for Listensood Server per Schedule DAID 6s.
42 (2) Bland PSTAC revenues are based on actuals, except settingte database database by the Schedule DAID 6s.
43 (3) The SORT Tatabase by additional transference coats) and the University Shrings Manch 2014.
44 (4) Dais 20 first current inches bland 27 of the prior month hear fire 12 of the current month.
46 (5) The ROR Listiand for the period 4/1/13 - 321/14 is bread upon the ROR per Board Croker in the Rate Rate Croker Bellin Croker Be

(433,832)

New Jensey Capenty Server Service PSTAC True Up Schedule - Revente and Operating Expersa - PSTAC Server Service Prior PSTAC Year 4MR2 - 2851/13

New Jersey American Water Company BPU Dooket No. WR13111954 Witness Ramponsible: Darits M. Desterno

BPU Dooke No. WRISH1934 Witness Responsible: Durits M. DeStatino												PSTAC FILM	Schedule Diabele PSTAC Filing Year, 4412914 - 3712014	Schedule Dinb-da (78513 - 173 (2014
Line No. Purchased Washinstor Treatment	Note (1) Mat-12	Apr-12	May-12	Starts 25	344-12	Auc-12	\$ <b>80</b> -17	5	Pon 49		1			
2 Laidhnool Seven Service									21	71-050	- 13 W-13	F@b-13	<b>27-13</b>	Тога
4 Total Billing PSTAC Revenue (2) 6 GRFT tax nate (NA) (8)		5429, 103 0,034	\$430,702 0.0%	5434,360 5004	\$433,642	992,034	\$436,060	\$434,569	\$454 p82	<b>24</b> 61,163	\$468,625	\$469,900	5430,076	35,316,808
o mental ris (AL) Manyambas men of CALPT	•	\$429,543	\$430,702	3434,360	2433.648	2423 760	2474.050	0.094 0.094 0.094	100	900	96.0 G	*60°	0.0%	200
9 DSTAC New year or on the course Exp Factor (4)	Factor (3)	0.0016	0.9916	0.9916	0.9015	0.998	400	9900	7000	. O. J. 10.3	5408/8/29	5462,990	\$430,076	56,316,806
10	Pre-676)	\$426,688	\$427,084	117,024	M30,005	5430,115	H22,387	\$431,022	5451,272	101,70H	\$465,110	\$468,465	5428,640	0.9920
12 Lever PSTAC True-up Over-recovery of (\$411,081) 13 Rom PSTAC Year ATT-2412 divided by 12 mos.(4) 16	€.	(34,283)	(34,256)	(34,258)	(34,258)	(34,258)	(34,258)	(34,258)	(34,288)	(34,258)	(34,258)	(34,258)	(34,258)	(411,091)
17 Total PGTAC Revenue net of Cost Incovering despised above 18	d altows	\$459,541	\$461,342	\$464,060	\$464,283	5464,373	\$466,645	\$465,280	\$465.630	\$491.052	\$400 W.R	6460 723	540. 407	200 200
19 Total Purch Westwater Treat. Exp. As Adjusted. 20 (per Schedule DMD-4, In. 23)		Φ	•	•	1,310,175	1,310,175	9		•	1,316,175	- -	047,984	0	4,878,509
22 Fotal PSTAC Trus-up Batance 23 (Over-Ricovered) / Under-Recovered (in. 16 - 17) 24	, ,	(\$459,841)	(\$461,342)	(5484,969)	\$945,912	5846.802	0.00 See 50 See	75485 2803	Cate Con	600	( C C C C C C C C C C C C C C C C C C C			
-							-	Complete Com	(2007)2000	2016,213	(2489,368)	2447,281	(\$451, 907)	(\$806.893)
	(1411,091)	(\$636,679)	(\$1,263,763)	(\$1,684,474)	(102'4184)	952,756	(\$366,631)	(5797,663)	(\$1,244,625)	(\$396,454)	(\$861,564)	(\$380.044)	(1880)5 BR(1)	
29 Average of the Current & Prior months Cumulative 30 True-up Balances		(623,845)	(1,060,221)	(1,472,118)	(1,254,389)	(374,274)	(150,437)	(582,142)	(1,023,286)	(822,589)	(629,008)	(\$20,804)	(093,469)	
22 Overall Rute Of Relum Per Docker BPUNMR1004(280 (5) 33 Overal ROR Per Docker BPUNMR11070460(2) 34 Monthly Overall Rate of Reluce 35 Inferent on True-up Balances - (Over) / Unter-	(9) 93	8.3248% 0.68%	8 030e%	£3003 0.67%	#4500 #730	8.0398% 0.67%	8.0308% 0.57%	8.0396% 0.67%	6.0398% 0.67%	8.0398%	8.0398% 0.67%	8.0399% 0.87%	8.0398% 0.67%	
	•		0	(D12,05)	(A)	(92,506)	(21,009)	(23,900)	(26,856)	(\$3,512)	(54,214)	(\$4,156)	(33,976)	(\$61,788)
38 Todal PSTAC (Over-Recov.) / Under-Recov.) / Under-Recov. Including traverer 30 Motors 41 (1) Metch 2012 represents the Todal PSTAC The-up behave for Laberrood Sevenr per Schedule DAID-11 - Per Settlement, sine 2, 2012 PSTAC Rate Files SPU Doctor AMRITOCHISOD. 42 (7) Blanch PSTAC represents the Todal PSTAC The-up behave for Laberrood Sevenr per Schedule DAID-11 - Per Settlement, sine 2, 2012 PSTAC Rate Files SPU Doctor AMRITOCHISOD.	ing transet  belance for Lakewood	Saver per Schad	we DMD-15 - Per	Settlement, time	2,3012 PSTAC	USES CASES SEAS.	Doctor BART2	<b>9</b>		•	•			(3460,661)
	thert coets) and the U. State shart 2000, Sq. or month see line 12 of beard upon the ROR based upon the ROR is	recifections PUA checkin DMD-11- 18 exervet moral per Board Cuber b per Board Order b	Nate Counts exp. Per Settlement II. B. The Sear Hale ( The Sear Rale (	omes factor utiliza ne 2. Ne se BPU Docke Na se BPU Docke	od intervals to paer S rt #V/RK10C4/C29C rt #V/RK10C4/C29C rt #V/RK110C7/C48C	Schedule DMO-1	t - Per Sattlemen	nt, BPU Doctoria	WR12050390.					
55														

Total PSTAC (Over-Recor.) / Under-Recoy, Including Inserest

٠.

Note:

(1) March 2012 represents the Total PSTAC The-up betwee for Lakewood Sever per Schedule DARD-11 - Per Settlement, sine 2, 2012 PSTAC Rate Filing BPU Docket \$4/R12050390.

(2) Blad PSTAC revenues are bread on settlant.

(3) The GPST pablic of applicable to waterware coats) and the Urcale-Claude-Richard Reports applicable to waterware coats) and the Urcale-Claude-Richard Reports and the Settland Install to the Settland Install to DAD-11 - Per Settland Install to 2012 PSTAC Rate Filing BPU Docket #MR1202030, Schedule DBD-11 - Per Settland Install the 2.

(3) Line 2012 PSTAC Rate Filing BPU Docket #MR1202030, Schedule DBD-11 - Per Settland Install to 2.

