



Agenda Date: 03/18/16
Agenda Item: 5B

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
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 LEVEL OF ITS)
PURCHASED WATER ADJUSTMENT CLAUSE AND)
PURCHASED WASTEWATER (SEWERAGE))
TREATMENT ADJUSTMENT CLAUSE)
ORDER ADOPTING INITIAL)
DECISION/SETTLEMENT)
BPU DKT. NO. WR15111289)
OAL DKT. NO. PUC 18503-2015S)

Parties of Record:

Steven R. Bishop, Esq., New Jersey American Water Company, Inc.
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Jay L. Kooper, Esq., Vice President, General Counsel and Secretary, Middlesex Water Company

BY THE BOARD:

On November 7, 2015, 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.S.A. 48:2-21, N.J.A.C. 14:9-7.1 et seq. and 14:9-8.1 et seq., for authorization 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 \$3,081,503 or 0.49% above estimated total Company revenues of \$626,085,025. As a result of settlement discussions, the Petitioner, the Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively the "Signatory Parties") have agreed to a total overall stipulated increase of \$3,079,763 or 0.49% above total Company revenues of \$626,257,040. Intervenor Middlesex Water Company ("Middlesex") submitted a letter not objecting to the settlement.

The 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.

The Company purchases water on a routine basis from eleven 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 eleven 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; 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 Adelpia Sewer tariff group.

In I/M/O 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 \$0.4525 per thousand gallons of water to \$0.4577 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.3902 per thousand gallons of water to \$0.3947 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 decrease from \$3.7965 per thousand gallons to \$3.6296 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 \$24.0083 per thousand gallons to \$24.5226 per thousand gallons.

For customers in the Adelpia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected in PSTAC Rate Schedule 3-B, would increase from \$6.4594 per thousand gallons to \$6.6559 per thousand gallons.

BACKGROUND/PROCEDURAL HISTORY

This matter was transmitted to the Office of Administrative Law ("OAL") on November 16, 2015, as a contested case and was assigned to Administrative Law Judge ("ALJ") Elia A. Pelios. A telephonic prehearing conference was held on January 7, 2016, with ALJ Pelios during which, among other things, the ALJ directed that public hearings be held on this matter.

On January 20, 2016, Middlesex Water Company ("Middlesex") filed a motion to intervene in the instant proceeding, and no party opposed the motion, which was subsequently granted. After proper notice, two public hearings were held in following locations in Petitioner's service area: in Ocean City on February 3, 2016 at 2:00 p.m. and in Howell Township on February 3, 2016 at 6:00 p.m. No member of the public appeared at the Ocean City public hearing. One member of the public attended the Howell Township public hearing but chose not to speak on the record.

Subsequent to the public hearings, the Petitioner, Rate Counsel, Staff and Middlesex engaged in settlement negotiations. On February 26, 2016, the Signatory Parties entered into a Stipulation of Settlement ("Stipulation"). Middlesex submitted a letter to ALJ Pelios on February 26, 2016, stating that it had no objection to the Stipulation.

On March 9, 2016 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 FINDINGS¹

The Signatory Parties recommend that the Board approve a change to Petitioner's PWAC rate on PWAC Rate Schedule O-1 from \$0.4348 per thousand gallons of water for Non-Exempt customers to \$0.4659 per thousand gallons of water for Non-Exempt customers; and from \$0.3750 per thousand gallons of water for Exempt customers to \$0.4018 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 increase from \$3.8151 per thousand gallons to \$4.1625 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 increase from \$24.8816 per thousand gallons to \$24.9644 per thousand gallons.

For customers in the Adelpia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, will increase from \$5.8388 per thousand gallons to \$6.2674 per thousand gallons.

¹ 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 6,000 gallons per month as follows:

	<u>Present Monthly Bill</u>	<u>Proposed Per month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
SA-1	\$53.41	\$53.59	\$0.18	0.34%
SA-1B Pennsgrove	\$43.20	\$43.39	\$0.19	0.44%
SA-2 Manville, SA-1D	\$49.92	\$50.11	\$0.19	0.38%
SA-2, SA-3 & SA-1A	\$52.53	\$52.72	\$0.19	0.36%
SA-3 Southampton	\$47.67	\$47.86	\$0.19	0.40%

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 \$2.08 per month or 3.56%; (b) an increase 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 \$0.14 per month or 0.21%; and (c) an increase to an average sewer service customer in the Adelpia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.71 per month or 3.35%.

These PWAC and PSTAC rates are calculated as being effective April 1, 2016.

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. 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.

Having reviewed the Initial Decision and the Stipulation of Settlement, the Board **HEREBY FINDS** 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 **FURTHER FINDS** the Initial Decision, which adopts the Stipulation, to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Initial Decision and the Stipulation, attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if they were fully set forth at length herein, subject to the following:

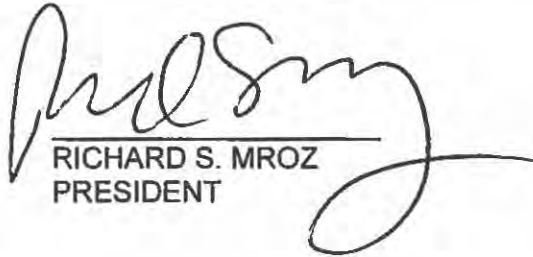
In accordance with the provisions of N.J.A.C. 14:9-7.3 (c) and 14:9-8.3 (c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, a PWAC true-up schedule in connection with this proceeding. Copies of the true-up schedule shall be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

The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Initial Decision, which adopts the Stipulation, and this Order within ten (10) days from the effective date of this Order.

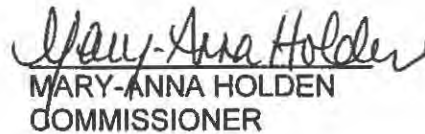
The effective date of this Order is March 28, 2016 with rates to become effective April 1, 2016.

DATED: 3-18-16

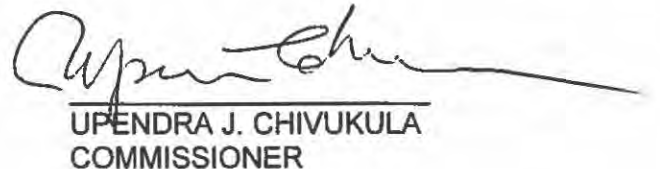
BOARD OF PUBLIC UTILITIES
BY:


RICHARD S. MROZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

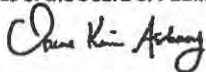

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
IRENE KIM ASBURY
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



IN THE MATTER OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC.
FOR AUTHORIZATION TO CHANGE THE LEVEL OF ITS PURCHASED WATER
ADJUSTMENT CLAUSE AND PURCHASED WASTEWATER (SEWERAGE) TREATMENT
ADJUSTMENT CLAUSE

BPU DOCKET NO. WR15111289
OAL DOCKET NO. PUC 18503-2115S

SERVICE LIST

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February 26, 2016

Via 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
OAL DOCKET NO. PUC 18503-2015**

Dear Judge Pelios:

Attached to this letter is the signed stipulation, representing the parties' settlement of the above-captioned matter. The parties request that, if it pleases Your Honor, the Motion to Intervene filed on behalf of Middlesex Water Company (which has not been opposed) be approved as part of the Initial Decision.

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

Respectfully submitted,

/s/ Stephen R. Bishop

Stephen R. Bishop

SRB:dlc

cc: Service list (via e-mail)

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. WR15111289
NEW JERSEY-AMERICAN WATER :
COMPANY, INC. FOR APPROVAL TO : OAL DOCKET NO. PUC 18503-2015
CHANGE THE LEVEL OF ITS PURCHASED :
WATER ADJUSTMENT CLAUSE AND : **STIPULATION OF SETTLEMENT**
PURCHASED WASTEWATER :
(SEWERAGE) TREATMENT ADJUSTMENT :
CLAUSE :

APPEARANCES:

Stephen R. Bishop, Esq., on behalf of New Jersey-American Water Company, Inc.,
Petitioner;

Carolyn McIntosh and Veronica Beke, Deputy Attorneys General, on behalf of the Staff
of the Board of Public Utilities (John J. Hoffman, Acting Attorney General of
New Jersey);

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

Jay L. Kooper, Esq., on behalf of Middlesex Water Company, Intervenor

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

On November 6, 2015, 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.S.A. 48:2-21 and N.J.A.C. 14:9-7.1 et seq. and such statutes, regulations and Board orders that may be deemed by the Board to be applicable, 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 \$3,081,503 or 0.49% above total Company revenues of \$626,085,025. As a result of settlement discussions, the Signatory Parties

indicated below have agreed to a total overall stipulated increase of \$3,079,763 or 0.49% above total Company revenues of \$626,257,040.

Petitioner purchases water on a routine basis from eleven 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 eleven 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; 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 Adelpia Sewer tariff group.

In BPU Docket No. WR06030257, 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 \$0.4348 per thousand gallons of water to \$0.4624 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.3750 per thousand gallons of water to \$0.3988 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 \$3.8151 per thousand gallons to \$4.0791 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 \$24.8816 per thousand gallons to \$26.3652 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 \$5.8388 per thousand gallons to \$5.9101 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 on January 7, 2016, 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 January 20, 2016, Middlesex Water Company ("Middlesex") filed a motion to intervene in the instant proceeding. No party opposed Middlesex's motion. Middlesex has been included on the service list, received all discovery, and participated in all conferences and meetings. Two public hearings were held in Petitioner's service area: in Ocean City on February 3 at 2 p.m. (no public attendees); and Howell Township on February 3 at 6 p.m. (one public attendee, with no one speaking on the record).

The Division of the Rate Counsel ("Rate Counsel") and Staff of the Board ("Board Staff") served interrogatories on Petitioner, which were responded to in full by Petitioner. During the proceeding, Petitioner received updated information from the various water and wastewater service purveyors whose costs comprise the Petitioner's requested relief. This information was provided to all of the parties on a timely basis. Petitioner, Board Staff, Rate Counsel and Middlesex ("Signatory Parties") participated in a discovery/settlement conference on February 12, 2016, after the public hearings had been held and public comment received into the record for consideration by all parties. As a result of the Petitioner's updates, which are reflected in

Schedules DMD-1 to DMD-16 and RRS-1 attached to this Agreement as Exhibit A, the discovery conducted and 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 \$0.4348 per thousand gallons of water for Non-Exempt customers to \$0.4659 per thousand gallons of water for Non-Exempt customers and from \$0.3750 per thousand gallons of water for Exempt customers to \$0.4018 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 \$3.8151 per thousand gallons to \$4.1625 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 \$24.8816 per thousand gallons to \$24.9644 per thousand gallons.
- For customers in the Adelpia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, will change from \$5.8388 per thousand gallons to \$6.2674 per thousand gallons.

3. The effective PWAC rate change would result in an increase in the annual bill of an average residential customer utilizing 6,000 gallons per month as follows:

	<u>Present Monthly Bill</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
SA-1	\$53.41	\$53.59	\$0.18	0.34%
SA-1B Pennsgrove	\$43.20	\$43.39	\$0.19	0.44%

	<u>Present Monthly Bill</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
SA-2 Manville, SA-1D	\$49.92	\$50.11	\$0.19	0.38%
SA-2, SA-3 & SA1A	\$52.53	\$52.72	\$0.19	0.36%
SA-3 Southampton	\$47.67	\$47.86	\$0.19	0.40%

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 \$2.08 per month or 3.56%; an increase 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 \$0.14 per month or 0.21%; and an increase to an average sewer service customer in the Adelpia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.71 per month or 3.35%.

5. These PWAC and PSTAC rates are calculated as being effective April 1, 2016.

6. NJAWC plans to file its 2016 PWAC/PSTAC petition on or before November 15, 2016.

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

8. The PWAC/PSTAC rates established herein will increase annual revenues by \$3,079,763 or 0.49%.

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 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. The Signatory Parties understand that Middlesex will file a letter with the OAL indicating that it does not object to the Stipulation.

STEFANIE A. BRAND, DIRECTOR
DIVISION OF THE RATE COUNSEL

By: 
Susan McClure
Assistant Deputy Rate Counsel

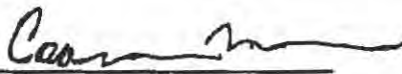
Dated: 2/26/16

NEW JERSEY-AMERICAN WATER
COMPANY, INC.

By: 
Stephen R. Bishop
Corporate Counsel

Dated: 2/25/16

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

By: 
Carolyn McIntosh
Deputy Attorney General

Dated: 2/26/16

**EXHIBIT A
TO STIPULATION OF SETTLEMENT**

**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. WR15111289
OAL Docket No. PUC 18503-2015**

*[Schedules DMD-1 to DMD-16 and RRS-1 are attached as separate documents and collectively
Exhibit A to the Stipulation of Settlement]*

New Jersey American Water Company
 Statement of Actual Purchased Water Volumes (1000 Gallons) Associated with Actual Purchased Water Expense - PWAC Water Service
 PWAC Year 4/1/16 - 3/31/16 (1)

New Jersey American Water Company
 BPU Docket No. WR15111289
 Witness Responsible: Dante M. DeStefano

Schedule DMD-1a, Supplated 2/28/2016
 PWAC Filing Year: 4/1/2016 - 3/31/2016
 Page 1

Line No.	Purchased Water	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1														
2														
3	Vendor/Vendor (1,000 gallons)													
4	Atlantic City Municipal Utility Authority	33,409	34,291	37,375	34,970	42,789	62,668	61,545	60,951	63,787	54,788	32,852	36,821	556,226
5	Borough of Florham Park	0	0	0	0	0	0	27	0	0	0	0	0	27
6	Township of Maple Shade	1,243	0	0	690	0	0	0	0	0	0	1,898	1,453	5,224
7	Morris County Municipal Utilities Authority	0	31,682	21,109	23,508	25,384	28,414	24,824	19,628	17,982	17,938	16,991	15,610	241,089
8	Montclair Water Bureau	6,749	1,084	14,063	2,631	12,849	0	0	19,196	7,760	12,893	7,024	8,230	92,489
9	City of Newark - Shaw/Selva	7	7	7	15	7	7	34	7	14	0	30	2	137
10	NJWSA - Water - Manasquan	0	0	1,140,625	0	0	1,140,625	0	0	1,140,625	0	0	1,140,625	4,562,500
11	NJWSA - Overdraft - Manasquan	0	0	0	3,150	0	0	0	0	120,999	0	0	0	124,149
12	Passaic Valley Water Commission - Water	263,370	303,240	222,470	334,300	399,410	473,040	851,180	578,350	618,670	41,860	293,797	559,516	4,737,433
13	Sea Isle City	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Seaside Heights	0	25,073	0	1	0	1,494	0	0	0	0	40,610	10,781	77,939
15	Shorelands Water Company	13,697	12,244	18,419	15,391	50,660	19,296	16,078	0	24,959	0	18,291	12,128	201,365
16	City of Wildwood	0	0	0	0	0	0	0	0	35,233	0	0	0	35,233
17	Pemberton Borough	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Other Vendors	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Marlboro Municipal Utilities Authority	7,750	7,500	7,750	7,500	7,750	7,956	7,500	7,750	7,500	0	15,870	7,029	81,855
20	NJWSA - Water - Raritan	3,924,598	3,798,000	3,798,000	3,924,600	3,924,600	3,924,600	3,798,000	3,924,600	3,798,000	3,924,600	3,924,600	3,671,400	46,335,598
21	NJWSA - Water - Raritan Legislative Grant	90,210	87,300	90,210	87,300	90,210	90,210	87,300	90,210	87,300	80,210	90,210	84,360	1,065,080
22	NJWSA - Overdraft - Raritan	0	0	0	0	0	0	0	0	887,430	0	0	0	887,430
23	City of Newark - Summit	0	23	15	175	28	0	1	34	1	0	2,394	2	2,673
24	East Windsor Municipal Utility	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Total Volume Assoc. with PW Expense as Adjusted (1)	4,341,033	4,300,464	5,350,043	4,434,202	4,553,967	5,746,312	4,646,499	4,898,724	6,810,470	4,142,289	4,444,537	5,547,967	59,016,408

(1) Purchased Water usage reflects actuals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that invoiced month.