(5) Line 23 of the cummit mouth plue the prior month less the 12 of the cummit mouth.

(6) Line 23 of the cummit mouth plue the prior month less the 12 of the cummit mouth.

(7) The ROR Lakework or the period GF112 - 331113 is based upon the ROR per Board Order in the Boare Rebo Cape BPU Docket #MR102030.

New Jersey America Contract Markey American Winter Company Statement of Adelphia Server Service Actual Purcinssed Wastewater Transment Operating Expense - PSTAC Server Service Prior PSTAC Veer 4H13 - SS1/14

Schedule DMD-6 (updated 2/24/14) PSTAC Fling Year 4/1/2013 - 3/3/1/2014

New Jersey American Water Company BPU Docket No. WR13111038 Witness Responsible: Danle M. DeSiefano

													Page 1
Line No. Purchased Wastewater Treatment	Apc-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Noy-13	Dec-13	Jan-14	Feb-14	Mar-14	į
2 3. Adelebba Sawer Sarvice													
5 Acritado (2) 6 Todal Bell Purch, Westawater Treat, A/C 511100 7	88	88	88	88	88	88	88	88	88	88	88	88	8
8 9 Adiantonata 10 Additionacyouchers 11 Howel Two - Voucher Paid in PSTAC Year (1) 12 Howel - Adjustment (3)	102 <b>1523</b>	ធ	<b>3</b>	\$254,201	8	8	\$254,201	8	ន	\$254,201	33	<b>3</b> 4	\$1,016,802
14 Total of Additions 15	\$254.301	æ	8	\$254,201	8	28	\$254,201	8	8	\$254,201	S	28993	\$1,022,384
16 17 Eliminations 18 Eliminate Acruais for Account 19	SĻ	8.	ន	8	\$	ß	8	8	8	8	ş	8	8
20 Total of Eliminations 21	S	<b>3</b>	8	8	38	8	ន	9	æ	3	3	a	98
22 Tobil Purch. Wastawater Treat. Exp. As Adjusted 23	\$254,201	88	8	\$254,201	s	8	\$254,201	8	æ	\$254,201	S	285.582	\$1,022,384
24 25 Notes: 26 (1) The 1/2014 quanterly payment of \$254,201 is estimated based upon last year's payments. 27 (2) Journal Entriesfecturate are based on orders.	nated teset upon la	z yesz's payme		The actual quarterly payment is updated in March 2014, see Note 3.	मस्य हैं ध्राप्तके	d in March 201	4, see Note 3.					•	
28 (3) True-up payment in March 2014 for the January 2014 billing. *	014 billing. "		,										

# New Jersey Areston Vanner Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Server Berylco Prior PetraC Year Alfrid - Revenue - PatraC Petra Alfrid - Beryline - Revenue - PSTAC Server Berylco

Mew Jersey American Water Company 8PU Dooket Ma. Wittarii 1938 Wittees Responsible: Danie M. Desiefano

Witness R	SPU Docket Ma. With 1100s. Witness Responsible: Denis M. Designing												Scho PSTAC PI	Schedule DMD-7 (updated 224414) PSTAC FBINg Year, 4/12015 - 241,2014	dated 2/24/14) 113 - 2/21/2014 Dags 1
No.	Purchased Wastewater Treatment	Note (1) Map-13	Apr-13	May-13	Jun-13	\$1-404.	Aug-(3	Sec.13	9 6 7	Mounts		17.00			
- Z -	Addition South Gentles											11100		##	
Total	Total Billed PSTAC Revenue [2] GRFT tax rate (NA) (3)	İ	\$76,811 0.0%	480,989	\$60,036	\$96,214 0.0%	759,204	786, 987	\$78,526	727,088	\$78,634	192,917	\$91,022	220,182	\$1,047,654
	belod PSTAC Revenues net of GRFT	1	\$76,511	200 000	\$50,038	\$12,800	120,244	284,387	\$76,536	\$30,187	\$3.945 \$3.945	\$92,917	20102	20102	0.0% S1.047.654
d Legal	Least Uncolections & SPANDA. Rate Course Esta Factor (8) PATAC Day and of Court States In the Course	1	0.9823	0.9923	0.9923	0.9623	0.9923	0.9923	0.8923	0.9823	0.8523	0.6973	1000	10000	, A 90073
£ :			\$78,220	\$50,375	80K, A08	\$306,673	\$86,286	383,640	\$75,937	\$82,463	576.064	102,202	125,048	126,044	21,039,587
는 건 답 고 2 2 2 2 2 2 2 2 2 3 2 4 3 3 4 3 4 3 4 3	11 12 teer PSTAC The-up boths recovery of \$54,349 13 from PSTAC Year 473,343 delibed by 12 mon (1) 14		2,867	2,862	2,582	2,862	2,862	2,662	2,862	2,662	2,862	2,862	2,882	2,862	34,346
	Total PSTAC Revenue net of Cost recovering detailed above	ł	73,360	77,513	81,444	12,811	82,413	80,778	73,075	109'98	73.202	89.340	67.459	57.450	1,005,238
	Total Purch Mestowater Treet Eqn. As Adjusted (per Schedule DMD-6, in, 22)		284,201	•	•	254,201	æ	o	254,301	•		254,201	0	5,542	1,022,384
	Total PSTAC True-up Balance (Overflacevered) / Unider-Recovered (in. 17 - 18)	11	\$160,644	(\$77,513)	(391,444)	\$161,980	(542,403)	(820,778)	4561.458	(1206.601)	COS SOS	197	Ray Akol	K84 677)	277
2 22 2 2 10 10 10 10 10 10 10 10 10 10 10 10 10	JOHENNE Chiculation Total PSTAC Cumulative True-up Balance	İ													
	1	24.36	\$212,330	\$131,955	\$37,649	\$156,378	\$111,111	\$17,471	\$196,736	\$106,272	\$30,208	\$192,206	\$101,885	\$17,146	
	Average of the Current & Prior mostita Cumidative That-up Balances		123,336	172,142	34,802	117,012	153,744	# 80	106,603	161,003	68,240	111,207	147,046	59,515	
31 Oversi 32 Morets 33 Interes	Overal ROR Per Docciet BPUMMR11670460 (8) Mortaby Overal Rate of Ratein Referent on True up Bulences - (Cwer) / Under	1 1	8.036e% 0.87% \$\$236	8.0396% 0.67% \$1,153	8.0393% 0.57% \$368	ACCOSOFY Q 067%	8.0389% 0.67% \$1.030	8.03.09% 0.67% 5.431	8.003898 0.67%	8.0398% 0.57%	4,0399%	6.0398%	80008 067%	0.0398% 0.67%	7G 85
10 10 10 10 10 10 10 10 10 10 10 10 10 1	34 38 Total PSTAC (Over-Recov.) / Under-Repov. Including interest 37 38 States	l ¥													\$17,148

<sup>39</sup> Notes:
40 (1) March 2013 represents the Total PSTAC True-up batence for Adelphia Sever per Schouls DAID-7.a.
41 (2) Bids of STAC True-up batence inflated for Fabrusy Strough March 2014. Estimate are based on unique per DAID-11 in Doctast #MR-12111019, multipled by the applicable rate.
41 (4) Line 21 of the GRFT rate for expensively treatment because the Uncomplete Professional