New Jersey American Water Company
 Assessment of PWAC True Up Schedule - Revenue and Operating Expenses - PWAC Water Service
 PWAC Year 4/1/15 - 3/31/16

New Jersey American Water Company
 BPU Docket No. W150111280
 Witness: Daniel M. DeStefano

Line	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1														
2														
3														
4														
5														
6														
7														
8														
9														
10														
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Notes: (1) March 2015 represents Total PWAC True-up balance per Schedule DMD-2.
 (2) Total PWAC water revenues are based on actuals, except estimates utilized for February 2015 through March 2016. Estimates are based on 2015-15 average usage, times rates effective 04/01/15 per Docket W150111278.
 (3) GRPT rate and Uncollectible/Unpaid Charges factor utilized herein is per Settlement, BPU Docket W150111278, Schedule DMD-12 - Per Settlement.
 (4) Amount per the 2015 PWAC Rate Filing BPU Docket W150111278, Schedule DMD-12 - Per Settlement.
 (5) Line 24 of the current month plus line 28 of the prior month less line 15 of the current month.
 (6) The ROR utilized for the period 4/1/15 - 02/2016 is based upon the ROR per Board Order in the Base Rate Case BPU Docket W150111278-660. For 02/15-3/31/16, ROR is based on BPU Docket W150111278-660.
 (7) Water sales for all months were based upon actual monthly water sales, except estimates utilized for February 2016 through March 2016. Estimates are based on a 3-year average of 2013, 2014, and 2015 usage for the same month.
 (8) For Settlement - example rate reflects \$0.3750 effective 4/1/15 per BPU Docket W150111278.

New Jersey American Water Company
Statement of PWAC True Up Schedule - Revenue and Operating Expense - PWAC Water Service
Prior PWAC Year 4/1/14 - 3/31/15

New Jersey American Water Company
 BPU Docket No. W13111288
 Witness Responsible: Dante M. DeStefano

Schedule DMD-2a
 PWAC Filing Year: 4/1/2015 - 3/31/2016
 Page 1

Line No	Notes (1)	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
1															
2	Total Billed PWAC Revenue (non-exempt & exempt) (2)		\$2,595,457	\$2,528,947	\$3,295,050	\$3,520,756	\$3,941,039	\$3,678,840	\$3,277,667	\$2,671,856	\$2,825,885	\$2,623,732	\$2,430,768	\$2,630,607	\$36,118,240
3	Less: Exempt PWAC Revenue (from ln. 49)		\$3,251	\$0,672	178,513	77,142	83,067	81,804	77,071	78,956	77,855	83,379	95,926	81,817	1,015,353
4	Non-Exempt PWAC Revenue		\$2,542,206	\$2,478,275	\$3,118,543	\$3,443,614	\$3,697,972	\$3,596,036	\$3,200,626	\$2,594,700	\$2,547,730	\$2,640,353	\$2,334,842	\$2,548,990	\$35,102,887
5															
6	GRFT tax rate (3)		13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%
7	PWAC Non-exempt Rev. net of GRFT (ln 4 * (100% - ln 6))		\$2,182,380	\$2,137,265	\$2,689,431	\$2,989,773	\$3,327,115	\$3,100,359	\$2,760,220	\$2,237,669	\$2,187,163	\$2,449,521	\$2,013,568	\$2,198,249	\$30,272,731
8	Add Back: Exempt PWAC Revenue (ln 3)		\$3,251	\$0,672	178,513	77,142	83,067	81,804	77,071	78,956	77,855	83,379	95,926	81,817	1,015,353
9	PWAC Revenue net of GRFT		\$2,245,649	\$2,187,937	\$2,865,944	\$3,046,915	\$3,410,182	\$3,182,163	\$2,837,291	\$2,314,625	\$2,275,118	\$2,532,900	\$2,109,494	\$2,278,966	\$31,288,084
10															
11	Less: Uncollectible & BPU/Div. Rate Counsel Exp. Factor (2)		0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925
12	PWAC Rev net of GRFT, Uncoll. BPU/Div. Rate Counsel exp (ln 11)		\$2,228,607	\$2,171,527	\$2,844,449	\$3,024,063	\$3,384,806	\$3,158,297	\$2,818,011	\$2,297,265	\$2,258,056	\$2,513,903	\$2,093,673	\$2,262,767	\$31,053,423
13															
14	Less: PWAC True-up Under-recovery of \$305,891 from PWAC Year 4/13-3/14 divided by 12 mos. (1)		25,477	25,474	25,474	25,474	25,474	25,474	25,474	25,474	25,474	25,474	25,474	25,474	305,891
15															
16															
17	Less: PWAC Filing Cost Authorized (4)		337	333	333	333	333	333	333	333	333	333	333	333	4,000
18															
19	Total PWAC Revenues net of Cost recoveries detailed above		\$2,202,993	\$2,145,720	\$2,818,642	\$2,998,256	\$3,358,769	\$3,132,490	\$2,780,204	\$2,271,458	\$2,232,248	\$2,488,096	\$2,067,866	\$2,236,960	\$30,743,732
20															
21	Total Purchased Water Exp. as Adjusted - (per Sch. DMD-1, ln 48)		1,922,990	1,153,350	3,271,965	1,842,763	2,299,547	4,483,290	2,387,756	2,314,653	2,594,289	1,536,061	1,998,017	3,254,038	29,036,939
22															
23	Total PWAC True-Up Balance														
24	(Over-Recovered) / Under-Recovered (ln. 21-19)		(\$280,004)	(\$992,370)	\$453,343	(\$1,155,493)	(\$1,059,252)	\$1,330,800	(\$402,449)	\$43,395	(\$362,041)	(\$652,035)	(\$71,848)	\$1,017,078	(\$1,706,793)
25															
26	Interest Calculation														
27	Total PWAC Cumulative True-up Balance														
28	(Over-Recov) / Under-Recov (5)		\$305,891	\$210	(\$1,017,833)	(\$589,765)	(\$1,770,732)	(\$2,855,458)	(\$1,550,132)	(\$1,878,054)	(\$1,980,133)	(\$1,623,566)	(\$2,601,075)	(\$2,698,388)	(\$1,706,793)
29															
30	Average of the Current & Prior months Cumulative		(93,344)	(508,712)	(803,699)	(1,180,248)	(2,313,095)	(2,202,795)	(1,764,093)	(1,989,093)	(1,791,848)	(2,112,329)	(2,648,738)	(2,202,595)	
31	True-up Balances (Over rec.) / Under rec														
32															
33															
34	Overall ROR Per Docket BPU/WR11070480 (6)		0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%
35	Monthly Overall Rate of Return		0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%
36	Interest on True-up Balances - (Over) / Under		(\$825)	(\$3,408)	(\$3,385)	(\$7,908)	(\$15,486)	(\$14,759)	(\$11,819)	(\$13,183)	(\$12,005)	(\$14,153)	(\$17,753)	(\$14,757)	(\$131,283)
37															
38	Total PWAC (Over-Recov.) / Under-Recov. including interest														(\$1,838,076)
39															
40	Exempt from GRFT Customers Actual Water Sales (1000 gals) (7)														
41	Cogen (Beyway) - CIV		0	0	304,667	70,132	76,798	77,545	70,170	66,127	72,605	82,236	114,463	101,440	1,038,202
42	Aqua NJ Water Co. - SFR-CD		21,390	23,400	18,690	20,700	21,390	21,390	20,700	21,390	20,700	21,390	21,390	19,320	251,850
43	Lansdowne Water Co. - SFR-SOS		15,726	15,373	16,269	15,439	15,984	15,936	15,223	15,940	15,815	16,084	15,950	14,889	188,586
44	Middlesex Water Co. - SFR-SOS		98,365	90,004	111,321	90,278	94,835	93,004	90,228	93,084	90,107	93,356	93,505	73,036	1,111,127
45	Ruticus Water Co. - SFR Ring GMS		990	1,065	1,400	1,150	1,875	1,770	1,185	660	635	635	530	500	12,385
46	Total Exempt Customer Actual Water Sales		136,471	129,862	452,367	197,669	212,662	208,645	197,516	197,221	199,782	213,663	245,638	208,187	2,802,132
47															
48	Exempt PWAC Rate per 1000 gals (8)		\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902	\$0.3902
49	Exempt PWAC Revenue		\$53,251	\$50,672	\$178,513	\$77,142	\$83,067	\$81,804	\$77,071	\$78,956	\$77,855	\$83,379	\$95,926	\$81,817	\$1,015,353
50															

Notes: (1) March 2014 represents Total PWAC True-up balance per Schedule DMD-2a
 (2) Billed PWAC water revenues are based on actuals.
 (3) GRFT rate and Uncollectible/BPU/Rate Counsel expense factor utilized herein is per Settlement, BPU Docket #WR13111038
 (4) Amount per the 2014 PWAC Rate Filing BPU Docket #WR13111038, Schedule DMD-12 - Per Settlement
 (5) Line 24 of the current month plus line 26 of the prior month less line 15 of the current month
 (6) The ROR utilized for the period 4/1/14 - 3/31/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR11070480
 (7) Water sales for all entities were based upon actual monthly water sales
 (8) For Settlement - exempt rate reflects \$0.3902 effective 4/1/14 per BPU Docket #WR13111038

New Jersey American Water Company
Statement of Pro Forma PWAC
PWAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
BPU Docket No. WR15111289
Witness Responsible: Dante M. DeStefano

Schedule DMD-3, Stipulated 2/25/2016
PWAC Filing Year: 4/1/2015 - 3/31/2016
Page 1

Line	(1)	(2) Regular Calc.						
1	CALCULATION of PWAC Rates for Year 4/1/2016-3/31/2017 Without Compression (regular calc.)							
2	Pro forma Purchased Water Exp. - PWAC Year 4/01/16-3/31/17 (Sched. RRS-1)	\$32,739,240						
3	PWAC True-up from PWAC Year 4/01/15-3/31/16 (Schedule DMD-2)	(248,081)						
4								
5								
6	sub-total (lines 2+3)	\$32,491,159						
7								
8	Gross-up factor for Uncollect. Exp. & Actual 2015 BPU / Div. Rate Counsel Assessments(1)	0.9925						
9								
10	PWAC for Recovery 4/1/15-3/31/16 pre-GRFT (line 6 / 8)	\$32,736,684						
11								
12	Total Projected Water Sales subject to PWAC (1000 gallons) (line 51) (3)	81,469,677						
13								
14	PWAC Exempt Rate per 1000 gallons (line 10 / 12)	\$0.4018						
15								
16	PWAC Non-Exempt Rate per 1000 gals. (line 14 / grossed up for GRFT @ 13.76%) (2)	\$0.4659						
17								
18								
19								
20	<u>Pricing</u>							
21	<u>Exempt Sales</u>							
22	Projected Exempt Water Sales subject to PWAC (1000 gallons) (line 50) (3)	2,617,805						
23	PWAC Exempt Rate per 1000 gallons (line 14)	\$0.4018						
24	PWAC Exempt Revenue	\$1,051,834						
25								
26	<u>Non-Exempt Sales</u>							
27	Non-Exempt PWAC recovery pre-GRFT (line 10 - 24)	\$31,684,850						
28	Non-Exempt PWAC recovery grossed-up for GRFT (line 27 / (100% - 13.76%))	\$36,740,318						
29								
30	Projected Non-exempt Water Sales subject to PWAC (1000 gallons) (line 50) (3)	78,852,072						
31	PWAC Non-Exempt Rate per 1000 gallons (line 16)	\$0.4659						
32	PWAC Non-Exempt Revenue	\$36,737,180						
33								
34	Total PWAC Revenue (ln. 24 + 32)	\$37,789,014						
35								
36								
37	Notes:							
38	(1) Uncollectible rate @ 0.48% per 3-year average of 2012-2014 uncollectible rates and Actual Assessment Rates							
39	@ 0.28878486768% (combined) (BPU = 0.211278609018% for 2015, Rate Counsel = 0.0575062586734%							
40	for 2015). Gross-up factor (100% - (0.48% + 0.28878486769%)) or 99.25%.							
41	(2) NJAWC Authorized GRFT rate is 13.76% per Docket #WR15010035.							
42	(3) Projected water sales are an average of calendar years 2013, 2014 and 2015 actual water usage.							
43								
44								
45	Water Sales (in 1000 gallons)	<table border="1"> <thead> <tr> <th>Exempt</th> <th>Non-Exempt</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2,617,805</td> <td>78,852,072</td> <td>81,469,677</td> </tr> </tbody> </table>	Exempt	Non-Exempt	Total	2,617,805	78,852,072	81,469,677
Exempt	Non-Exempt	Total						
2,617,805	78,852,072	81,469,677						

New Jersey American Water Company
Statement of Pro Forma Purchased Water Expense
PWAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
BPU Docket No. WR16111289
Witness Responsible: Robert R. Schaefer

Schedule RRS-1, Stipulated 2/25/2016
PWAC Filing Year: 4/1/2016 - 3/31/2017

Page 1

Purchased Water Vendor	Actual PWAC Year 4/1/15-3/31/16 Purchases (MGY)	Annual Contract Minimum (MGY)	Pro Forma Purchases (MGY)	Pro Forma Rate per MG	Pro Forma PWAC Year 4/1/2016-3/31/2017 Expenses
(1)	(2)	(3)	(4)	(5)	(6)
Passaic Valley Water Commission (PVWC): PVWC - power component	4,737.433	3,777.750	4,125.088 (1b)	\$2,539.94 (1)	\$10,477,425 (1) \$703,540 (2)
Morris County Municipal Utilities Authority	241.069	220.000	241.069	\$2,609.25 (3)	\$629,009
Montclair Water Bureau	92.489	65.000	65.000 (4a)	\$4,902.86 (4)	\$318,873
New Jersey Water Supply Authority (NJWSA) Manasquan:	4,582.500				
Contract @ Initial rate		2,943.725	2,943.725	\$1,117.87 (5)	\$3,290,113
Contract @ Delayed rate		1,618.775	1,618.775	\$1,228.44 (5a)	\$1,988,568
Power component					(5b) \$241,918
Overdraft service	124.149		41.383		(5c) \$50,449
Raritan:					
Contract	46,335.60	46,209.00	46,209.00	\$253.00 (6)	\$11,690,877
Legislative grant	1,065.06	1,065.06	1,065.06	\$0.00	\$0
Overdraft service	887.43		295.81		(6a) \$89,808
Retroactive Debt Service					(6b) \$200,301
Credit against Retroactive Debt Serv. Pymts					(6c) (\$198,839)
Atlantic City Municipal Utilities Authority:					
Base rate	180.000	180.000	180.000	\$3,918.45 (7)	\$705,321
Excess rate	376.226	372.822	376.226	\$3,330.21 (7)	\$1,252,913
Township of Maple Shade	5.224		5.224		(8) \$44,255
Borough of Seaside Heights	77.939		77.939	\$2,750.00 (9)	\$214,332
Shorelands Water Company:					
Union Beach connections:	190.339				
Sale for Resale rate		162.500	147.122	\$2,248.50 (10)	\$330,804
Backup bulk sales rate			15.378	\$4,099.00 (10)	\$63,034
Fixed chg:2 - 4" meter (per mo.)				\$300.00 (10)	\$7,200
Fixed chg:2 - 6" meter (per mo.)				\$600.00 (10)	\$14,400
Union Beach Deficiency bill					(11) \$80,788
Holmdel connection:					
Backup bulk sales rate	11.027		9.844 (10a)	\$4,099.00 (10)	\$40,351
Fixed chg:1 - 6" meter (per mo)				\$600.00 (10)	\$7,200
Marlboro Township MUA	91.855	91.250	95.328 (12a)	\$4,264.27 (12)	\$406,506
City of Wildwood	35.233	35.000	35.185 (1a)	\$2,510.00 (13)	\$88,314
			<u>57,547.136</u>		<u>\$32,739,240</u>