# New Jerney American Country American Vocation Coopersy Statement of Achiphia Sewer Service PSTAC Time Up Schodule - Kreenise and Operating Expense + PSTAC Service Price PSTAC Year AMIA - 188183

New Jersey American Water Company BPU Doctor No. WR13111938 Witnes Responsible: Dante M. DeSteleno

BPU Decket No. WR1311938 Withmer Responsible; Dante A. Desteland					:							PBTACF	Schedule Lead Pear: 4/12015 - 4/24/2014	Schedule DAN-74 NR013 - 421(2014
Line No. Porchased Wastewater Treatment	Note (1) 11ar-12	Apr-12	May-12	Jun-12	J <del>e</del> -12	Auo-12	\$5 100 100 100 100 100 100 100 100 100 10	5						100
2 Adelotha Sever Service									91.00	<u> </u>	Jan-13	Feb-53	Mar-13	Teal
4 Total Billed PathC Revenue (2) 5 GRFT tax rate (NAA) (3)		\$95,347 20,5	16,183	\$16,968	138,264	\$88,850	\$101,573	\$82,580	\$86,249	#28.47#	\$80.512	202 S23	80	<b>41</b> 052 703
6 Billed PRIAC Revenues net of CHFT	ŧ	\$36,387	384,411	\$30.918	100 E	200	200	0.0%	0.0%	*6°0	850	9.00	0.0%	9,00
4 Least Monthless & RD SOVE Page Character (Co.	_	. !		<u>!</u>			530,1014	307.00	100	\$78,294	\$80,512	\$45,704	190'1/2	\$1,063,793
	· -	254 585	0.8956	0.3915	0.9816	0.9916	0.19816	0.9918	0.9925	0.9925	0.9926	0.9925	9280	0.9920
? ==				100	104.		02/100kg	200 TE	\$500 B002	\$11,707	E/0,008	\$85,061	\$70,514	51,048,325
12 Leas: PSTAC True-up Under-recovery of \$84,916 13 from PSTAC Year 4/11-3/12 divided by 12 mos. (4) 14		7,080	7,078	7,078	7,078	7,076	7,076	7,076	T,078	7,076	7,076	7,076	7,078	84 916
	[ _	805,73	76,628	\$2,003	60,363	810,53	93,644	74,832	78,626	70,631	72.832	77 985	C# ES	007 000
17 Total Purch Westewater Treat Exp. As Adjusted.  18 (per Schedule DAID-6, In. 22)		246,853	0	o	246,953	9	æ	246,653	ø		246,853	•	7,346	994,758
18 Total PSTAC True-up Batanes 21 (Over-Recovered) Filades Recovered (pp. 17 - 18)	, 1	477.0314	1014						•					
	1	9100,347	(3/6/828)	(\$62,003)	\$154,490	(442,019)	(252,544)	\$172,021	(\$78,526)	(\$70,631)	\$174.021	(\$77,985)	(\$56,094)	\$34,349
23 Interest Casculation 24 Total Police Curtaine True-up Baterce 25 (Ores-Recort)/Linder-Recort (6) 25	\$24,916	641,7524	\$153,481	\$54,402	\$18,6053	\$114,720	\$14,000	\$178.945	\$90.343	903 975 903 975	£182 KAO	673 203	96.75	
27 Avverge of the Current & Prior months Cumulative 28 True-up Balances		181,049	196,332	103,941	129, 106	159,288	64,360	96,472	136,144	64,489	89,108	140,050	\$ 50 S	
		8.3240% 0.69%	8.0398% 0.67%	A.039694 0.67%	A.0396% 0.67%	8.039e%	8.0390%	A.D.Soft	Sudden's	8.030e%	8.039676	\$.039 <b>8%</b>	#.9650.0	
AN MINISTERN OF (COM-UP BEHINGSS - (OVA) / Under	•	51,131	\$1,309	26.96	2862	31,067	5431	3846	1012	200 X	2867	2533	0.67% \$442	977 63
36 Total P67AC (Over-Recov.) / Under-Recov. including Internet	Į													24,348
38 Motor. 40 (1) Match 2012 represents the Total PSTAC True-up balance for Adelphia Server per Schedule DMD-11 - Per Settlement, imp 8, 2012 PSTAC Ratio Filing BPU Doctor #WR12050360. 41 (2) Bladd PSTAC revenues are board on actuals. 42 (3) The GRF rate (not applicable to washwest treatment conts) and the Uncolectible RPU Ratio Page 1991 Doctor #WR12050360. 43 (4) Amount per page 1997 Catal Plang PBPU Doctor #WR12050360, Schedule DMD-11 - Per Settlement, BPU Doctor #WR12050390, 44 (5) Line 21 or the current from the Catal Plang PBPU Doctor #WR12050390 (4) Dine 21 or the current from the Catal PBPU PBPU PBPU PBPU PBPU PBPU PBPU PBP	for Admippin Signal States (American Sta	ewer per Schad noollec@ble32fu hedde DidD-13 filbs cument mos	ule DMD-11 - Per Rate Council ex - Per Settlement in:	r Settlement, imp 8, 2012 PSTAC R. Perme fector utilized herein is par St. (imp 8.	s, 2012 PSTAC and herein is pa	C Rate Filing B.P. c Schieche DiaG	) Docket #WR12 51 - Per Settlem	060360. ent, BPU Decise	#WR12060380					
	pon the ROR ;	oer Bosand Onder	in the Bess Rate	Charle SPU Doctast SAPR I 1070460.	LEA SAVIR 11070A	{ <b>S</b>								

Number 2012 represents the Total PSTAC This-up balance for Adelphia Server per Schedule DMD-11 - Per Settlement, ime 9, 2012 PSTAC Rate Flury BPU Doctor; #AR12060360.

(2) Reader DETAC represents the Presentation of Adelphia Server per Schedule DMD-11 - Per Settlement, ime 9, 2012 PSTAC Rate Flury BPU Doctor; #AR12060360, Schedule DMD-11 - Per Settlement and Per 10, The GPC Table (root spoke) which could be a perfect of the perfect part in the Control of the perfect part in the Control of the perfect part in the Control of the perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best perfect part in the Best Part Control of the Best Part Control

# New Jersey American Weiser Company Statement of Ocean City Sewar Service Actual Purchased Wastewater Tradement Operating Expense - PSTAC Sewer Service Prior PSTAC Year 4H13 - 351414

Now Jerray American Weha Company BPU Docket No. WR12111133 Withors Responsible: Derta M. Detiefano

RPU Docket No. WR12141938 Withest Responsible: Darks M. DeStefano	1									_	Scheduk PSTAC Filing	Schedule DMD-8 (updated 2/24/14) PSTAC Filing Year, 4/1/2013 - 3/3/2014	ad 224/14)
Line No. Purchased Wastewater Treatment	Apr-13	May-13	Jun-13	St-Jul.	Aum.63	548							P994
2 Ocean City Seves Service							2	M-1-15	Decido	Jan-14	Feb-14	Mar-14	Total
4 Accruses 5 Total Bal, Purch, Wastewater Treat, AAC 511150 7	88	នន	88	88	88	88	88	88	88	88	<b>5</b> 8	88	88
Adlustments     Additional/outhers     Cape May County Municipal Utiding Authority - Voucher(1)     CARAMAN - 2019 Deficiency Charge Voucher(1)	ē.	\$0 \$2,062,601	8	83	\$2,082,601	<b>.</b>	8	109°290°25 05	<b>8</b>	8	8	52,069,547	\$6,257,360
14 JOSH OF ACHIDORS 13 14	<b>S</b>	\$0 \$2,062,601	8	8	108,205	8	8	52,062,601	ន	S	8	(611,936) \$1,457,610	(611,936) \$7,845,413
15 Editientations 16 Editiente Accusis for Account 17 Total of Editientation	S	8	8	B	8	ล	S	ទ	8	£	\$	;	;
18	8	8	ន	8	8	a	a	S	8	38	3 8	88	នទ
19 Total Purch, Westewater Treat, Exp. As Adjusted 20	æ	\$2,062,601	8	9	\$2,062,801	8	я	\$2,062,601	R	S			\$7.645,413
22													

22 Hotes: 24 (1) Narch 2014 Deliciency Charge per CAKCALLA betar received dated 11/27/2013. 1st Quarter 2014 Invoice per CAKCALLA 2014 Lieer Charge Rate Setting Report. 25

New Jerhery American Vision City Sower Service PSTAC True Up Schedule - Revenue and Operating Expanse - PSTAC Sewer Service Prior PSTAC Year 4/1/13 - 1851/14

New Jersey Assections Water Company IBPU Ducket No. WR13111036 Witness Responsible; Dante M. Desimano

WPU Docked No. WR151114346 Withers Responsible; Dants M. Dassatano												Sch PBTAC F	Schedule DMO-9 (updated 22411-) PBTAC Filting Year, 4/12012 - 33312014	asted 254(14)
Line No. Purchassid Wastawaths Thestmers	Note (1) Mar-13	Apr-13	May-13	St-mil.	.tul.da									Page
2 Scena City Same Sander						21.000		04-13	May-13	Dec-13	Jan-14	Feb-14	7-17	Total
4 Total Billed PSTAC Revenue (2) 5 GROT hax rate (NLA) (3)		\$7/16,369	\$713,853	\$50,790\$	\$711,014	\$716,370	\$720,533	\$175,552	\$6.00,338	51,147,981	\$713.545	, 6641263	500	1
o Based PSTAC Revenues not of CAPT	1	\$716.369	X713.863	C. C. C. C. C. C. C. C. C. C. C. C. C. C	600	1000 0	0.0%	0.0%	0.0%	000	100		200	011,055,04
a Lett. Uncolections & BPUDM: Rate Courses Drg. Factor (3)				101	* Lo' 11 24	Dr. Front	\$720,533	\$175,662	\$686,336	\$1,147,081	\$713,545	\$671,203	4671,283	\$6,336,110
	•	5710 843	2704 352	0.8823	0.9923	0.9923	0.9923	0.9923	0.9923	0.9923	0.9923	6 9923	0 6923	0.0000
11 Least PSTAC Transity (India account of any of			ecorem in	2007	\$708,53B	\$704,900	\$714,985	\$174,200	\$681,063	\$1,139,142	\$704.051	\$666,124	\$666,124	\$8,271,922
		44,613	44,614	44,614	44,614	44,614	41814	41,614	44,814	44,614	44,614	44,614	44,614	535,367
	1	į												
	l	088,230	663,742	188,140	660,926	962,286	670,371	129,586	526 430	* thou BOR	207 235	973 1637	479.760	100
17 Total Purch, Whenevetor Treat, Exp. As Adjusted 18 (per Schedule DMD-8, in. 15)		9	2,062,601	9	٥	2,062,661	a		2,062,601	•	0	2 0	1.467.630	7 645 419
20 Total PSTAC Trus-up Setance 21 (Over-Recovered) / Under-Recovered (n. 17 - 18)	ŀ	Access of the second	120		E									
	I		(C) (C)	(2647,801)	(5880,925)	\$1,402,315	(\$670,371)	(\$129,586)	51,426,162	(\$1.094.528)	(SSE3 437)	78675 5400	6030 000	100
22 Internet Catalogical 24 Total Portice Controlled True-up Balance 25 (Observed Attack Catalogical)									1				ON THE	(35), 144)
(a) recognized to the control of	\$536.367	(\$176,476)	\$1,178,750	F486, 164	(\$218,375)	\$1,136,326	#125,341	E249, 141	\$1,630,689	\$491,547	(\$216,504)	(5082,625)	(391,142)	
24 Avventge of the Cultivity, is Prior infertible Cultimizative 25 True-up Balancea 26		178,946	401,647	832,486	133,394	468,476	760,833	336,241	830,915	1,061,118	137,521	(549,666)	(486,885)	
30 31 Owing ROR For Ducket Broughters 1074400 (5) 32 Monthly Owned Falls of Rolling 33 Homen And Town on Contents	}	8.0396% 0.07%	#10396% 0.67%	A.0396% 0.67%	ACRES OF STREET	A. 039-874.	8.0398%	0.0396%	& Gallenia	8.0368%	B.0398%	8.0383%	& 0398%	
	1	\$1,206	196.53	\$5,678	2634 2634	\$3,078	\$5,232	\$2.253	\$6.297	\$7,100 \$7,100	0 67% 5921	(53,682)	0,67%	28,385
35 Yetsi PETAC (Over-Recov.) / Under-Recov. Including interse; 36 Name 2013 represents the Total PSTAC True-up beatmarker Consunctly Server per Bahacide DMD-61. 46 (2) Blad PSTAC Inverses are based on account, except estimates the selected to the state of the STAC Inverses are based on account, except estimates the selected to the state of t	Cosan cMy So as ufficed for 1 ) and itse Linc as line 12 of its n time ROM per	ever per Babech Khrizey Berng Alectischer Berng e eursen month r Board Order in	se DMD-81. In March 2014. M se Council expen the Base Fuse C	onthly revenue o	oddinadas are tiz d hane's is per Si t iKVR116070440.	sed on 2013 sum thedule DARD-11	iffer quaries uses - Per Settlemen	90 mailipiled by	fie applicate n					(\$81,142)

Yotal PETAC (Over-Recov.) / Under-Recov. Including Internet

Notes:

(1) Match 2013 represents the Total PSTAC True-up betence for Ocean oily Gener per Behadde DMD-02.
(2) Match 2013 represents the Total PSTAC True-up betence utflood for Petriary Shredy Match 2014. Monthly revenue estimates are based on 2013 summer qualizer usage multipled by the applicable rate.
(3) The PT The front applicable to weathered costs) and the Unodectionable PSTAC Entered expenses factor utfliced herein is per Schoolule DMD-11 - Per Settlement, 8PU Doctor avers 1111016.
(4) Line 21 of the structure from the line in the State Cost of the Cost of the professional avers 12 of the cost of the professional based by the Base Ruse Case BPU Doctor avers 1700460.