**New Jersey American Water Company
Statement of Pro Forma Purchased Water Expense
PWAC Year 4/1/2016-3/31/2017**

**New Jersey American Water Company
BPU Docket No. WR15111289
Witness Responsible: Robert R. Schaefer**

**Schedule RRS-1, Stipulated 2/25/2016
PWAC Filing Year: 4/1/2015 - 3/31/2016
Page 2**

RRS-1 Notes:

- (1) Prorated Rate - 9 months of rate effective 1/1/15 - \$2,508.58 - and 3 months increase of 5% effective 1/1/17 per letter dated 1/6/15.
- (1a) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (1b) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (2) Actual Power costs for PWAC Yr. 4/1/14-3/31/15 per Sch. DMD-1.
- (3) Prorated estimated rate effective 1/1/16 - 1/1/15 rate of \$2,514 increased by 3% for 9 months and 3 months of estimated rate effective 1/1/17, estimating 3% increase to 2016 rate.
- (4) Rates as applicable per Montclair Water Bureau Ordinance and agreement dated 6/16/15.
- (4a) Equal to contract minimum.
- (5) Prorated rate - 3 months of actual rate Eff. 7/1/15-6/30/16 \$1,057.40 per mg and 9 mos. of 7/1/16-6/30/17 rate increase , \$1,137.76 per mg.
- (5a) Prorated rate - 3 months of actual rate Eff. 7/1/15-6/30/16 \$1,190.86 per mg and 9 mos. of 7/1/16-6/30/17 rate increase, \$1,240.96 per mg.
- (5b) Actual Power costs for PWAC Yr. 4/1/15-3/31/16 per Sch. DMD-1.
- (5c) Estimated overdraft service charge based upon average of 12 months ended 3/31/14, 3/31/15 and 3/31/16 actual monthly and annual overdraft charges. See Note 2, DMD-1 for explanation for year ended 3/31/16.
- (6) Prorated rate - 3 months of actual rate Eff. 7/1/15-6/30/16 \$253 per mg and 9 months of 7/1/16-6/30/17 rate, \$253 per mg.
- (6a) Estimated overdraft service charge based upon 3 year average for the periods ended 3/31/14, 3/31/15 and 3/31/16 annual overdraft charges. See Note 2, DMD-1 for explanation for year ended 3/31/16.
- (6b) Actual annual retroactive debt service charge effective January 2008.
- (6c) Estimated prior period credit against the debt service charge is based upon a 3 year average of these credits for the 12 months ended 3/2014, 3/2015 and 3/2016.
- (7) Rates effective 1/1/16.
- (8) Actual costs PWAC Year 4/1/15-3/31/16.
- (9) Present rates - Effective 1/31/07.
- (10) Present rates - Effective 3/18/15.
- (10a) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (11) Estimated Union Beach deficiency bill based upon a 3-year average of the dollars associated with the deficiency in PWAC Years ended 3/31/14, 3/31/15 and 3/31/16.
- (12) Prorated rate reflects the average of the 12 monthly projected rates during PWAC Yr. 4/1/16 - 3/31/17. The rate incorporates MWC (Middlesex) and MTMUA components. The MWC rate component was based on the current actual rate eff. 8/29/2015 of \$2,927.84 per mg. The MTMUA component was prorated based on 11 months of the current contractual rate of \$1,334.21 and 1 month of a contractual 2% rate incr. effective 3/1/17 of \$1,360.89. The MTMUA rate increase is effective on the anniversary of the Water Service Effective Date of 3/1/09.
- (12a) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (13) Present rates - Effective 1/1/2012.

New Jersey American Water Company
 Statement of Lakinwood Sewer Service PSTAC True Up Schedule - Revenue and Operating Expenses - PSTAC Sewer Service
 PSTAC Year 4/1/15 - 3/31/16

Line No.	Description	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1	Purchased Wastewater Treatment														
2	Subcontract Sewer Services														
3	Total Billed PSTAC Revenue (1)	\$421,524	\$419,045	\$419,045	\$420,577	\$419,045	\$414,042	\$419,584	\$437,340	\$424,872	\$422,037	\$436,769	\$436,769	\$436,769	\$5,176,259
4	GRFT tax rate (IVA) (2)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Billed PSTAC Revenues net of GRFT	\$421,524	\$418,651	\$418,651	\$420,577	\$418,645	\$414,042	\$419,584	\$437,340	\$424,872	\$422,037	\$436,769	\$436,769	\$436,769	\$5,176,259
6	Less: Unrecoverables & BPU/DW Rate Counsel Exp Factor (3)	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020	0.0020
7	PSTAC Rev. net of GRFT, Uncoll., BPU/DW exp. (line 6*4)	\$418,455	\$415,553	\$415,553	\$417,465	\$418,637	\$411,772	\$418,499	\$434,960	\$421,487	\$419,868	\$435,328	\$435,328	\$435,328	\$5,137,848
8															
9	Less: PSTAC True-up Overrecovery of (\$286,275) from PSTAC Year 4/1-3/10 divided by 12 mos. (1)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(23,659)	(286,275)
10															
11	Total PSTAC Revenue net of Cost recoveries detailed above (per Schedule DMD-4, ln. 23)	\$442,264	\$438,899	\$438,899	\$441,321	\$440,983	\$435,028	\$440,315	\$457,918	\$448,343	\$443,322	\$479,184	\$479,184	\$479,184	\$5,420,583
12															
13	Total PSTAC True-up Balance (Over-Recovered) / Under-Recovered (ln. 18 - 17)	(\$42,264)	\$85,324	\$85,324	(\$41,321)	(\$40,983)	\$89,105	(\$40,315)	(\$47,918)	(\$48,343)	(\$43,322)	(\$479,184)	(\$479,184)	(\$479,184)	(\$7,002)
14	Interest Calculation														
15	Total PSTAC Cumulative True-up Balance (Over-Recov) / Under-Recov (4)	(\$286,275)	(\$70,690)	\$204,500	(\$212,965)	(\$629,802)	\$23,156	(\$133,301)	(\$567,381)	\$33,885	(\$83,781)	(\$39,109)	\$47,726	(\$7,602)	
16	Average of the Current & Prior months Cumulative True-up Balances		(495,477)	(250,050)	(4,233)	(421,364)	(173,322)	74,929	(360,331)	(115,736)	126,062	(311,445)	(45,892)	220,002	
17	Overall ROR Per Docket BPU/DW 1070460 (5)	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%	8.0236%
18	Overall ROR Per Docket BPU/DW 1501003 (6)	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%
19	Monthly Overall Rate of Return	(33,320)	(11,676)	(11,676)	(526)	(52,823)	(31,181)	\$435	(52,207)	(3,751)	3,751	(31,903)	(3,301)	51,306	(\$11,519)
20	Interest on True-up Balance - (Over) / Under														
21	Total PSTAC (Over-Recov.) / Under-Recov. including Interest														
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41	Note: (1) March 2015 represents the Total PSTAC True-up balance for Lakinwood Sewer per Schedule DMD-5a														
42	(2) Billed PSTAC revenues are based on actuals, except as noted for February 2016 through March 2016.														
43	(3) The GRFT rate (not applicable to wastewater treatment costs) and the Unrecoverable/BPU/DW Rate Counsel expense factor utilized herein is per Schedule DMD-11 - Per Settlement, BPU Docket #WR14111278, updated on 9/2/15 per Docket #WR15010035														
44	(4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month														
45	(5) The ROR utilized for the period 4/1/15 - 9/20/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR11070460. For 9/21/15-3/31/16, ROR is based on BPU Docket #WR15010035														

(\$11,519)

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New Jersey American Water Company
 Statement of Lakenwood Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service
 Prior PSTAC Year 4/1/14 - 3/31/15

Line No.	Purchased Wastewater Treatment	Notes (1) Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
1	Lakenwood Sewer Service														
2	Total Billed PSTAC Revenue (2)		\$351,428	\$390,740	\$509,025	\$412,614	\$412,600	\$410,323	\$410,873	\$467,413	\$408,124	\$442,700	\$383,222	\$411,171	\$4,980,491
3	GRFT tax rate (NA) (3)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Billed PSTAC Revenue net of GRFT		\$351,428	\$360,740	\$509,025	\$412,614	\$412,600	\$410,323	\$410,873	\$467,413	\$408,124	\$442,700	\$383,222	\$411,171	\$4,980,491
5	Less: Uncollectibles & BPU/WRIC Rate Counsel Exp. Factor (3)		0.9625	0.9625	0.9625	0.9625	0.9625	0.9625	0.9625	0.9625	0.9625	0.9625	0.9625	0.9625	0.9625
6	PSTAC Rev. net of GRFT, Uncol., BPU/WRIC exp. (line 5)*		\$348,790	\$353,058	\$505,267	\$409,319	\$409,784	\$407,248	\$407,791	\$463,867	\$403,053	\$433,280	\$369,348	\$400,087	\$4,843,156
7	Less: PSTAC True-up Over-recovery of (6602,576) from PSTAC Year 4/1-3/14 divided by 12 mos (1)		(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(50,223)	(602,679)
8	Total PSTAC Revenue net of Cost recoveries detailed above		\$298,567	\$302,835	\$455,044	\$359,096	\$359,561	\$357,025	\$357,568	\$413,644	\$352,830	\$383,057	\$319,125	\$349,864	\$4,240,477
9	Total Purch Wastewater Treat. Exp. As Adjusted - (per Schedule DMD-4, ln. 23)		0	1,271,355	0	0	1,271,355	0	0	1,271,355	0	0	1,484,283	0	5,298,340
10	Total PSTAC True-up Balance (Over-Recovered) / Under-Recovered (ln. 18 - 17)		\$298,567	\$1,068,480	(1,555,450)	(2,458,742)	\$811,368	(2,457,668)	(2,458,014)	\$757,275	(2,458,286)	(2,458,314)	\$1,083,712	(2,458,319)	(2,217,467)
11	Interest Calculation		(2802,678)	(3851,488)	(543,254)	(6952,872)	(911,252)	(2,490,528)	(1,906,319)	(3,89,871)	(5,003,894)	(6,843,314)	(8,160,820)	(2,247,487)	
12	Total PSTAC Cumulative True-up Balance (Over-Recov) / Under-Recov (4)		(777,872)	(484,806)	(290,781)	(748,114)	(522,078)	(2,94,803)	(702,424)	(562,565)	(301,403)	(723,824)	(991,347)	(43,423)	
13	Average of the Current & Prior months Cumulative True-up Balances		8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	8.0380%	
14	Overall ROCR Per Docket BPU/WR1070460 (5)		0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	
15	Monthly Overall Rate of Return Interest on True-up Balance - (Over) / Under		(35,208)	(53,318)	(71,428)	(89,538)	(107,648)	(125,758)	(143,868)	(161,978)	(180,088)	(198,198)	(216,308)	(234,418)	(3,300,808)
16	Total PSTAC (Over-Recov.) / Under-Recov. Including Interest														
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Notes:
 (1) March 2014 represents the Total PSTAC True-up balance for Lakenwood Sewer per Schedule DMD-5a
 (2) Billed PSTAC revenues are based on actuals.
 (3) The GRFT rate (not applicable to wastewater treatment costs) and the Uncollectible/BPU/WRIC Council expenses factor utilized herein is per Schedule DMD-11 - Per Settlement, BPU Docket #WR13111008
 (4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month.
 (5) The ROCR utilized for the period 4/1/14 - 3/31/15 is based upon the ROCR per Board Order in the Base Rate Case BPU Docket #WR11070460

New Jersey American Water Company
 Statement of Adolphus Sewer Service PSTAC True Up Schedule - Revenue and Operating Expenses - PSTAC Sewer Service
 PSTAC Year 4/1/16 - 3/31/16

Line No.	Purchased Wastewater Treatment	Note (1) Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1	Adolphus Sewer Service														
2	Total Billed PSTAC Revenue (2)		\$78,227	\$77,785	\$92,510	\$88,471	\$96,185	\$88,242	\$91,826	\$82,651	\$70,577	\$87,801	\$87,801	\$87,801	\$1,018,870
3	GRFT fee rate (RVA) (3)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Billed PSTAC Revenue net of GRFT		\$78,227	\$77,785	\$92,510	\$88,471	\$96,185	\$88,242	\$91,826	\$82,651	\$70,577	\$87,801	\$87,801	\$87,801	\$1,018,870
5	Less: Unallocable & BPU/Wh Rate Counsel Exp Factor (2)		0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925
6	PSTAC Rev net of GRFT, Uncol., BPU/Wh exp. (line 6'0)		\$77,548	\$77,209	\$91,825	\$87,816	\$95,472	\$87,569	\$90,917	\$82,031	\$70,048	\$86,344	\$86,344	\$86,344	\$1,011,306
7	Less: PSTAC True-up Over-recovery of (\$3,288) from PSTAC Year 4/1-3/15 divided by 12 mos. (1)		(775)	(775)	(775)	(775)	(775)	(775)	(775)	(775)	(775)	(775)	(775)	(775)	(3,288)
8	Total PSTAC Revenue net of Cost recoveries detailed above		77,521	77,484	92,100	88,081	96,748	87,864	91,182	83,306	70,323	87,219	87,219	87,219	1,014,665
9	Total Purch Wastewater Treat. Exp. As Adjusted - (per Schedule DMD-6, In Z2)		246,987	0	0	246,987	0	0	246,987	0	0	246,987	0	19,204	1,003,193
10	Total PSTAC True-up Balance		\$185,076	(577,484)	(92,100)	\$150,900	(895,748)	(87,864)	(155,805)	(82,306)	(370,323)	(158,778)	(87,219)	(87,219)	(811,484)
11	Interest Calculation														
12	Total PSTAC Cumulative True-up Balance		\$185,076	(577,484)	(92,100)	\$150,900	(895,748)	(87,864)	(155,805)	(82,306)	(370,323)	(158,778)	(87,219)	(87,219)	(811,484)
13	(Over-Recovery) / Under-Recovery (4)		0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%	0.0398%
14	Average of the Current & Prior months Cumulative True-up Balances		0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%
15	Overall ROR Per Docket BPU/Wh (1070460) (8)		2545	4854	5288	5513	5727	5912	6084	6239	6382	6514	6635	6746	6847
16	Overall ROR Per Docket BPU/Wh (15010035) (6)		8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%	8.0398%
17	Monthly Overall Rate of Return		0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%	0.877%
18	Interest on True-up Balances - (Over) / Under		2545	4854	5288	5513	5727	5912	6084	6239	6382	6514	6635	6746	6847
19	Total PSTAC (Over-Recovery) / Under-Recovery, Including Interest		185,076	(577,484)	(92,100)	150,900	(895,748)	(87,864)	(155,805)	(82,306)	(370,323)	(158,778)	(87,219)	(87,219)	(811,484)