Mew Jersey American Water Service PSTAC True Up Schedule - Revene and Operating Expense - PSTAC Service Parter PSTAC - Assyst

New Jerusy American Water Company BPU Docist No. WR13111038 Witnes Responsible: Danie M. DeStefano

Witness Responsible: Daries it Desirence											PSTAC	Schedule Dulb-du PSTAC Fling Year, Wildots, 20172014	Schedule Dulb-su 1/2013 - 3/3(/2014
Line No. Purchased Wastewater Treatment	Hote (1) Haz-12. Apr-12	##ay-12	lun-63	14.43									Page
2 Senan City Senar Service						22-02-	0 <del>d-1</del> 2	Non-12	Dec-52	Jazr-13	Feb-13	Mar-13 ·	Tob
4 Total Billed Path C November (2) 5 CRFF tax refer (NA) (5)	990'9995	ā	\$1663,313	\$580,818	\$2564,067	\$560,134	2508.464	27.17.2	200 6300	į			
6 Billed Purity Revenues net of Chility	200 D	2541 1770	0.0%	200	0.0	900	0.036	#00 0	160 D	\$0.4.0¢	\$60,082	\$564,040	\$7,270,088
5 Less Uncolection & BPUIDN, Rate Counted Ext. Factor (2)	1	•	010/0004	\$18'000t	1004,087	\$550,134	\$606,464	3674,146	2863,185	\$674,804	\$660,082	2564,040	\$7.270,008
9 PSTACREY, nated GRFT, Uncoll, SPUDRC exp. (leve 6:4)	B16877		02818	0.9916	0.9518	0.9016	0.9919	0.9926	0.5923	200	90000	4	
10 10 PSTAC True in Commence of the Comment of the	Bartenna	+60'b00*	\$048,586	1556, to7	\$549,433	\$25,429	\$601,628	050 <sup>'</sup> 8885	\$858,211	1660,544	\$656,131	5659.080	0.9920 87.242.400
12 from PSTAC Year 411-3/12 divided by 12 mea, (4)	(33,634)	(629'62)	(323,825)	(39,529)	(825,528)	(33,529)	(82,529)	(33,529)	(53,529)	(33,529)	(33,529)	(625 EE)	(402,353)
14 Plus: Discretorizity Adjustment from PSTAC year 4/1-3/12 (8) 15 Total PSTAC Revenue ret of Cost tecoveries debaied above	20,000	20,000	20,000	000	2000	20,000	30,000	28,000	20,000	20:000	2000	90.00	to c
8		1		000	2017780	268,894	615,067	682,619	671,740	683,073	099'899	672,580	7,374,453
(bit Schedule DMD-6, in. 19)	9	2,002,822	•	•	2,632,822	•	Đ	2,032,622	a	•	a	1,811,355	7,909,820
20 Total PSTAC Trus-up Balanca 21 (Over-Recovered) / Under-Recovered (in. 17 - 16)	(256.862)	\$1,482,759	1507 1927	Chen Each			- 1						
23 Marant Carachaton		1			100/00/10	3345 308	(\$615.057)	\$1,350,203	(3571,740)	(\$683,073)	(5568,660)	\$1,138,766	2525.357
Total PSTAC Cumulative Trustup Relation (Over-Recov.) / Under-Recov. (5)	(PHO2.363) (\$5056,721)	1990,667	\$61,902	(\$484,205)	\$1,018,184	\$463,756	(SB7.774)	20 20 20 20 20 20 20 20 20 20 20 20 20 2	747 747	Ş			
27 Average of the Curterial Prior marking Curtosistives 28 True-up Bulences	(588,037)	(172,177)	316,234	(216,152)	767,485	751,489		200	180'000	(Jar'ie)	(tize'orne)	1972 350	
	-								Propins	344,819	(538,362)	(30,780)	
31 Overall ROSF For Doctori SPUMMER 1070460 (7) 32 Monthly Overall Rate of Results 33 Internation Times For Section	7680 T	B.0308%	8.0390% 0.47%	#8650.8	£.0388%	8.0386%	8.0396%	& 0398%	8.0386%	& 0398%	B.0386%	A CTASSOC.	
St. St. St. St. St. St. St. St. St. St.	134,643)	(\$1,190)	12,119	(51,446)	\$1,792	25,036 25,036	31.293	23.000	\$5,478	22.154	100.00	0 67 %	550
34 Tokal PRTAC (Ovse-Recox.) / Under-Recox, Including Interest 37	ť												101,101
	n Qosan City Sewer per Soti e) and the Liverise-testa.Rior	edule DMO-41 - Pa	Settlement, line	16, 2012 PSTA	C Rude Filling BP	U Doctor BARY	920899.						1525,367
44. (SAMOLAND FOR DRIED SOLD POTAC RATE THIS GRAU DOCUME SHALL SOURCES, SCHOOLED DATE. THE CONTESS RECT ON DRIED INCOME. 43. (S) Live 21 of the cumon formatis plus from 25 of the prince month less line 12 of the cumon think five 16. 44. (S) The ROA uses of the prince of the prince month less line 12 of the cumon think five 16. 45. (C) The ROA uses of the prince of the prince month less line 12 of the cumon think five 16. 46. (C) The ROA uses of the prince of t	2020350, Scheckule DAID-11 see fine 12 of the current mo in the ROR per Board Octor	- Por Continentaling.	nne nactir utleze r 16. une BPU Doctor	i Pacekin ia pair Sk BARTONARORA	heddin DaiD-11	- Per Settleman	, BPU Dockef &	AR12050390.					
	YI THI ROR per Board Order	in the Bess Rass C	use BPU Doctor	PWR1 1070480.									

# New Jersey American Water Company Summary Statement of Pro Forms Purchased Wastewater Treatment Expense PSTAC Year 4/1/2014-3/31/2015

New Jersey American Water Company BPU Docket No. WR13111038 Witness Responsible: Dante M. DeStefano

Schedule DMD-10 (updated 2/24/14) PSTAC Filing Year: 4/1/2013 - 3/3//2014 Page 1

Line No	Sewer Service Tariff Area / Vendor	Calandar Year 2014 Annual Change	Projected Increase Effective 1/1/2015	Projected Calendar Year 2015 Annual Charge	Pro Forma PSTAC Year 4/1/14-3/31/15 Expense
1	Adelphia Sewer Service	(Z)	(3)	(4)	(5)
2 3	Howell Township Annual Charge:	\$1,039,129 (1)	5.36% (14)	\$1,092,748	
4	@ 9/12ths	779,347			
5	, @ 3/12ths			273,187	
8	Pro forma Annuel Cost PSTAC Yr. 4/1/2014-3/31/2015			2/3/10/	E4 080 #94
7					\$1,052,534
5 9	Total Professor Code SSTAGNA - March - Code - Code				
10	Total Proforma Costs PSTAC Yr. 4/1/2014-3/31/2015				\$1,052,534
	Lakewood Sever Service				\$1,002,004
12	Ocean County Utilities Authority				
13	Carrie Common Publicity	\$5,085,420 (2)	1.65% (2m)	\$5,169,329	
14	Annual Charge:				
15	@ 9/12ths	3 844 005			
18	@ 3/12ths	3,814,065			
17	Pro forma Annual Cost PSTAC Yr. 4/1/2014-3/31/2015			1,292,332	
18	OCUA's 2014 Estimated True-Up Deficiency Chg.				\$5,106,397
19 20					(34,795) (5)
21 22	Total Pro forma Costa PSTAC Yr. 4/1/2014-3/31/2015				\$5,071,602
23 🖸	COST City Sewer Service				
24	Cape May County Municipal Utilities Authority	\$8,278,186 (4)	1.200	** *** ***	
25	Annual Charge:	40,210,120 (e)	1.38% (4a)	\$8,392,425	
20	@ 9/12ths	8,208,640			
77 28	@ 3/12tha			2,098,108	
29 19	Pro forma Annual Cost PSTAC Yr 4/1/2014-3/31/2015			2,000,100	\$8,308,746
10					WE, 400, 140
H	•				
2	Total Pro forms Costs PSTAC Yr. 4/1/2014-3/31/2015				
3					\$8,306,746
4	•				
5					
9	Total PSTAC Costs for PSTAC Year 4/1/2014-3/31/2015				
7				;	\$14,430,882
8	Notes:				
8	(1) Estimated 2014 expenses based on actual usage September 2013-	lanuary 2014, estimated used	to February 2014		
) !	- LINE CARLODAR DEFENDE DANS BUILD IN HIGH BARRANTIS COMPLICATION OF THE PARTY OF T	12, and 2013.	1-1		
; 2	(4) A대대의 4014 EXCENSES DOC OCUA letter dated 11/25/2013				
3	(2a) Reflects 3-year avarage of increases in total expenses for 2012, 20	13, and 2014.			
í	(3) Estimate based on actual deficiency charges/credits for the three call (4) CMCMIJA's actual 2014 annual charge per the 2014 User Charge Sy	endar years 2011 Ihrough 20	13		
,	(4a) CMCMUA's estimated 2015 increase based on 3-year average of in	stem Kata Setting Report			
j r	A SAME SAGE BOOK OF CARREST SAGE BOOK OF THE SAGE SAGE SAGE SAGE SAGE SAGE SAGE SAG	CHERROR FOR 2012-2014			
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l					
•					

# New Jersey American Water Company Statement of Pro Forms PSTAC PSTAC Year 4/1/2014-3/31/2015

New Jersey American Water Company BPU Docket No. WR13111038 Witness Responsible: Dante M. DeStefano

Schedule DMD-11 (updated 2/24/14) PSTAC Filing Year: 4/1/2013 - 3/31/2014

Page 1

(1)	(2)
	Regular Calc.
Pro Forma Parchased vvastevater Healment Expense - PSIAC Year 4/01/2014-3/31/2015 (Schedule DMD-10)	\$5,071,602
PSTAC True-up from PSTAC Year 4/01/13-3/31/14 (Schedule DMD-5)	(433,832
sub-total (lines 1 ± 2)	
Ham total filling to wh	\$4,637,768
Gross-up factor for Uncollectibles Exp. & Actual 2014 BPU / Div. Rate Counsel Assessments (1)	0.992
PSTAC for Recovery 4(1/2014-3/31/2015 (line 3 / 4)	
TO THE THE TRANSPORT OF TAXABLE PROPERTY OF THE  \$4,872,815	
Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)	1,230,807
PSTAC per 1000 gaillons (line 5 / 6) (3)	
	\$ <u>3,7965</u>
10) Vinite : Wildiand Vindsterrater Treatment Expense - PS IAC Test 4/01/2014-3/31/2015 (Schedule DMD-10)	\$1,052,534
PSTAC True-up from PSTAC Year 4/01/13-3/31/14 (Schedule DMD-7)	17,146
sub-total (lines 8 + 9)	
	\$1,089,680
Gross-up factor for Uncollectibles Exp. & Actual 2014 BPU / Div. Rate Counsel Assessments (1)	0.9925
PSTAC for Recovery 4/1/2014-3/31/2015 (line 10 / 11)	
	\$1,077,783
Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)	166,851
PSTAC res 1000 online (line 12 (62) (9)	
Latina has son describe falls 151 (2)	\$ <u>6.4594</u>
Pro Forms Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2014-3/31/2015 (Schedule DMD-10)	\$8,306,746
PSTAC True-up from PSTAC Year 4/01/13-3/31/14 (Schedule DMD-9)	104 4 42V
	(91,142)
15- (ines 15 + 16)	\$8,215,804
Gross-up factor for Uncollectibles Exp. & Actual 2014 SPU / Div. Rate Counsel Assessments (1)	0,9925
	0,0023
*31AU for Recovery 4/1/2014-3/31/2015 (line 17 / 18)	\$8,277,687
Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)	<b>**</b>
	344,784
PSTAC per 1000 gallons (line 18 / 20) (3)	\$ <u>24.0083</u>
	Lakewood Sewer Service Pro Forms Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2014-3/31/2015 (Schedule DMD-10) PSTAC True-up from PSTAC Year 4/01/13-3/31/14 (Schedule DMD-5) sub-total (lines 1 + 2)  Gross-up factor for Uncollectibles Exp. & Actual 2014 BPU / Div. Rate Counsel Assessments (1) PSTAC for Recovery 4/1/2014-3/31/2015 (Ilne 3 / 4)  Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2) PSTAC per 1000 gallons (Ilne 5 / 6) (3)  Adelphia Sewer Service Pro Forms Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2014-3/31/2015 (Schedule DMD-10)

### Notes

<sup>(1)</sup> Uncollectible rate @ 0.47% per 3-year average of 2011-2013 uncollectible rates and Actual Assessment Rates @ 0.2845026197318% (combined) (3PU = 0.230466310145% for 2014, Rate Counsel = 0.0540363095858239% for 2014). Gross-up factor (100% - (0.47% + 0.235972307595%)) or 99.25%.

<sup>(2)</sup> See Schedule DMD-11, page 2 for explanation of Projected Sewer Sales.

<sup>(3)</sup> Gross-up for GRFT not applicable - wastewater treatment costs are deductible from Gross Receipts when computing GRFT.

# New Jersey American Water Company Pro Forma PSTAC-Supporting Sewer Service Sales Worksheet PSTAC Year 4/1/2014-3/31/2015

New Jersey American Water Company BPU Docket No. WR13111038 Witness Responsible: Dante M. DeStefano

Schedule DMD-11 (updated 2/24/14)
PSTAC Filing Year: 4/1/2013 - 3/31/2014

## Pro forma Lakewood Sewer Service Sales:

Total Sales Lakewood	1,230,807 (1) 1,230,807
Pro forma Adelphia Sawer Service Sales:	
Total Sales Adelphia	166,851 (2) 166,851
Pro forma Ocean City Sewer Service Sales:	
Total Sales Ocean City	344,784 (3) 344,784

# Notes:

- (1) Source: Average of customers' 2011, 2012 & 2013 actual wastewater consumption during the winter quarter, annualized. Also included is a usage adjustment to account for Lakewood minimum usage charges, which began 1/1/2011 as approved in Docket #WR10040260. This usage adjustment is consistent with that exhibited in SIR-14, Workpaper 5S, page 2 of 9 in Docket #WR11070460.
- (2) Source: Average of customers' 2011, 2012 & 2013 actual wastewater consumption.
- (3) Source: Average of 2011, 2012 and 2013 actual summer wastewater consumption.