Notes:
 (1) March 2015 represents the Total PSTAC True-up balance for Adolphus Sewer per Schedule DMD-7a
 (2) Billed PSTAC revenues are based on actuals, except estimates utilized for February 2016 through March 2016
 (3) The GRFT rate (not applicable to wastewater treatment costs) and the Unallocable/BPU/Wh Rate Counsel expense factor utilized herein is per Schedule DMD-11 - Per Retirement, BPU Docket #WR14111278, updated on 9/21/15 per Docket #WR15010035
 (4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month.
 (5) The ROR utilized for the period 4/1/15 - 9/20/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR11070460. For 9/21/15-3/31/16, ROR is based on BPU Docket #WR15010035

(811,484)

New Jersey American Water Company
 Statement of Adolphus Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service
 Prior PSTAC Year 4/1/14 - 3/31/15

Schedule DMD-7a
 PSTAC Filing Year: 4/1/2015 - 3/31/2016
 Page 1

New Jersey American Water Company
 BPU Docket No. WR1511288
 Witness: Representative: Dennis M. Dabulano

Line No.	Purchased Wastewater Treatment	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
1	Adolphus Sewer Service														
2	Total Billed PSTAC Revenue (2)	\$70,748	\$96,073	\$98,094	\$99,458	\$99,458	\$102,256	\$90,299	\$43,842	\$90,775	\$79,710	\$90,210	\$89,795	\$41,048	\$1,098,820
3	GRFT tax rate (3A) (3)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Billed PSTAC Revenue net of GRFT	\$70,748	\$96,073	\$98,094	\$99,458	\$99,458	\$102,256	\$90,299	\$43,842	\$90,775	\$79,710	\$90,210	\$89,795	\$41,048	\$1,098,820
5	Less: Unrecovered & BPU/WRJ Rate Counsel Exp Factor (3)	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825	0.9825
6	PSTAC Rev. net of GRFT, Unrec. & BPU/WRJ exp (line 5*B)	\$70,156	\$95,427	\$97,373	\$98,710	\$98,710	\$101,489	\$89,822	\$43,273	\$89,094	\$78,112	\$88,339	\$88,082	\$40,107	\$1,061,884
7	Less: PSTAC True-up Under-recovery of \$43,274 from PSTAC Year 4/1/14 - 3/31/14 divided by 12 mos. (1)	3,608	3,608	3,608	3,608	3,608	3,608	3,608	3,608	3,608	3,608	3,608	3,608	3,608	43,274
8	Total PSTAC Revenue net of Cost recoveries detailed above	73,542	91,821	91,767	95,104	95,104	97,883	86,216	79,507	86,488	75,503	85,933	85,488	77,467	1,018,608
9	Total Purch. Wastewater Treat. Exp. As Adjusted (per Schedule DMD-5, ln 21)	250,108	0	0	250,108	0	0	0	250,108	0	0	250,108	0	0	1,015,322
10	Total PSTAC True-up Balance (Over-Recovered) / Under-Recovered (ln. 17 - 18)	\$190,566	(\$81,821)	(\$81,767)	(\$151,004)	(\$87,083)	(\$87,083)	(\$88,019)	(\$78,501)	(\$88,488)	(\$75,503)	(\$70,175)	(\$85,488)	(\$88,578)	(\$3,296)
11	Interest Calculation														
12	Total PSTAC Cumulative True-up Balance (Over-Recover) / Under-Recover (4)	\$220,232	\$134,205	\$30,432	\$190,831	\$65,342	\$5,720	\$176,615	\$68,521	\$88,521	\$9,408	\$175,078	\$88,886	(\$3,296)	
13	Average of the Current & Prior months Cumulative True-up Balances	131,753	177,519	87,119	118,131	140,086	50,531	92,167	133,548	48,965	48,965	92,693	131,432	41,794	
14	Overall ROR Per Docket BPU/WR11070480 (5)	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%	8.0388%
15	Monthly Overall Rate of Return	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%	0.87%
16	Interest on True-up Balances - (Over) / Under	\$883	\$1,189	\$554	\$791	\$919	\$339	\$855	\$518	\$855	\$538	\$621	\$881	\$280	\$4,368
17	Total PSTAC (Over-Recover) / Under-Recover, including interest	\$191,415	\$135,016	\$29,878	\$198,622	\$74,551	\$6,059	\$187,614	\$73,676	\$97,076	\$10,916	\$181,259	\$97,767	(\$3,576)	

(\$3,296)

Notes:
 (1) March 2014 represents the Total PSTAC True-up balance for Adolphus Sewer per Schedule DMD-7a
 (2) Billed PSTAC revenues are based on actuals.
 (3) The GRFT rate (not applicable to wastewater treatment costs) and the Unrecovered BPU/WRJ Rate Counsel expense factor utilized herein is per Schedule DMD-11 - Per Settlement, BPU Docket #WR13111038
 (4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month.
 (5) The ROR utilized for the period 4/1/14 - 3/31/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR11070480.

New Jersey American Water Company
 Statement of Ocean City Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service
 PSTAC Year 4/1/14 - 3/31/15

New Jersey American Water Company
 BPU Docket No. WR15111060
 Witness/Responsible: Dante M. DeBarbano

Line No.	Purchased Wastewater Treatment	Notes (1)	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
2	Ocean City Sewer Service															
3	Total Billed PSTAC Revenue (2)			\$724,215	\$671,953	\$692,940	\$675,910	\$699,153	\$556,511	\$667,877	\$654,906	\$678,373	\$716,042	\$681,814	\$704,524	\$4,115,910
4	GRFT fee rate (N/A) (3)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Billed PSTAC Revenue net of GRFT			\$724,215	\$671,953	\$692,940	\$675,910	\$699,153	\$556,511	\$667,877	\$654,906	\$678,373	\$716,042	\$681,814	\$704,524	\$4,115,910
6	Less: Unallocable & BPU/OC Rate Counsel Exp. Fedor (3)			0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925
7	PSTAC Rev. net of GRFT, Unalloc. BPU/OC exp. (line 6)*			\$718,762	\$666,913	\$677,918	\$670,741	\$695,909	\$552,337	\$662,666	\$648,906	\$675,285	\$710,672	\$676,100	\$698,125	\$4,094,748
8	Less: PSTAC True-up Over-recovery of (3266,865) from PSTAC Year 4/1-3/14 divided by 12 mos. (1)			(22,237)	(22,236)	(22,236)	(22,236)	(22,236)	(22,236)	(22,236)	(22,236)	(22,236)	(22,236)	(22,236)	(22,236)	(266,865)
9	Total PSTAC Revenue net of Cost recoveries detailed above			741,020	686,181	700,056	692,978	718,147	574,575	684,507	671,984	694,323	732,910	698,626	725,463	4,321,903
10	Total Purch. Wastewater Treat. Exp. As Adjusted (per Schedule DWD-9, ln 19)			0	2,069,540	0	0	2,069,540	0	0	2,069,540	0	0	0	2,270,851	8,485,490
11	Total PSTAC True-up Balance (Over-Recovery) / Under-Recovered (ln. 17 - 18)			(3,741,020)	\$1,380,359	(1,700,056)	(1,662,978)	\$1,353,399	(1,574,875)	(1,668,807)	\$1,397,613	(1,683,523)	(1,742,910)	(1,680,526)	\$1,653,388	\$183,647
12	Interest Calculation															
13	Total PSTAC Cumulative True-up Balance (Over-Recovery) / Under-Recovery (4)			(3266,865)	\$418,095	(326,023)	(583,584)	\$444,074	(5108,284)	(1770,333)	3648,918	(324,287)	(1735,029)	(1,411,739)	\$163,087	
14	Average of the Current & Prior months Cumulative True-up Balances			(628,247)	(284,321)	78,086	(596,183)	(243,745)	167,605	(439,388)	(61,007)	312,275	(379,703)	(1,073,389)	(623,926)	
15	Overall ROR Per Docket BPU/WR1107060 (5)			8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%	8.0396%
16	Monthly Overall Rate of Return			0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%	0.67%
17	Interest on True-up Balances - (Over) / Under			(4,186)	(11,905)	533	(31,964)	(17,853)	11,125	(32,845)	(4,699)	32,687	(32,344)	(57,182)	(41,180)	(425,250)
18	Total PSTAC (Over-Recovery) / Under-Recovery, including Interest															\$138,397

Notes:
 (1) March 2014 represents the Total PSTAC True-up balance for Ocean City Sewer per Schedule DWD-9a.
 (2) Billed PSTAC revenues are based on schedule.
 (3) The GRFT rate (not applicable to wastewater treatment costs) and the Unallocable/BPU/OC Rate Counsel expense factor utilized herein is per Schedule DWD-11 - Per Settlement, BPU Docket #WR13111006
 (4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month
 (5) The ROR utilized for the period 4/1/14 - 3/31/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR1107060

New Jersey American Water Company
 Summary Statement of Pro Forma Purchased Wastewater Treatment Expense
 PSTAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
 BPU Docket No. WR1511289
 Witness Responsible: Dante M. DeStefano

Schedule DMD-10, Stipulated 2/25/2016
 PSTAC Filing Year: 4/1/2015 - 3/31/2016
 Page 1

Line No.	Sewer Service Tariff Area / Vendor	Calendar Year 2016 Annual Charge	Projected Increase Effective 1/1/2017	Projected Calendar Year 2017 Annual Charge	Pro Forma PSTAC Year 4/1/16-3/31/17 Expense
	(1)	(2)	(3)	(4)	(5)
1	<u>Adelphia Sewer Service</u>				
2	Howell Township	\$1,048,803 (1)	0.06% (1a)	\$1,049,397	
3	<u>Annual Charge:</u>				
4	@ 9/12ths	786,602			
5	@ 3/12ths			262,349	
6	Pro forma Annual Cost PSTAC Yr. 4/1/2016-3/31/2017				\$1,048,951
7					
8					
9	Total Pro forma Costs PSTAC Yr. 4/1/2016-3/31/2017				<u>\$1,048,951</u>
10					
11	<u>Lakewood Sewer Service</u>				
12	Ocean County Utilities Authority	\$5,434,800 (2)	2.51% (2a)	\$5,571,213	
13					
14	<u>Annual Charge:</u>				
15	@ 9/12ths	4,076,100			
16	@ 3/12ths			1,392,803	
17	Pro forma Annual Cost PSTAC Yr. 4/1/2016-3/31/2017				\$5,468,903
18	OCUA's 2016 Estimated True-Up Deficiency Chg.				0 (3)
19					
20					
21	Total Pro forma Costs PSTAC Yr. 4/1/2016-3/31/2017				<u>\$5,468,903</u>
22					
23	<u>Ocean City Sewer Service</u>				
24	Cape May County Municipal Utilities Authority	\$8,420,388 (4)	0.68% (4a)	\$8,477,927	
25	<u>Annual Charge:</u>				
26	@ 9/12ths	6,315,291			
27	@ 3/12ths			2,119,482	
28	Pro forma Annual Cost PSTAC Yr. 4/1/2016-3/31/2017				\$8,434,773
29	CMCUA's 2016 Estimated True-Up Deficiency Chg.				(167,146) (5)
30					
31					
32	Total Pro forma Costs PSTAC Yr. 4/1/2016-3/31/2017				<u>\$8,247,627</u>
33					
34					
35					
36	Total PSTAC Costs for PSTAC Year 4/1/2016-3/31/2017				<u>\$14,765,481</u>

Notes:
 (1) Estimate based on actuals thru 01/31/2016 and 2016 MRRSA rate.
 (1a) Reflects 3-year average of increases in total expenses for 2013, 2014, and 2015.
 (2) Per letter from OCMUA dated 11/16/2015.
 (2a) Reflects 3-year average of increases in total expenses for 2014, 2015, and 2016.
 (3) Estimating \$0 deficiency charge.
 (4) Per CMCMA's 2016 Rate Setting Report.
 (4a) Estimated 2017 increase based on 3-year average of increases for 2014-2016.
 (5) Reflects 3-year average of deficiency charges/credits for 2013, 2014, and 2015.

Line No.	Calculation of PSTAC Rates for Year 4/1/16-3/31/17 Without Compression (regular calc.)	(1)	(2)
			Regular Calc.
Lakewood Sewer Services			
1	Pro Forma Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2016-3/31/2017 (Schedule DMD-10)		\$5,498,903
2	PSTAC True-up from PSTAC Year 4/01/14-3/31/15 (Schedule DMD-5)		(18,121)
3	sub-total (lines 1 + 2)		\$5,480,782
4	Gross-up factor for Uncollectibles Exp. & Actual 2015 BPU / Div. Rate Counsel Assessments (1)		0.9925
5	PSTAC for Recovery 4/1/2016-3/31/2017 (line 3 / 4)		\$5,480,964
6	Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)		1,318,153
7	PSTAC per 1000 gallons (line 5 / 6) (3)		\$4,162.5
Adelphia Sewer Services			
8	Pro Forma Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2016-3/31/2017 (Schedule DMD-10)		\$1,048,951
9	PSTAC True-up from PSTAC Year 4/01/14-3/31/15 (Schedule DMD-7)		(11,494)
10	sub-total (lines 8 + 9)		\$1,037,458
11	Gross-up factor for Uncollectibles Exp. & Actual 2015 BPU / Div. Rate Counsel Assessments (1)		0.9925
12	PSTAC for Recovery 4/1/2016-3/31/2017 (line 10 / 11)		\$1,045,297
13	Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)		168,782
14	PSTAC per 1000 gallons (line 12 / 13) (3)		\$6,207.4
Dorset Sewer Services			
15	Pro Forma Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2016-3/31/2017 (Schedule DMD-10)		\$8,247,827
16	PSTAC True-up from PSTAC Year 4/01/14-3/31/15 (Schedule DMD-5)		(5,047)
17	sub-total (lines 15 + 16)		\$8,242,780
18	Gross-up factor for Uncollectibles Exp. & Actual 2015 BPU / Div. Rate Counsel Assessments (1)		0.9925
19	PSTAC for Recovery 4/1/2016-3/31/2017 (line 17 / 18)		\$8,304,898
20	Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)		332,668
21	PSTAC per 1000 gallons (line 19 / 20) (3)		\$24,894.4

Notes:
 (1) Uncollectible rate @ 0.49% per 3-year average of 2013-2016 uncollectible rates and Actual Assessment Rates
 @ 0.28784878% (combined) (BPU = 0.2127860016% for 2015, Rate Counsel = 0.0670629873% for 2016)
 Gross-up factor (100% - (0.49% + 0.28784878%)) or 99.25%
 (2) See Schedule DMD-11, page 2 for explanation of Projected Sewer Sales.
 (3) 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 4/1/2016-3/31/2017**

**New Jersey American Water Company
BPU Docket No. WR15111289
Witness Responsible: Dante M. DeStefano**

**Schedule DMD-11, Stipulated 2/25/2016
PSTAC Filing Year: 4/1/2015 - 3/31/2016
Page 2**

Pro forma Lakewood Sewer Service Sales:

Total Sales Lakewood	1,319,153 (1)
	1,319,153

Pro forma Adelphia Sewer Service Sales:

Total Sales Adelphia	166,782 (2)
	166,782

Pro forma Ocean City Sewer Service Sales:

Total Sales Ocean City	332,668 (3)
	332,668

Notes:

- (1) Source: Average of customers' 2013, 2014 & 2015 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 10 in Docket #WR15010035.
- (2) Source: Average of customers' 2013, 2014 & 2015 actual wastewater consumption.
- (3) Source: Average of 2013, 2014 and 2015 actual summer wastewater consumption.