# New Jarsey American Water Company Statement of Pro Forma Filing Costs PWAC Year 4/1/2014-3/31/2015

New Jersey American Water Company BPU Docket No. WR13111838

Witness Responsible: Dante M. DeStefano

Schedule DMD-12 PWAC Filling Year: 4/1/2013 - 3/31/2014

Line			Page
No.			
ſ		Estimated	
2		Pro Forma	
3		Filing Costs	
4			
5	Legal	\$0	
6	Public Noticing	5,000	
7	Court Reporting	2,000	
8	. •		
9	Total Pro Forma Filing Costs	\$8,000 (1)	
10	-	The second secon	
11			
12	(1) These costs carry to Schedule Di	AD - 3 for inclusion in PWAC recovery at 50%.	
13	,	and the state of the state of the control of the co	
14			
15			
16			
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18 19			

PWAG / PSTAC REVENUE Pro Forma PWAC/PSTAC Proposed Rate Revenue - uncompressed rates—Current Filing	PWAC	PSTAC	<u>Total</u>
PSTAC per Schedule DMD-11; Coi. 2, (ins. 22 * in 23) + (ins. 30 * 31) PSTAC per Schedule DMD-11;	\$36,531,822		\$36,531,822
Adelphia Sewer - Col. 2, line 12 Lakewood Sewer - Col. 2, line 5 Ocean City Sewer - Col. 2, line 19		1,077,763 4,672,815	1,077,763 4,672,815
Total Pro Forma PWAC/PSTAC Proposed Rate Revenue	\$36,531,822	8,277,687 \$14,028,265	8,277,687 \$50,560,087
Pro Forma PWAC/PSTAC Present Rate Revenue - uncompressed rates - Current Filing PWAC per Schedule DMD-3, Col.2, (in 23 * \$0.3767) + (in 31 * \$0.4368) note (1) PSTAC per Schedule DMD-11 (ref. col.a and lines below) note (2):	\$35,284,405		\$35,284,405
Adelphia Sewer - Col. 2, in 14 * \$6.0933 Lakewood Sewer - Col. 2, in 7 * \$3.7037 Ocean City Sawer - Col. 2, in 21 * \$24.2983		1,018,867 4,558,574 8,377,681	1,016,667 4,558,574
Total Pro Forma PWAC/PSTAC Present Rate Revenue	\$35,264,405	\$13,952,922	8,377,681 \$49,217,327
Pro Forms PWACIPSTAC Proposed Revenue Increase PWAC PSTAC Adelphia Sewer PSTAC Lakewood Sewer PSTAC Ocean City Sewer	\$1,267,417	61,09 <b>6</b> 114,241 (99,994)	\$1,267,417 61,096 114,241
Total Pro Forms PWAC/PSTAC Proposed Rev. Increase	\$1,267,417	\$75,343	(99,994) \$1,342,760
Pro Forme PWAC/PSTAC Proposed Revenue Incr. % Over Current PWAC/PSTAC Rev.			····
PSTAC Adelphia Sewer PSTAC Lakewood Sewer PSTAC Cakewood Sewer	3,59%	8.01% 2.51%	3,59% 8.01% 2.51%
Total Pro Forma PWAC/PSTAC Revenue Increase %	3.59%	-1.19% 0.54%	-1.19% 2.73%

Notes:(1) Present Rates on an Uncompressed basis per Schedule DMD-3 - Per Settlement, WR12111019. Usage per DMD-3, lines 22 and 30.

(2) Present Rates on an Uncompressed basis per Schedule DMD-11 - Per Settlement, WR12111019. Usage per DMD-11.

(3) Approx. \$56 mil. Of Base Revenues are not subject to PWAC (Fire Service, Uninter, Manasquan Serv., and Other Operating Revenues)

M Customer

Proposed Annual Rev. 12 862.58 862.12 862.12 852.04

New Jersey American Water Company

PMAC & PSTAC Rath Filling - Bull Comparisons:
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PMAC

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PSTAC	•	OCHRI CITY Sever		Armusi Bal Calculation	*Observ

		Patent	(day)	
		PSTACES WINS	Charles Charles	1507 53
(1) Appendix to main mounts current lange. (3) Applicable to prior year's structure specific respec	Present Rates	Basso Rutes EE SYM2	2.58" Chg Rate	\$15.06 \$3.4102 \$15.06 cm.48
And Applicable to prior year's experience of	Ц	1	Umge	8,008
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### New Jersey American Water Company Statement of Pro Forma Purchased Water Expense PWAC Year 4/1/2014-3/31/2016

New Jersey American Water Company BPU Docket No. WR13111038 Witness Responsible: Robert R. Schnefer

Schedule RRS-1 (Updated 2/24/14) PWAC Filing Year: 4/1/2013 - 3/31/2014

Purchased Water Vendor	Actual PWAC Year 4/1/13-3/3/1/14 Purchases (MGY)	Annual Contract Minimum (MGY)	Pre Forms Purchases (MGY)	Pro Forma Rate per MG	Pro Forms PWAC Year 4/1/2014-3/31/2015
Passalc Valley Water Commission (PVWC): PVWC - power component	(2) 3,996 743	(a) 3,777.750	4,150 308 (14	(5)	Expanse (9) \$9,676,668
				(2)	
Monte County Municipal Utilities Authority	242 193	220 000	242 193	S2,459 25 (3)	\$595,613
Montolair Water Bureau	73 455		119 357 (42	\$1,737.97 (4)	\$207,439
New Jersey Water Supply Authority (NJWSA)				.,	,,100
Manasquen:	4,562 500				
Contract @ Initial rate	4000 000	2,943 725	0.040.744		
Contract @ Delayed rate		1.818 775	2,943 725	\$1,015.90 (5)	\$2,990,530
Power component		1.010775	1,618,775	\$1,168.49 <sub>(5a)</sub>	\$1,891,522
Overdraft service	0.000			(56)	\$228,603
Rantan:	0.000		1 850	(5¢)	\$2,287
Contract	49 700 00	** ***			
Legislative grant	46,209.00	46,209.00	46,209.00	\$240 86 (6)	\$11,129,900
Overdraft service	1,062.15	1,082.15	1,062.15	\$0.00	\$0
Retroactive Debt Service	0.00		326 68	(64)	\$90,555
Credit against Retroactive Debt Serv Pyrnts				(Eb)	\$200,301
Orean alignment reproductive Dept Serv. Pyritis				(Bc)	(\$195,721)
Atlantic City Municipal Utilities Authority:				100/	(9.190,121)
Base rate	100.000				
Excess rate	180,000	180,000	180 000	\$3,487.97 (7)	\$627,835
	378,413	372 822	378,413	\$2,985,24 (7)	\$1,122,086
Township of Maple Shade	6.251		6,251	<b>(\$</b> )	\$46,019
Borough of Seaside Heights	56.441				470,018
_	20,441		56,441	\$2,750,00 (9)	\$155,213
Shorefands Water Company:					
Union Beach connections;	178.941				
Sale for Resale rate	110,541	182,500	400		
Backup bulk sales rate		(OZ, 3UU	182,500	\$2,198.00 (ta)	\$401,135
Fixed chg:2 - 4" meter (per mo.)			0,000	\$4,007.00 (10)	\$0
Fixed chg:2 - 6" meter (per mo.)				\$237.18 (10)	\$5,692
Union Beach Deficiency bill				\$474.38 (10)	\$11,385
Holmdel connection:				(11)	\$58,404
Backup bulk sales rate	0.400			· ·	110, 741
Fixed chg:1 - 6" mater (per mo)	9 138		9 673 (104)	\$4,007.00 (ta)	\$38,780
, moderally - o mater (bet file)		•		\$474 38 (16)	\$5,693
laifboro Township MUA	102,546	91.250	97 394 (12a)	\$4,035,89 (12)	\$393,167
ity of Wildwood	35 088	35,000	42.339 (1a)	\$2,510.00 (13)	
est Windsor Muncipal Utilities Authority				44,0 (0.00 [13]	\$106,271
suchebig offines Vittigistà	0.869		0.869	(14)	\$2,215

Notes: (1) Promited Rate - 9 months of rate effective 1/1/14 - \$2,297,23 - and 3 months increase of 5% effective 1/1/15.