TOTAL REVENUES (Base + PWAC/PSTAC)

Base Rate Revenues per BPU ORDER Doc. #WR15010035 note (3)

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Water - Exh. P-2, Schd.5, Pg.1, Col.10, In. 11	\$558,126,620		\$558,126,620
Sewer- Exh. P-2, Schd 5, Pg 4, Col. 10			
Adelphia Sewer - In. 6		1,223,863	1,223,863
Lakewood Sewer - In. 7		6,942,698	6,942,698
Ocean City Sewer - In. 8		5,246,236	5,246,236
Other Sewer Service not subject to PSTAC - Ins. 9-11 & 20		5,167,445	5,167,445
Total Base Rate Revenues per BPU ORDER	\$558,126,620	\$18,580,042	\$576,706,662

Pro Forma PWAC/PSTAC Present Rate Revenues per Current Filing

PWAC per Schedule DMD-3, Col.2, (In 23 * \$0.3750) + (In 31 * \$0.4348) note (1)	\$35,266,558		\$35,266,558
PSTAC per Schedule DMD-11 (ref. cols and lines below) note (2):			
Adelphia Sewer - Col. 2, In 14 * \$5.8388		973,807	973,807
Lakewood Sewer - Col. 2, In 7 * \$3.8151		5,032,701	5,032,701
Ocean City Sewer - Col. 2, In 21 * \$24.8816		8,277,312	8,277,312
Total Pro Forma PWAC/PSTAC Revenue Increase	\$35,266,558	\$14,283,820	\$49,550,378

Total Present Rate Revenues (Base + DSIC + PWAC/PSTAC) per above

Water	\$593,393,178		\$593,393,178
Adelphia Sewer		2,197,470	2,197,470
Lakewood Sewer		11,975,399	11,975,399
Ocean City Sewer		13,523,548	13,523,548
Other Sewer Service not subject to PSTAC		5,167,445	5,167,445
Total Present Rate Revenues	\$593,393,178	\$32,863,862	\$626,257,040

Pro Forma PWAC/PSTAC Proposed Revenue Increase per Current Filing

PWAC	\$2,522,456		\$2,522,456
PSTAC Adelphia Sewer		71,490	71,490
PSTAC Lakewood Sewer		458,263	458,263
PSTAC Ocean City Sewer		27,554	27,554
Total Pro Forma PWAC/PSTAC Revenue Increase	\$2,522,456	\$557,307	\$3,079,763

Pro Forma PWAC/PSTAC Proposed Rev.Incr.% over current Total Present Rev.

PWAC	0.43%		0.43%
PSTAC Adelphia Sewer		3.25%	3.25%
PSTAC Lakewood Sewer		3.83%	3.83%
PSTAC Ocean City Sewer		0.20%	0.20%
Total Pro Forma PWAC/PSTAC Revenue Increase %	0.43%	1.70%	0.49%

Notes:(1) Present Rates on an Uncompressed basis per Schedule DMD-3 - Per Settlement, WR14111278. Usage per DMD-3, lines 22 and 30.

(2) Present Rates on an Uncompressed basis per Schedule DMD-11 - Per Settlement, WR14111278. Usage per DMD-11.

(3) Approx. \$58 mil. Of Base Revenues are not subject to PWAC (Fire Service, Uninter. Manasquan Serv., and Other Operating Revenues)

New Jersey American Water Company
PWAC & PSTAC Rate Filing - Bill Comparisons
 Usage in Gallons, Usage Rates in 1000 gallons
 Proposed Rates are Compressed Rates

Service Area	Present Rates										88" Customer			
	Base Rates EA 9/21/15	PWAC EA 4/1/15	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Proposed Monthly Bill	Proposed Annual Bill	Monthly Increase	Annual %
SA1 - STATEWIDE	6,000	\$13.60	26,196	\$0.4348	0.00	353.41	3640.92	13.60	6.0533	0.00	52.53	600.36	0.19	0.30%
SA2 & SA3 & SA4	6,000	13.60	5,6185	0.4348	0.00	48.92	591.04	13.60	5.6185	0.00	47.87	572.04	0.18	0.40%
SA-1d Southampton	6,000	13.60	5,2433	0.4348	0.00	43.20	518.40	13.60	4.4088	0.00	43.29	520.08	0.18	0.44%
SA-1b Pennsylv	6,000	13.60	4,4889	0.4348	0.00	35.41	3640.92	13.60	4.4088	0.00	43.29	520.08	0.18	0.44%

Service Area	Present Rates										88" Customer		
	Base Rates EA 9/21/15	PSTAC EA 4/1/15	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Proposed Monthly Bill	Proposed Annual Bill	Monthly Increase
Adelphi Sewer Rates	4,840	\$5.49	\$272.92	\$3.28	\$51.87	\$612.84	48.60	\$3.5060	\$8.2674	\$52.78	\$633.36	\$17.52	3.55%

Service Area	Present Rates										88" Customer			
	Base Rates EA 9/21/15	PSTAC EA 4/1/15	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Proposed Monthly Bill	Proposed Annual Bill	Monthly Increase	Annual %
Coates City Sewer Rates	44,000	\$6.00	\$264.00	\$11.1038	\$24,811.8	\$68.83	\$481.98	\$6.00	\$11.1038	\$24,811.8	\$68.83	\$481.98	\$0.14	0.21%

Notes: (1) Applicable to each month's current usage
 (2) Applicable to prior year's summer quarter usage

Service Area	Present Rates										88" Customer		
	Base Rates EA 9/21/15	PSTAC EA 4/1/15	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Usage	Mon Fix Serv	Chg 5/8	Chg Rate	Proposed Monthly Bill	Proposed Annual Bill	Monthly Increase
Lafayette Sewer Rates	8,000	\$18.08	\$144.64	\$3.6151	\$28.99	\$700.92	\$18.08	\$3.6151	\$28.99	\$68.41	\$700.92	\$2.06	3.60%

(1) Except PWAC rate of \$0.4018 per 1000 gallons.



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 18503-15

AGENCY DKT. NO. WR15111289

**IN THE MATTER OF THE
PETITION OF NEW JERSEY AMERICAN
WATER COMPANY, INC., FOR
AUTHORIZATION TO CHANGE THE LEVEL
OF ITS PURCHASED WATER ADJUSTMENT
CLAUSE ("PWAC") AND PURCHASED
WASTEWATER (SEWARAGE) TREATMENT
ADJUSTMENT CLAUSE ("PSTAC")**

Stephen R. Bishop, Esq., for petitioner New Jersey American Water Company, Inc.

Carolyn McIntosh and Veronica Beke, Deputies Attorney General, for respondent
Board of Public Utilities (John J. Hoffman, Acting Attorney General of New
Jersey, attorney)

Alex Moreau, Deputy Attorney General, for respondent Board of Public Utilities
(John J. Hoffman, Acting 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

Jay L. Kooper, Esq., Vice President, General Counsel and Secretary, for intervenor,
Middlesex Water Company

Record Closed: March 2, 2016

Decided: March 9, 2016

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 November 17, 2015, for determination as a contested case. Duly noticed public hearings were held in Ocean City, New Jersey, and Howell Township, New Jersey, on February 3, 2016. No members of the public appeared in Ocean City on February 3, 2016. One member of the public appeared in Howell Township on February 3, 2016, although no testimony was presented. No written comments were submitted by the public.

The parties filed on March 2, 2016, 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 January 20, 2016. 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**:

1. 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.

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 9, 2016 _____

DATE



ELIA A. PELIOS, ALJ

Date Received at Agency:

March 10, 2016

Date Mailed to Parties:

March 10, 2016

/nd

APPENDIX

EXHIBITS

Jointly Submitted

J-1 Stipulation of Settlement

Submitted by Middlesex Water Company

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

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. WR1511289
NEW JERSEY-AMERICAN WATER :
COMPANY, INC. FOR APPROVAL TO : OAL DOCKET NO. PUC 18503-2015
CHANGE THE LEVEL OF ITS PURCHASED :
WATER ADJUSTMENT CLAUSE AND : STIPULATION OF SETTLEMENT
PURCHASED WASTEWATER :
(SEWERAGE) TREATMENT ADJUSTMENT :
CLAUSE.

APPEARANCES:

Stephen R. Bishop, Esq., on behalf of New Jersey-American Water Company, Inc.,
Petitioner;

Carolyn McIntosh and Veronica Beke, Deputy Attorneys General, on behalf of the Staff
of the Board of Public Utilities (John J. Hoffman, Acting Attorney General of
New Jersey);

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

Jay L. Kooper, Esq., on behalf of Middlesex Water Company, Intervenor

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

On November 6, 2015, 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.S.A. 48:2-21 and N.J.A.C. 14:9-7.1 et seq. and such statutes,
regulations and Board orders that may be deemed by the Board to be applicable, 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 \$3,081,503 or 0.49% above total
Company revenues of \$626,085,025. As a result of settlement discussions, the Signatory Parties

indicated below have agreed to a total overall stipulated increase of \$3,079,763 or 0.49% above total Company revenues of \$626,257,040.

Petitioner purchases water on a routine basis from eleven 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 eleven 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; 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 Adolphia Sewer tariff group.

In BPU Docket No. WR06030257, 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 \$0.4348 per thousand gallons of water to \$0.4624 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.3750 per thousand gallons of water to \$0.3988 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 \$3.8151 per thousand gallons to \$4.0791 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 \$24.8816 per thousand gallons to \$26.3652 per thousand gallons.
- For customers in the Adelpia section of Howell Township, Monmouth County, the rate per thousand gallons of water, as reflected upon PSTAC Rate Schedule 3-B, would change from \$5.8388 per thousand gallons to \$5.9101 per thousand gallons.

The Board transmitted this matter to the Office of Administrative Law (the "OAL") as a contested case. A telephonic prohearing conference was held on January 7, 2016, 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 January 20, 2016, Middlesex Water Company ("Middlesex") filed a motion to intervene in the instant proceeding. No party opposed Middlesex's motion. Middlesex has been included on the service list, received all discovery, and participated in all conferences and meetings. Two public hearings were held in Petitioner's service area; in Ocean City on February 3 at 2 p.m. (no public attendees); and Howell Township on February 3 at 6 p.m. (one public attendee, with no one speaking on the record).

The Division of the Rate Counsel ("Rate Counsel") and Staff of the Board ("Board Staff") served interrogatories on Petitioner, which were responded to in full by Petitioner. During the proceeding, Petitioner received updated information from the various water and wastewater service purveyors whose costs comprise the Petitioner's requested relief. This information was provided to all of the parties on a timely basis. Petitioner, Board Staff, Rate Counsel and Middlesex ("Signatory Parties") participated in a discovery/settlement conference on February 12, 2016, after the public hearings had been held and public comment received into the record for consideration by all parties. As a result of the Petitioner's updates, which are reflected in

Schedules DMD-1 to DMD-16 and RRS-1 attached to this Agreement as Exhibit A, the discovery conducted and 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 \$0.4348 per thousand gallons of water for Non-Exempt customers to \$0.4659 per thousand gallons of water for Non-Exempt customers and from \$0.3750 per thousand gallons of water for Exempt customers to \$0.4018 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 \$3.8151 per thousand gallons to \$4.1625 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 \$24.8816 per thousand gallons to \$24.9644 per thousand gallons.
- For customers in the Adelpia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, will change from \$5.8388 per thousand gallons to \$6.2674 per thousand gallons.

3. The effective PWAC rate change would result in an increase in the annual bill of an average residential customer utilizing 6,000 gallons per month as follows:

	<u>Present Monthly Bill</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
SA-1	\$53.41	\$53.59	\$0.18	0.34%
SA-1B Pennsgrove	\$43.20	\$43.39	\$0.19	0.44%

	<u>Present Monthly Bill</u>	<u>Proposed Per Month</u>	<u>Amount Increase</u>	<u>Percentage Increase</u>
SA-2 Manville, SA-1D	\$49.92	\$50.11	\$0.19	0.38%
SA-2, SA-3 & SA1A	\$52.53	\$52.72	\$0.19	0.36%
SA-3 Southampton	\$47.67	\$47.86	\$0.19	0.40%

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 \$2.08 per month or 3.56%; an increase 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 \$0.14 per month or 0.21%; and an increase to an average sewer service customer in the Adelpia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.71 per month or 3.35%.

5. These PWAC and PSTAC rates are calculated as being effective April 1, 2016.

6. NJAWC plans to file its 2016 PWAC/PSTAC petition on or before November 15, 2016.

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

8. The PWAC/PSTAC rates established herein will increase annual revenues by \$3,079,763 or 0.49%.

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 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.

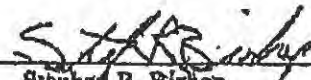
15. The Signatory Parties understand that Middlesex will file a letter with the OAL indicating that it does not object to the Stipulation.

STEFANIE A. BRAND, DIRECTOR
DIVISION OF THE RATE COUNSEL

By: 
Susan McClure
Assistant Deputy Rate Counsel

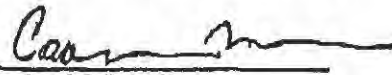
Dated: 2/26/16

NEW JERSEY-AMERICAN WATER
COMPANY, INC.

By: 
Stephen R. Bishop
Corporate Counsel

Dated: 2/25/16

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

By: 
Carolyn McIntosh
Deputy Attorney General

Dated: 2/26/16

Schedule D-1, Submitted 2/25/2016
 PFMAC Filing Year: 4/30/15 - 3/31/2016
 Page: 1

New Jersey American Water Company
 Statement of Actual Purchased Water Operating Expense - PFMAC Water Service
 PFMAC Year 4/1/15 - 3/31/16

New Jersey American Water Company
 8700 Doctor No. WRT1911209
 Waterwise Responsible: Duane M. DeStefano

Line No.	Purchased Water	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1	Vendor/Supplier													
2	Atlantic City Municipal Utility Authority	115,453	198,277	128,151	0	145,468	708,138	285,549	242,721	191,222	114,822	128,481	51,893,126	
3	Borough Park	0	0	0	0	0	0	0	0	0	0	0	0	
4	Borough Park	10,282	0	0	0	0	0	0	0	0	0	0	12,723	
5	Township of Maple Shade	0	79,874	58,088	0	63,405	62,408	62,408	43,340	63,098	44,007	60,453	608,525	
6	Morris County Municipal Utilities Authority	0	1,901	24,443	4,572	22,331	25	0	35,573	28,278	32,387	28,972	223,946	
7	Hammack Water Bureau	0	0	0	0	0	0	0	0	0	0	0	0	
8	City of Newark - Shaw-Granger	0	0	0	0	0	0	0	0	0	0	0	0	
9	City of Newark - Newark	0	0	0	0	0	0	0	0	0	0	0	0	
10	NJMSA - Water - Newark	0	0	0	0	0	0	0	0	0	0	0	0	
11	NJMSA - Overhead - Newark	0	0	0	0	0	0	0	0	0	0	0	0	
12	NJMSA - Power Consumption - Newark	13,818	24,329	17,403	0	34,987	34,483	34,483	20,654	13,089	31,248	21,972	241,919	
13	Passaic Valley Water Commission - Water	828,223	728,477	511,508	798,883	964,298	1,100,149	1,566,771	1,376,889	1,000,918	701,975	1,403,560	11,385,134	
14	Passaic Valley Water Comm. - Power Consumption	0	0	0	0	0	0	0	0	0	0	0	0	
15	Sea Isle City	0	0	0	0	0	0	0	0	0	0	0	0	
16	Sea Isle City	0	0	0	0	0	0	0	0	0	0	0	0	
17	Shorelands Water Company	32,159	30,737	53,280	40,973	124,139	58,783	47,885	0	62,204	900	46,801	30,423	
18	Shorelands Water Company	0	0	0	0	0	0	0	0	0	0	0	0	
19	Other - Vauclough	0	0	0	0	0	0	0	0	0	0	0	0	
20	Other - Vauclough	0	0	0	0	0	0	0	0	0	0	0	0	
21	Marlboro Municipal Utilities Authority	33,827	31,285	33,882	31,285	33,882	33,341	31,789	32,828	31,789	47,224	29,888	380,879	
22	NJMSA - Water - Newark	982,143	891,090	651,080	982,143	1,008,916	1,008,916	977,386	1,008,916	977,386	1,008,916	943,588	11,815,071	
23	NJMSA - Water - Newark - Clark (1)	0	0	0	0	0	0	0	0	0	0	0	0	
24	NJMSA - Overhead - Newark	0	0	0	0	0	0	0	0	0	0	0	0	
25	City of Newark - Newark	0	0	0	0	0	0	0	0	0	0	0	0	
26	East Windsor Municipal Utility	0	0	0	0	0	0	0	0	0	0	0	0	
27	East Windsor Municipal Utility	0	0	0	0	0	0	0	0	0	0	0	0	
28	Total of Vouchers (1)	51,825,788	82,108,338	53,864,303	51,871,987	82,435,397	53,864,832	52,910,689	52,949,730	54,774,883	51,452,082	54,221,358	53,986,875	533,673,810
29	Journal Entries													
30	Accruals for Account 510100	224,124	518,288	325,684	297,132	1,277,836	474,485	111,915	538,892	2,311,154	365,089	2,785,008	0	13,026,574
31	Total Balance of Account 510100 (Purch. Wtr)	82,148,914	82,626,797	53,319,987	52,169,139	53,713,157	53,301,117	52,728,604	52,438,028	57,086,038	51,837,149	53,436,366	53,986,875	530,437,236
32	Adjustments													
33	Eliminations													
34	Eliminations													
35	Eliminations													
36	Eliminations													
37	Eliminations													
38	Total of Eliminations													
39	Total of Eliminations													
40	Total of Eliminations													
41	Total of Eliminations													
42	Adjustments													
43	No Adjustments													
44	Total of Adjustments													
45	Total of Adjustments													
46	Total Purchased Water Expenses As Adjusted	51,825,788	82,108,338	53,864,303	51,871,987	82,435,397	53,864,832	52,910,689	52,949,730	54,774,883	51,452,082	54,221,358	53,986,875	533,673,810
47	Notes:													
48	(1) Reflects credit against prior period debt service payments.													
49	(2) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.													
50	(3) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.													
51	(4) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.													
52	(5) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.													
53	(6) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.													
54	(7) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.													
55	(8) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.													

(1) Reflects credit against prior period debt service payments.
 (2) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.
 (3) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.
 (4) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.
 (5) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.
 (6) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.
 (7) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.
 (8) Purchased Water expense release accruals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for that period.

New Jersey American Water Company
 Statement of Actual Purchased Water Volumes (1000 Gallons) Associated with Actual Purchased Water Expense - PWAC Water Service
 PWAC Year 4/1/15 - 3/31/16 (1)

Schedule 2010-1A, Supplized 2/25/2016
 PWAC Pricing Year: 4/1/2015 - 3/31/2016
 Page 1

New Jersey American Water Company
 BPU Docket No. W081611209
 Witness: Resposnabile Darile M. DeStefano

Line	Purchased Water	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1														
2														
3	Yardco/Mendoc 11,000 (gallons)													564,226
4	Atlantic City Municipal Utility Authority	33,408	34,291	37,375	34,970	62,789	62,868	61,545	60,951	63,787	64,768	32,862	35,821	0
5	Borough of Pleasant Park	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Township of Maple Shade	1,243	0	0	660	0	0	0	0	0	0	1,068	7,453	0
7	Mounts County Municipal Utilities Authority	0	31,892	21,109	23,503	25,264	26,414	24,824	19,628	17,992	17,938	16,591	15,610	5,224
8	Montclair Water Bureau	6,749	1,094	14,053	2,691	12,949	0	0	13,196	7,763	12,893	7,024	4,230	241,099
9	City of Newark - Sewer/Sewage	7	7	7	15	7	7	34	7	14	30	30	2	92,489
10	KUMSA - Water - Manassas	0	0	1,140,625	0	0	1,140,625	0	0	1,140,625	0	0	1,140,625	4,392,500
11	KUMSA - Overhead - Manassas	0	0	0	3,180	0	0	0	0	120,989	0	0	0	124,169
12	Piscataway Water Commission - Water	263,370	303,240	222,470	334,300	393,410	473,040	661,100	576,350	618,672	41,880	253,787	559,416	4,737,433
13	See Line City	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Seaside Heights	0	25,073	0	1	1,484	0	0	0	0	0	40,610	10,761	77,939
15	Shorelands Water Company	13,697	12,244	10,419	15,291	50,890	19,298	16,078	0	24,959	0	18,291	12,128	201,325
16	City of Willowood	0	0	0	0	0	0	0	0	35,233	0	0	0	35,233
17	Pemberton Borough	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Marrero Municipal Utilities Authority	7,750	7,500	7,750	7,800	7,790	7,858	7,500	7,790	7,500	0	15,000	7,029	91,895
20	KUMSA - Water - Raritan	3,624,998	3,798,000	3,798,000	3,924,600	3,924,600	3,924,600	3,798,000	3,924,600	3,798,000	3,924,600	3,924,600	3,671,400	48,135,698
21	KUMSA - Water - Raritan Legislative Grant	90,210	87,300	90,210	87,300	90,210	90,210	87,300	90,210	87,300	90,210	90,210	84,250	1,066,000
22	KUMSA - Overhead - Raritan	0	0	0	0	0	0	0	0	867,433	0	0	0	867,433
23	City of Newark - Summit	0	23	15	175	26	0	1	34	1	0	2,394	2	2,673
24	East Windsor Municipal Utility	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Total Volume Assoc. with PW Expense as Adjusted (1)	4,341,033	4,300,464	5,350,043	4,434,202	4,553,867	5,745,312	4,646,489	4,659,724	4,819,472	4,142,289	4,444,537	5,547,957	38,016,408

(1) Purchased Water usage reflects actuals except for estimates utilized for February 2016 through March 2016 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/13, 3/31/14, and 3/31/15 for the provided month.

New Jersey American Water Company
 Schedule of P.M.A.C. True-Up Schedule - Revenue and Operating Expenses - P.M.A.C. Water Services
 P.M.A.C. Year 47115 - 47115

Schedule DMS-2, Supplement 2/25/2015
 P.M.A.C. Filing Year 4712015 - 3/11/2016
 Page 1

New Jersey American Water Company
 BPU Docket No. NJC1517120
 Witness Responsible: Danie H. DeSbarato

Line	Description	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1	Purchased Water														
2	Total P.M.A.C. Revenue, Interest & Expense (2)	\$2,357,200	\$2,653,292	\$2,420,288	\$2,592,983	\$2,848,481	\$3,000,965	\$3,190,798	\$3,400,837	\$3,655,271	\$3,955,271	\$4,298,196	\$4,681,980	\$5,107,730	\$46,838,426
3	Less: Energy P.M.A.C. Revenue (from h. 4b)	88,556	13,222	76,022	80,538	76,129	79,819	77,435	88,027	98,077	108,793	119,793	131,793	144,793	1,144,881
4	Non-Schedule P.M.A.C. Revenue	\$2,268,644	\$2,640,070	\$2,344,266	\$2,512,445	\$2,772,352	\$2,921,146	\$3,113,363	\$3,312,810	\$3,557,194	\$3,846,474	\$4,178,403	\$4,550,187	\$4,962,937	\$45,693,545
5	CRF Tax (h. 4b) (2)	13,796	13,796	13,796	13,796	13,796	13,796	13,796	13,796	13,796	13,796	13,796	13,796	13,796	137,960
6	P.M.A.C. Interest, Rev. net of CRF (h. 4b) (200% h. 4b)	\$2,300,848	\$2,633,775	\$2,680,906	\$2,821,904	\$2,962,902	\$3,103,900	\$3,244,898	\$3,385,896	\$3,526,894	\$3,667,892	\$3,808,890	\$3,949,888	\$4,090,886	\$36,520,288
7	Add Back: Energy P.M.A.C. Revenue (h. 3)	88,556	13,222	76,022	80,538	76,129	79,819	77,435	88,027	98,077	108,793	119,793	131,793	144,793	1,144,881
8	P.M.A.C. Revenue net of CRF (1)	\$2,212,292	\$2,620,553	\$2,604,184	\$2,741,406	\$2,886,223	\$3,031,047	\$3,175,877	\$3,320,701	\$3,465,525	\$3,610,349	\$3,755,173	\$3,900,000	\$4,044,824	\$35,375,407
9	Less: Non-Schedule & BPU Tax, Rate Counsel Exp. Factor (2)	\$2,372,171	\$2,668,350	\$2,408,918	\$2,580,970	\$2,837,417	\$2,993,864	\$3,150,311	\$3,306,758	\$3,463,205	\$3,619,652	\$3,776,100	\$3,932,547	\$4,089,000	\$36,520,288
10	P.M.A.C. Revenue, net of CRF, P.M.A.C. exp. (h. 3) (1)														
11	Less: P.M.A.C. True-Up Due to Recovery of (S) P.M.A.C. (2)														
12	From P.M.A.C. True-Up 47115 divided by 12 mos. (2)														
13	Less: P.M.A.C. P.M.A.C. Cost Adjustment (4)														
14	Total P.M.A.C. Revenue, net of Cost Recovery (adjusted above)	\$2,212,292	\$2,620,553	\$2,604,184	\$2,741,406	\$2,886,223	\$3,031,047	\$3,175,877	\$3,320,701	\$3,465,525	\$3,610,349	\$3,755,173	\$3,900,000	\$4,044,824	\$35,375,407
15	Total Purchased Water Exp. as Adjusted (per Sch. DMS-2, h. 4b)	1,825,791	2,126,328	2,064,323	2,187,987	2,311,651	2,435,315	2,558,979	2,682,643	2,806,307	2,929,971	3,053,635	3,177,299	3,300,963	\$27,471,899
16	Total P.M.A.C. True-Up Balance	\$386,501	\$494,225	\$539,861	\$553,419	\$574,572	\$595,630	\$616,688	\$637,746	\$658,804	\$679,862	\$700,920	\$721,978	\$743,036	\$6,903,508
17	Interest Calculation														
18	Total P.M.A.C. True-Up Balance	\$51,838,058	\$52,384,751	\$52,931,444	\$53,478,137	\$54,024,830	\$54,571,523	\$55,118,216	\$55,664,909	\$56,211,602	\$56,758,295	\$57,304,988	\$57,851,681	\$58,398,374	\$518,649
19	(Over-Recovery) / Under-Recovery (2)	\$2,289,678	\$2,550,610	\$2,811,542	\$3,072,474	\$3,333,406	\$3,594,338	\$3,855,270	\$4,116,202	\$4,377,134	\$4,638,066	\$4,898,998	\$5,159,930	\$5,420,862	\$11,000
20	Average of the Current & Prior Months Computed	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
21	True-Up Balance - (Over) / Under	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	Overall ROIC Per Decade (P.M.A.C. (h. 4b) (2)	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%	0.07%
23	Monthly Overall Rate of Return	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
24	Based on True-Up Balance - (Over) / Under	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
25	Total P.M.A.C. (Over-Recovery) / Under-Recovery, including interest	\$2,289,678	\$2,550,610	\$2,811,542	\$3,072,474	\$3,333,406	\$3,594,338	\$3,855,270	\$4,116,202	\$4,377,134	\$4,638,066	\$4,898,998	\$5,159,930	\$5,420,862	\$11,000
26	Adjusted from BPU's Customer Asset Meter Edge (h. 4b) (2)														
27	Capex (h. 4b) - O&M														
28	Apex M Water Co. - SFR-CD														
29	Monmouth Water Co. - SFR-CD														
30	Monmouth Water Co. - SFR-CD														
31	Monmouth Water Co. - SFR-CD														
32	Total Example Customer Asset Meter Edge														
33	Example P.M.A.C. Revenue														

Notes: (1) March 2015 represents total P.M.A.C. True-Up balance per Schedule (h. 4b) (2).
 (2) Total P.M.A.C. revenue are based on actual, except estimates utilized for February 2016 through March 2016. Estimates are based on 2015-16 average usage, times rates effective 04/01/15 per Decree (h. 4b) (1) (2) (3).
 (3) CRF tax and Under-Recovery/BPU's Customer Asset Meter Edge (h. 4b) (2) (3) (4) (5) (6) (7) (8) (9) (10) (11) (12) (13) (14) (15) (16) (17) (18) (19) (20) (21) (22) (23) (24) (25) (26) (27) (28) (29) (30) (31) (32) (33) (34) (35) (36) (37) (38) (39) (40) (41) (42) (43) (44) (45) (46) (47) (48) (49) (50) (51) (52) (53) (54) (55) (56) (57) (58) (59) (60) (61) (62) (63) (64) (65) (66) (67) (68) (69) (70) (71) (72) (73) (74) (75) (76) (77) (78) (79) (80) (81) (82) (83) (84) (85) (86) (87) (88) (89) (90) (91) (92) (93) (94) (95) (96) (97) (98) (99) (100) (101) (102) (103) (104) (105) (106) (107) (108) (109) (110) (111) (112) (113) (114) (115) (116) (117) (118) (119) (120) (121) (122) (123) (124) (125) (126) (127) (128) (129) (130) (131) (132) (133) (134) (135) (136) (137) (138) (139) (140) (141) (142) (143) (144) (145) (146) (147) (148) (149) (150) (151) (152) (153) (154) (155) (156) (157) (158) (159) (160) (161) (162) (163) (164) (165) (166) (167) (168) (169) (170) (171) (172) (173) 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Schedule DMD-23
 PMAC Filing Year 4/1/14 - 3/31/15
 Page 1

New Jersey American Water Company
 Statement of PMAC True Up Schedule - Revenue and Operating Expense - PMAC - Water Service
 Prior PMAC Year 4/1/14 - 3/31/15

New Jersey American Water Company
 BPU Docket No. WRI1511128
 Witness Responsibilities: Darin K. Duffinano

Line	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
1													
2	\$2,263,457	\$2,328,947	\$2,266,056	\$2,520,738	\$3,041,039	\$3,078,840	\$3,771,897	\$2,671,656	\$2,025,643	\$2,302,729	\$2,430,798	\$2,533,607	\$26,114,247
3	\$3,251	\$0,677	\$76,513	\$7,142	\$3,057	\$1,804	\$7,071	\$6,566	\$7,955	\$0,379	\$5,876	\$4,617	\$15,583
4	\$2,542,206	\$2,278,274	\$3,189,569	\$3,444,614	\$3,047,093	\$3,080,644	\$3,778,968	\$2,678,222	\$2,032,598	\$2,303,108	\$2,330,847	\$2,544,607	\$26,124,413
5													
6	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%	13.76%
7	\$2,192,369	\$2,171,263	\$2,663,631	\$2,983,710	\$3,327,115	\$3,190,369	\$2,760,210	\$2,207,669	\$2,197,183	\$2,494,521	\$2,013,569	\$2,198,249	\$20,772,731
8	\$3,251	\$0,677	\$76,513	\$7,142	\$3,057	\$1,804	\$7,071	\$6,566	\$7,955	\$0,379	\$5,876	\$4,617	\$15,583
9	\$2,245,619	\$2,167,263	\$2,587,118	\$2,976,568	\$3,324,058	\$3,182,163	\$2,753,139	\$2,191,103	\$2,189,228	\$2,495,150	\$2,019,444	\$2,193,632	\$21,223,847
10													
11	\$2,228,807	\$2,171,257	\$2,644,449	\$2,921,168	\$3,307,686	\$3,169,227	\$2,740,071	\$2,237,265	\$2,238,666	\$2,513,961	\$2,052,653	\$2,232,767	\$21,053,423
12													
13													
14	25,477	21,676	24,474	15,474	24,474	24,474	24,474	24,474	24,474	24,474	24,474	24,474	244,740
15													
16													
17													
18													
19													
20	\$2,202,983	\$2,145,720	\$2,619,642	\$2,898,236	\$3,338,798	\$3,132,460	\$2,730,304	\$2,271,609	\$2,232,349	\$2,468,036	\$2,067,896	\$2,230,390	\$20,743,782
21	1,922,390	1,453,350	2,271,966	1,802,763	2,299,547	4,463,290	2,387,759	2,314,863	2,504,298	1,530,061	1,995,077	3,254,088	29,006,539
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Notes (1) through (10) represent the PMAC True-up balance per Schedule DMD-23.
 (1) PMAC True-up balance is based on actual.
 (2) GRTI True-up balance is based on actual.
 (3) GRTI True-up balance is based on actual.
 (4) Annual per Fee 2014 PMAC True-up Balance per Schedule DMD-23 - Per Schedule.
 (5) Line 24 of the current month plus line 20 of the prior month less line 15 of the current month.
 (6) The amount added for the period 4/1/14-3/31/15 is based upon the ROA per Board Order in the Base Rate Case BPU Docket #WRI1511128.
 (7) Major sales for all entities were based on actual monthly sales.
 (8) For 2014, the amount for the period 4/1/14-3/31/15 is based on actual monthly sales.
 (9) For 2014, the amount for the period 4/1/14-3/31/15 is based on actual monthly sales.
 (10) For 2014, the amount for the period 4/1/14-3/31/15 is based on actual monthly sales.