<sup>(</sup>tip 3 year average of usage for the 12 months ended 3/31/12, 3/31/13 and 3/31/14. See Note 1, DMC-1e for explaniation for year ended 3/31/14, (tip 3 year average of usage for the 12 months ended 3/31/12, 3/31/13 and 3/31/14. See Note 1, DMC-1e for explaniation for year ended 3/31/14, (tip 3 year average of usage for the 12 months ended 3/31/12, 3/31/13 and 3/31/14. See Note 1, DMC-1e for explaniation for year ended 3/31/14, (tip 3 year average of usage for the 12 months ended 3/31/14, 3/31/13 and 3/31/14.

<sup>(2)</sup> Actual Power costs for PWAC Yr 4/1/13-3/31/14 per Soh. DMD-1.

<sup>(</sup>a) Primited retained 1/1/13 for NJ American of 1/1/16 times the 2013 base rate of \$2,135 times 3% increase for 2014 (\$2,441) for 9 months and 3 months of rate effective 1/1/15, estimating 3% increase to been rate (\$2,765) times 111% (\$2,514). (4) Present rates - Effective 11/1/18

<sup>(4</sup>a) 3-year average for the 12 months ended 3/31/12, 3/31/13, and 3/31/14. See Hote 1, DMD-1a for explaniation for year ended 3/31/14.

<sup>(18)</sup> or year overage he see to remove where our to warring and a part of any or restrict our sees to warring and a part of the

<sup>(</sup>de) Pronted rate - 3 months of actual rate Ett. 7/1/13-6/30/14 \$1,756.49 per mg and 9 mas, of estimated 7/1/14-8/30/15 rate, \$1,050,49 per mg.

<sup>(5</sup>b) Actual Power costs for PWAC Yr. 4/1/13-3/21/14 per Sch. DMD-1.

<sup>(5</sup>c) Estimated overdate service charge based upon everage of 12 months ended 3/31/12, 3/31/13 and 3/31/14 actual monthly and annual overdraft charges. See Note 2, DMC-1 for explaniation for year ended 3/31/14.

Sole rider c, Dimin 1 for experience to great enters of the 1.1.

(8a) Prorated rate - 123 days of schial rate ER. 71/1/3-8/3/14 \$231 00 per ing and 240 days of NJWSA's proposed 6/4/14-8/30/15 rate \$246,00 per ing.

(8a) Estimated oversized service charge based upon average of 12 months ended 3/31/12, 3/31/13 and 3/31/14 actual months and annual oversized charges. See Note 2, DMD-1 for expleniation for year ended 3/31/14

<sup>(8</sup>b) Actual amount retroactive debt service charge effective January 2008.

<sup>(5</sup>c) Estimated prior period credit against the debt service charge is based upon a 3 year siverage of these credits for the 12 months ended 3/2011, 3/2012 and 3/2013.

<sup>(8)</sup> Actual costs PWAC Year 4/1/13-3/31/14.

<sup>(9)</sup> Present relea - Effective 1/31/07

<sup>(10)</sup> Present rates - Exactive 1/19/11, including PWAC rates effective 7/1/12.

<sup>(19</sup>a) 3 year average of usage for the 12 months ended 3/31/12, 3/31/13 and 3/31/14. See Note 1, DMD-1s for explanation for year ended 3/31/14.

<sup>(11)</sup> Estimated Union Beach deficiency bill based upon a 3-year average of the defiare associated with the deficiency in PWAC Years ended 3/31/12, 3/31/13 and 3/31/14 (12) Profesion reflects the everage of the 12 monthly projected relea during PWAC Yr. 41/14-3/31/15. The rate incorporates MMC (Middleses) and MTMUA components. The sANC rate component was based on the current schual rate eff. 7/20/2012 of \$2,752.35 paring.

The MTARIA component was prorated based on 11 morths of the current contractual rate of \$1,282.40 and 1 morth of a contractual 2% rate incr effective 3/1/15 of \$1,508.09. The MENALA rate increase is affective on the miniversery of the Water Service Effective Date of 37/109.

<sup>(12</sup>a) 3 year evenege of usage for the 12 months ended 3/31/12, 3/31/13 and 3/31/14. See Note 1, OMD-1s for explanation for year ended 3/31/14. (13) Present rates - Effective 1/1/2012

<sup>(14)</sup> Adual costs for PWAC year 4/1/13/3/31/14



Robert J. Spabaton Corporate Counsel 167 J.F. Kännady Parkway Short Kills, NJ 07078 Robert Breaton Community of Community

P 978.564.5718 F 978.584.6708

March 4, 2014

Via Facsimile and Regular Mali Hon. Ella A. Pelios, ALJ Office of Administrative Law 9 Quakerbridge Plaza P.O. Box 049 Trenton, New Jersey 08825-0049

Re:

I/M/O the Petition of New Jersey American Water Company, Inc. to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater (Sewerage) Treatment Adjustment Clause OAL DOCKET NO. PUC 17989-13

Dear Judge Pelios:

It has come to our attention that the Stipulation of Settlement executed in the above-referenced matter contains a typographical error in that it states that the petition was filed on November 15, 2013 when it was actually filed on November 1, 2013. By copy of this letter we are advising the other parties to this matter of the error.

Plaase do not hesitate to contact me should you have any questions.

Very truly yours,
/s/Robert J. Brabston
Robert J. Brabston

RJB;dlc

co: Service list (via e-mail)



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The Charles State

Via Facsimile & Overnight Mail (609) 689-4100

February 25, 2014

Honorable Elia A. Pelios, ALJ Office of Administrative Law 9 Quakerbridge Plaza P.O. Box 049 Trenton, NJ 08625-0049

RE: I/M/O the Petition of New Jersey American Water Company, Inc. for Approval to

Change The Level of its Purchased Water Adjustment Clause and Purchased

Wastewater (Sewerage) Treatment Adjustment Clause

BPU Docket No.:

WR13111038

OAL Docket No:

PUC 1989-2013

Dear Judge Pelios:

Middlesex Water Company ("Middlesex"), an Intervenor in the above matter, has reviewed the proposed Stipulation of Settlement ("Stipulation") in the above-referenced matter which is expected to be executed shortly.

Please be advised that Middlesex does not object to the Stipulation.

Should you have any questions, please contact me.

Respectfully,

Kenneth & Onion

Vice President, General Counsel,

Secretary and Treasurer

cc:

Attached Service List (via e-mail only)