New Jersey American Water Company
 Statement of Pro Forma PWAC
 PWAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
 BPU Docket No. WR15111289
 Witness Responsible: Dante M. DeStefano

Schedule DMD-3, Stipulated 2/25/2016
 PWAC Filing Year: 4/1/2015 - 3/31/2016
 Page 1

Line								
1	CALCULATION of PWAC Rates for Year 4/1/2016-3/31/2017 Without Compression (regular calc.)							
	(1)	(2)						
		<u>Regular Calc.</u>						
2	Pro forma Purchased Water Exp. - PWAC Year 4/01/16-3/31/17 (Sched. RRS-1)	\$32,738,240						
3	PWAC True-up from PWAC Year 4/01/15-3/31/16 (Schedule DMD-2)	(248,081)						
4								
5								
6	sub-total (lines 2+3)	\$32,491,159						
7								
8	Gross-up factor for Uncollect. Exp. & Actual 2015 BPU / Div. Rate Counsel Assessments(1)	0.9925						
9								
10	PWAC for Recovery 4/1/15-3/31/16 pre-GRFT (line 6 / 6)	\$32,738,884						
11								
12	Total Projected Water Sales subject to PWAC (1000 gallons) (line 5) (3)	81,469,877						
13								
14	PWAC Exempt Rate per 1000 gallons (line 10 / 12)	\$0.4018						
15								
16	PWAC Non-Exempt Rate per 1000 gals. (line 14 / grossed up for GRFT @ 13.76%) (2)	\$0.4659						
17								
18								
19								
20	<u>Pricing</u>							
21	<u>Exempt Sales</u>							
22	Projected Exempt Water Sales subject to PWAC (1000 gallons) (line 5) (3)	2,617,805						
23	PWAC Exempt Rate per 1000 gallons (line 14)	\$0.4018						
24	PWAC Exempt Revenue	\$1,051,834						
25								
26	<u>Non-Exempt Sales</u>							
27	Non-Exempt PWAC recovery pre-GRFT (line 10 - 24)	\$31,884,850						
28	Non-Exempt PWAC recovery grossed-up for GRFT (line 27 / (100% - 13.76%))	\$36,740,318						
29								
30	Projected Non-exempt Water Sales subject to PWAC (1000 gallons) (line 5) (3)	78,852,072						
31	PWAC Non-Exempt Rate per 1000 gallons (line 16)	\$0.4659						
32	PWAC Non-Exempt Revenue	\$36,737,180						
33								
34	Total PWAC Revenue (ln. 24 + 32)	\$37,789,014						
35								
36								
37	<u>Notes:</u>							
38	(1) Uncollectible rate @ 0.48% per 3-year average of 2012-2014 uncollectible rates and Actual Assessment Rates							
39	@ 0.28878486769% (combined) (BPU = 0.211278609018% for 2015, Rate Counsel = 0.0575062586734%							
40	for 2015). Gross-up factor (100% - (0.48% + 0.28878486769%)) or 99.25%.							
41	(2) N.JAWC Authorized GRFT rate is 13.76% per Docket #WR15010035.							
42	(3) Projected water sales are an average of calendar years 2013, 2014 and 2015 actual water usage.							
43								
44								
45	Water Sales (in 1000 gallons)	<table border="1"> <thead> <tr> <th>Exempt</th> <th>Non-Exempt</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2,617,805</td> <td>78,852,072</td> <td>81,469,877</td> </tr> </tbody> </table>	Exempt	Non-Exempt	Total	2,617,805	78,852,072	81,469,877
Exempt	Non-Exempt	Total						
2,617,805	78,852,072	81,469,877						

New Jersey American Water Company
Statement of Pro Forma Purchased Water Expense
PWAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
BPU Docket No. WR1611289
Witness Responsible: Robert R. Schaefer

Schedule RRS-1, Stipulated 2/25/2016
PWAC Filing Year: 4/1/2015 - 3/31/2017
Page 1

Purchased Water Vendor	Actual PWAC Year 4/1/15-3/31/16 Purchases (MGY)	Annual Contract Minimum (MGY)	Pro Forma Purchases (MGY)	Pro Forma Rate per MG	Pro Forma PWAC Year 4/1/2016-3/31/2017 Expense
(1)	(2)	(3)	(4)	(5)	(6)
Passaic Valley Water Commission (PVWC): PVWC - power component	4,737,433	3,777,750	4,125,068 (1b)	\$2,539.94 (1)	\$10,477,425 \$703,540 (2)
Morris County Municipal Utilities Authority	241,069	220,000	241,069	\$2,609.25 (3)	\$629,009
Montclair Water Bureau	92,489	65,000	65,000 (4a)	\$4,902.68 (4)	\$318,673
New Jersey Water Supply Authority (NJWSA) Manasquan:	4,562,500				
Contract @ Initial rate		2,943,725	2,943,725	\$1,117.67 (5)	\$3,290,113
Contract @ Delayed rate		1,618,775	1,618,775	\$1,228.44 (5a)	\$1,988,588
Power component					\$241,918 (5b)
Overdraft service	124,149		41,383		\$50,449 (5c)
Raritan:					
Contract	46,335.60	46,209.00	46,209.00	\$253.00 (6)	\$11,690,877
Legislative grant	1,065.06	1,065.06	1,065.06	\$0.00	\$0
Overdraft service	887.43		295.81		\$89,808 (6a)
Retroactive Debt Service					\$200,301 (6b)
Credit against Retroactive Debt Serv. Pymts					(\$196,839) (6c)
Atlantic City Municipal Utilities Authority:					
Base rate	180,000	180,000	180,000	\$3,918.45 (7)	\$705,321
Excess rate	376,228	376,822	376,226	\$3,330.21 (7)	\$1,252,913
Township of Maple Shade	5,224		5,224		\$44,255 (8)
Borough of Seaside Heights	77,939		77,939	\$2,750.00 (9)	\$214,332
Shorelands Water Company:					
Union Beach connections:	180,339				
Sale for Resale rate		162,500	147,122	\$2,248.50 (10)	\$330,804
Backup bulk sales rate			15,378	\$4,099.00 (10)	\$63,034
Fixed chg:2 - 4" meter (per mo.)				\$300.00 (10)	\$7,200
Fixed chg:2 - 6" meter (per mo.)				\$600.00 (10)	\$14,400
Union Beach Deficiency bill					\$80,768 (11)
Holmdel connection:					
Backup bulk sales rate	11,027		9,844 (10a)	\$4,099.00 (10)	\$40,351
Fixed chg:1 - 6" meter (per mo)				\$600.00 (10)	\$7,200
Marlboro Township MUA	91,855	91,250	95,328 (12a)	\$4,264.27 (12)	\$406,506
City of Wildwood	35,233	35,000	35,185 (1a)	\$2,510.00 (13)	\$88,314
			<u>57,547,136</u>		<u>\$32,739,240</u>

New Jersey American Water Company
Statement of Pro Forma Purchased Water Expense
PWAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
BPU Docket No. WR15111289
Witness Responsible: Robert R. Schaefer

Schedule RRS-1, Stipulated 2/25/2016
PWAC Filing Year: 4/1/2015 - 3/31/2016
Page 2

RRS-1 Notes:

- (1) Prorated Rate - 9 months of rate effective 1/1/15 - \$2,508.58 - and 3 months increase of 5% effective 1/1/17 per letter dated 1/6/15.
- (1a) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (1b) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (2) Actual Power costs for PWAC Yr. 4/1/14-3/31/15 per Sch. DMD-1.
- (3) Prorated estimated rate effective 1/1/16 - 1/1/15 rate of \$2,514 increased by 3% for 9 months and 3 months of estimated rate effective 1/1/17, estimating 3% increase to 2016 rate.
- (4) Rates as applicable per Montclair Water Bureau Ordinance and agreement dated 6/16/15.
- (4a) Equal to contract minimum.
- (5) Prorated rate - 3 months of actual rate Eff. 7/1/15-6/30/16 \$1,057.40 per mg and 9 mos. of 7/1/16-6/30/17 rate increase, \$1,137.76 per mg.
- (5a) Prorated rate - 3 months of actual rate Eff. 7/1/15-6/30/16 \$1,190.86 per mg and 9 mos. of 7/1/16-6/30/17 rate increase, \$1,240.96 per mg.
- (5b) Actual Power costs for PWAC Yr. 4/1/15-3/31/16 per Sch. DMD-1.
- (5c) Estimated overdraft service charge based upon average of 12 months ended 3/31/14, 3/31/15 and 3/31/16 actual monthly and annual overdraft charges.
See Note 2, DMD-1 for explanation for year ended 3/31/16.
- (6) Prorated rate - 3 months of actual rate Eff. 7/1/15-6/30/16 \$253 per mg and 9 months of 7/1/16-6/30/17 rate, \$253 per mg.
- (6a) Estimated overdraft service charge based upon 3 year average for the periods ended 3/31/14, 3/31/15 and 3/31/16 annual overdraft charges.
See Note 2, DMD-1 for explanation for year ended 3/31/16.
- (6b) Actual annual retroactive debt service charge effective January 2008.
- (6c) Estimated prior period credit against the debt service charge is based upon a 3 year average of these credits for the 12 months ended 3/2014, 3/2015 and 3/2016.
- (7) Rates effective 1/1/16.
- (8) Actual costs PWAC Year 4/1/15-3/31/16.
- (9) Present rates - Effective 1/31/07.
- (10) Present rates - Effective 3/18/15.
- (10a) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (11) Estimated Union Beach deficiency bill based upon a 3-year average of the dollars associated with the deficiency in PWAC Years ended 3/31/14, 3/31/15 and 3/31/16.
- (12) Prorated rate reflects the average of the 12 monthly projected rates during PWAC Yr. 4/1/16 - 3/31/17. The rate incorporates MWC (Middlesex) and MTMUA components. The MWC rate component was based on the current actual rate eff. 8/29/2015 of \$2,927.84 per mg.
The MTMUA component was prorated based on 11 months of the current contractual rate of \$1,334.21 and 1 month of a contractual 2% rate incr. effective 3/1/17 of \$1,360.89. The MTMUA rate increase is effective on the anniversary of the Water Service Effective Date of 3/1/09.
- (12a) 3 year average of usage for the 12 months ended 3/31/14, 3/31/15 and 3/31/16. See Note 1, DMD-1a for explanation for year ended 3/31/16.
- (13) Present rates - Effective 1/1/2012.

Blue Jersey American Water Company
 BPU Docket No. W4121511200
 Witness Responsible: Brian W. Washburn

Schedule D/C/A, Truncated ZZZZ0116
 PESTAC Filing Year: 4/1/15 - 3/31/16
 Page 1

Line	Description	Month	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1	Unfunded Sewer Service														
2	Total PESTAC Revenue (2)		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
3	GRFT fee rate (60%) (3)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
4	GRFT fee rate (60%) (3)		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
5	Billed PESTAC Revenue, net of GRFT		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
6	Less: Unfunded Sewer Service Revenue (4)		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
7	PESTAC Revenue, net of GRFT, Unfunded Sewer Service Revenue (5)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8	Less: PESTAC Turn-up Operating Expense of (20% (2))		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Less: PESTAC Turn-up Operating Expense of (20% (2))		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Less: PESTAC Turn-up Operating Expense of (20% (2))		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Less: PESTAC Turn-up Operating Expense of (20% (2))		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12	Less: PESTAC Turn-up Operating Expense of (20% (2))		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	Less: PESTAC Turn-up Operating Expense of (20% (2))		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	Less: PESTAC Turn-up Operating Expense of (20% (2))		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
16	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
17	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
18	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
19	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
20	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
21	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
22	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
23	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
24	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
25	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
26	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
27	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
28	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
29	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
30	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
31	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
32	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
33	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
34	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
35	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
36	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
37	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
38	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
39	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249
40	Total PESTAC Revenue, net of Unfunded Sewer Service Revenue		5471,594	5418,851	5429,577	5419,945	5414,842	5410,264	5421,346	5424,022	5422,817	5429,299	5429,789	5424,179	\$4,179,249

41 (1) The 2015 revenues are based on actual, earned estimates utilized for February 2015 through March 2016.
 42 (2) The PESTAC revenues are based on actual, earned estimates utilized for February 2015 through March 2016.
 43 (3) The GRFT fee rate applicable to wastewater treatment credit and the Unfunded Sewer Service Revenue based on actual revenue earned herein is per Schedule D/C/A-11 - Fee Schedule, BPU Docket #W41111271, updated on 02/17/15 per Docket #W41501000A.
 44 (4) Line 23 of the current season rate file 27 of this report month last Apr 12 of the current month.
 45 (5) The BDR utilized for the period 4/1/15 - 3/31/16 is based upon the BDR per Board Order in the Basin Rehabilitation BPU Docket #W41111271, per #W4115-303576, which is based on BPU Docket #W41501000A.

New Jersey American Water Company
 BPU Docket No. W09011289
 Statement of Unrecovered Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSE&C Sewer Service
 Prior PSTAC Year 4/1/14 - 3/31/15

New Jersey American Water Company
 BPU Docket No. W09011289
 Statement of Unrecovered Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSE&C Sewer Service
 Prior PSTAC Year 4/1/14 - 3/31/15
 Schedule DMD-5a
 PSTAC True Up Year 4/1/15 - 3/31/2016
 Page 1

Line No.	Description	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
1	Unrecovered Sewer Service														
2	Unrecovered Sewer Service														
3	Total Initial PSTAC Revenue (2)		2,517,426	3,200,740	5,509,025	5,412,814	5,412,860	5,410,323	5,410,873	5,467,413	5,409,124	5,442,700	5,343,222	5,471,171	34,980,481
4	GRFT Fee (see Note 2)		0.07%	0.07%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
5	Billed PSTAC Revenue net of GRFT		2,517,426	3,200,740	5,509,025	5,412,814	5,412,860	5,410,323	5,410,873	5,467,413	5,409,124	5,442,700	5,343,222	5,471,171	34,980,481
6	Less: Unrecovered & PSE&C Rate Collected Exp. Factor (2)		0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%
7	PSTAC Rev. net of GRFT, Unrec'd, & PSE&C exp. (see 6)		2,314,790	2,883,864	5,005,707	5,005,714	5,005,714	5,005,714	5,005,714	5,005,714	5,005,714	5,005,714	5,005,714	5,005,714	5,005,714
8															
9															
10															
11	Less: PSTAC True-up Over-recovery of (5802,678)		(5,802,678)												
12	Net PSTAC True-up Over-recovery of (5802,678)		(5,802,678)												
13	Net PSTAC True-up Over-recovery of (5802,678)		(5,802,678)												
14	Net PSTAC True-up Over-recovery of (5802,678)		(5,802,678)												
15	Total PSTAC Revenue net of Cost Incentives credits above		3,898,815	2,409,227	5,555,430	5,438,742	5,438,687	5,437,459	5,438,014	5,514,330	5,438,028	5,438,028	5,438,028	5,438,028	35,545,812
16	Total PSE&C Revenue net of Cost Incentives credits above		0	1,271,365	0	0	1,271,365	0	0	1,271,365	0	0	1,484,380	0	5,789,548
17	Total PSE&C Revenue net of Cost Incentives credits above		0	1,271,365	0	0	1,271,365	0	0	1,271,365	0	0	1,484,380	0	5,789,548
18	Total PSE&C Revenue net of Cost Incentives credits above		0	1,271,365	0	0	1,271,365	0	0	1,271,365	0	0	1,484,380	0	5,789,548
19	Total PSE&C Revenue net of Cost Incentives credits above		0	1,271,365	0	0	1,271,365	0	0	1,271,365	0	0	1,484,380	0	5,789,548
20	Total PSE&C Revenue net of Cost Incentives credits above		0	1,271,365	0	0	1,271,365	0	0	1,271,365	0	0	1,484,380	0	5,789,548
21	Total PSE&C Revenue net of Cost Incentives credits above		0	1,271,365	0	0	1,271,365	0	0	1,271,365	0	0	1,484,380	0	5,789,548
22	Total PSTAC True-up Balance		5,399,019	2,883,864	5,555,430	5,438,742	5,438,687	5,437,459	5,438,014	5,514,330	5,438,028	5,438,028	5,438,028	5,438,028	35,545,812
23	Interest Calculation														
24	Total PSTAC Cumulative True-up Balance		5,399,019	8,282,883	13,838,313	19,277,055	24,715,742	30,154,201	35,592,215	41,106,545	46,620,573	52,134,953	57,649,333	63,163,713	98,710,625
25	Interest Calculation														
26	Total PSTAC Cumulative True-up Balance		5,399,019	8,282,883	13,838,313	19,277,055	24,715,742	30,154,201	35,592,215	41,106,545	46,620,573	52,134,953	57,649,333	63,163,713	98,710,625
27	Interest Calculation														
28	Average of the Current & Prior months Cumulative True-up Balances		777,073	664,208	1,253,751	1,748,110	2,242,470	2,736,830	3,231,190	3,725,550	4,219,910	4,714,270	5,208,630	5,702,990	6,197,350
29	Interest Calculation														
30	Interest Calculation														
31	Interest Calculation														
32	Interest Calculation														
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40	Interest Calculation														
41	Interest Calculation														
42	Interest Calculation														
43	Interest Calculation														
44	Interest Calculation														
45	Interest Calculation														

(1) Muriel 2014 represents the Total PSTAC True-up balance for Unrecovered Sewer Service per Schedule DMD-5a.
 (2) Billed PSTAC revenues are based on actuals.
 (3) The GRFT rate (not applicable to wastewater treatment costs) and the Unrecovered Sewer Service Cost expense factor utilized herein is per Schedule DMD-11 - Per Settlement, BPU Docket #W090111002.
 (4) The GRFT rate of the current month plus the 27 of the prior month less the 12 of the current month.
 (5) The ROR utilized for the period 4/1/14 - 3/31/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #W09011670402.

New Jersey American Water Company
 Statement of Ocean City Sewer System PSTAC True Up Schedule - Revenue and Contractual Expenses - PSTAC Sewer Service
 PSTAC Year 4/1/15 - 3/31/16

Schedule DMS-3, Supplied 2/25/2015
 PSTAC File Year: 4/1/2015 - 3/31/2016
 Page 1

New Jersey American Water Company
 BPU Docket No. WRI15111283
 Witness: Resurrectione Daria E. DeSerafino

Line No.	Description	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
1	2 Ocean City Sewer Service														
2	Total Billed PSTAC Revenue (1)	5628,843	5704,438	5715,001	5754,293	5750,723	5700,529	5704,703	5774,512	5846,585	5882,711	5728,983	5864,510	5884,813	58,465,718
3	CRPT tax rate (NA) (2)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	Billed PSTAC Revenue net of CRPT	5628,843	5704,438	5715,001	5754,293	5750,723	5700,529	5704,703	5774,512	5846,585	5882,711	5728,983	5864,510	5884,813	58,465,718
5	Less: Unrecoverables & BPU/DCs, Allow Contractual Exp. Factor (3)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
6	PSTAC Rate net of CRPT, Unrec, BPU/DCs etc. (Rate (4))	5628,843	5704,438	5715,001	5754,293	5750,723	5700,529	5704,703	5774,512	5846,585	5882,711	5728,983	5864,510	5884,813	58,465,718
7	Less: PSTAC True-up Underpayment of \$128,629 from PSTAC Year 4/1/15-3/31/16 credited by 12 mos. (1)	11,557	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	138,629
8	Total PSTAC Revenue net of Credit recoveries detailed above	5617,286	5692,886	5703,449	5742,741	5739,171	5688,977	5693,151	5762,960	5835,033	5871,159	5717,431	5852,958	5873,261	58,604,347
9	Total Purch. Wastewater Trsd. Exp. Adj. Adjusted - BPU Schedule DMS-3, B. 15)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Total PSTAC True-up Balance	5617,286	5692,886	5703,449	5742,741	5739,171	5688,977	5693,151	5762,960	5835,033	5871,159	5717,431	5852,958	5873,261	58,604,347
11	Interest on True-up Balance	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
12	Total PSTAC (Over-Recovery) / Under-Recovery (Including Interest)	5617,286	5692,886	5703,449	5742,741	5739,171	5688,977	5693,151	5762,960	5835,033	5871,159	5717,431	5852,958	5873,261	58,604,347
13	Interest on True-up Balance	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
14	Total PSTAC (Over-Recovery) / Under-Recovery (Including Interest)	5617,286	5692,886	5703,449	5742,741	5739,171	5688,977	5693,151	5762,960	5835,033	5871,159	5717,431	5852,958	5873,261	58,604,347
15	Overall ROR Per Docket BPU/WRI107042 (5)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
16	Overall ROR Per Docket BPU/WRI107042 (6)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
17	Interest on True-up Balance - (Over) / Under	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
18	Total PSTAC (Over-Recovery) / Under-Recovery (Including Interest)	5617,286	5692,886	5703,449	5742,741	5739,171	5688,977	5693,151	5762,960	5835,033	5871,159	5717,431	5852,958	5873,261	58,604,347

Notes:
 (1) March 2015 represents the Total PSTAC True-up balance for Ocean City Sewer per Schedule DMS-3, B. 15.
 (2) Billed PSTAC revenues are based on actual, except collection usage for February 2015 through March 2016.
 (3) The CRPT rate first applicable to wastewater treatment credit and the Unrecoverable/Contractual Council expense factor allowed herein is per Schedule DMS-3, B. 15, updated on 02/25/15 per Docket BPU/WRI107042.
 (4) Line 21 of the current month plus line 27 of the prior month less line 12 of the current month.
 (5) The ROR utilized for the period 4/1/15 - 3/31/16, BPU/Us based on BPU Docket BPU/WRI107042.
 (6) The ROR utilized for the period 4/1/15 - 3/31/16, BPU/Us based on BPU Docket BPU/WRI107042.

Total PSTAC (Over-Recovery) / Under-Recovery (Including Interest) 58,604,347

New Jersey American Water Company
 BPU Docket No. WRI15101229
 Witness Responsible: David M. DeSantis
 Schedule DMD-4a
 PSTAC Flag Year: 4/1/14 - 3/31/15
 Page 1

Line	No.	Particulars	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total
1	1	Purchased Wastewater Treatment														
2	2	Ocean City Sewer Service														
3	3	Total Billed PSTAC Revenue (2)		574,215	587,953	592,540	587,810	568,153	566,511	565,877	554,808	557,373	571,042	585,154	570,534	5,712,518
4	4	CRFT Fee Rate (N/A) (2)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	5	Billed PSTAC Revenue net of CRFT		574,215	587,953	592,540	587,810	568,153	566,511	565,877	554,808	557,373	571,042	585,154	570,534	5,712,518
6	6	Less: Unavailable & BPU/CRFT, Rate Chemical Exp. Factor (2)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
7	7	PSTAC Rev. net of CRFT, Lease, BPU/CRFT exp. (line 6)		574,215	587,953	592,540	587,810	568,153	566,511	565,877	554,808	557,373	571,042	585,154	570,534	5,712,518
8	8	Less: PSTAC True-up Over-recovery of (2025,355)		(2,257)	(2,236)	(2,230)	(2,230)	(2,230)	(2,230)	(2,230)	(2,230)	(2,230)	(2,230)	(2,230)	(2,230)	(22,230)
9	9	from PSTAC Year 4/1/14-3/31/14 credited by 15 mos. (1)														
10	10	Total PSTAC Revenue net of Cost recoveries detailed above		571,958	585,717	590,310	585,580	565,923	564,281	563,647	552,578	555,143	568,812	582,924	568,304	5,690,288
11	11	Total PSTAC Revenue net of Cost recoveries detailed above		571,958	585,717	590,310	585,580	565,923	564,281	563,647	552,578	555,143	568,812	582,924	568,304	5,690,288
12	12	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
13	13	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
14	14	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
15	15	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
16	16	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
17	17	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
18	18	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
19	19	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
20	20	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
21	21	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
22	22	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
23	23	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
24	24	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
25	25	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
26	26	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
27	27	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
28	28	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
29	29	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
30	30	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
31	31	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
32	32	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
33	33	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
34	34	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
35	35	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
36	36	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
37	37	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
38	38	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
39	39	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
40	40	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
41	41	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
42	42	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
43	43	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
44	44	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
45	45	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
46	46	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
47	47	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
48	48	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
49	49	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
50	50	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
51	51	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
52	52	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
53	53	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
54	54	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
55	55	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
56	56	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
57	57	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
58	58	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
59	59	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
60	60	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
61	61	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
62	62	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
63	63	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
64	64	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
65	65	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
66	66	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
67	67	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
68	68	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
69	69	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,546	0	0	0	2,278,251	8,465,480
70	70	Total PSTAC True-up Balances		0	2,028,546	0	0	2,028,546	0	0	2,028,					

New Jersey American Water Company
 Summary Statement of Pro Forma Purchased Wastewater Treatment Expense
 PSTAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
 BPU Docket No. WR15111289
 Witness Responsible: Darke M. DeStefano

Schedule DMD-10, Stipulated 2/25/2016
 PSTAC Filing Year: 4/1/2015 - 3/31/2016
 Page 1

Line No.	Sewer Service Tariff Area / Vendor	Calendar Year 2016 Annual Charge	Projected Increase Effective 1/1/2017	Projected Calendar Year 2017 Annual Charge	Pro Forma PSTAC Year 4/1/16-3/31/17 Expense
	(1)	(2)	(3)	(4)	(5)
1	<u>Adelphia Sewer Service</u>				
2	Howell Township	\$1,048,603 (1)	0.08% (1a)	\$1,049,397	
3	<u>Annual Charge:</u>				
4	@ 9/12ths	786,602			
5	@ 3/12ths			282,349	
6	Pro forma Annual Cost PSTAC Yr. 4/1/2016-3/31/2017				\$1,048,951
7					
8					
9	Total Pro forma Costs PSTAC Yr. 4/1/2016-3/31/2017				<u>\$1,048,951</u>
10					
11	<u>Lakewood Sewer Service</u>				
12	Ocean County Utilities Authority	\$5,434,600 (2)	2.51% (2a)	\$5,571,213	
13					
14	<u>Annual Charge:</u>				
15	@ 9/12ths	4,076,100			
16	@ 3/12ths			1,392,803	
17	Pro forma Annual Cost PSTAC Yr. 4/1/2016-3/31/2017				\$5,468,903
18	OCUA's 2016 Estimated True-Up Deficiency Chg.				0 (3)
19					
20					
21	Total Pro forma Costs PSTAC Yr. 4/1/2016-3/31/2017				<u>\$5,468,903</u>
22					
23	<u>Ocean City Sewer Service</u>				
24	Cape May County Municipal Utilities Authority	\$8,420,388 (4)	0.88% (4a)	\$8,477,927	
25	<u>Annual Charge:</u>				
26	@ 9/12ths	6,315,291			
27	@ 3/12ths			2,119,482	
28	Pro forma Annual Cost PSTAC Yr. 4/1/2016-3/31/2017				\$8,434,773
29	CMCUA's 2016 Estimated True-Up Deficiency Chg.				(187,146) (5)
30					
31					
32	Total Pro forma Costs PSTAC Yr. 4/1/2016-3/31/2017				<u>\$8,247,627</u>
33					
34					
35					
36	Total PSTAC Costs for PSTAC Year 4/1/2016-3/31/2017				<u>\$14,765,481</u>
37					
38	Notes:				
39	(1) Estimate based on actuals thru 01/31/2016 and 2016 MRRSA rate.				
40	(1a) Reflects 3-year average of increases in total expenses for 2013, 2014, and 2015.				
41	(2) Per letter from OCMUA dated 1/16/2015.				
42	(2a) Reflects 3-year average of increases in total expenses for 2014, 2015, and 2016.				
43	(3) Estimating \$0 deficiency charge.				
44	(4) Per CMCMUA's 2016 Rate Setting Report.				
45	(4a) Estimated 2017 increase based on 3-year average of increases for 2014-2016.				
46	(5) Reflects 3-year average of deficiency charges/(credits) for 2013, 2014, and 2015.				

New Jersey American Water Company
 Statement of Pro Forma PSTAC
 PSTAC Year 4/1/2016-3/31/2017

Schedule DMD-11, Supplement 2/25/2016
 PSTAC Filing Year 4/1/2016 - 3/31/2017
 Page 1

New Jersey American Water Company
 BPU Docket No. WRT1511208
 Witness Responsible: Daniel M. DeStefano

Line No	DESCRIPTION	(1)	(2)
CALCULATION of PSTAC Rates for Year 4/1/16-3/31/17 Without Compression (regular rate.)			
Lakewood Sewer Service			
1	Pro Forma Purchased Wastewater Treatment Expense - PSTAC Year 4/1/2016-3/31/2017 (Schedule DMD-10)		\$5,488,500
2	PSTAC True-up from PSTAC Year 4/01/14-3/31/15 (Schedule DMD-6)		(19,121)
3	sub-total (lines 1 + 2)		\$5,469,379
4	Gross-up factor for Unallocables Exp. & Actual 2015 BPU / Div Rate Coupled Assessments (1)		0.9825
5	PSTAC for Recovery 4/1/2016-3/31/2017 (line 3 / 4)		\$5,490,864
6	Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)		1,318,153
7	PSTAC per 1000 gallons (line 5 / 6) (3)		\$4.1625
Atlantic Sewer Service			
8	Pro Forma Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2016-3/31/2017 (Schedule DMD-10)		\$1,048,051
9	PSTAC True-up from PSTAC Year 4/01/14-3/31/15 (Schedule DMD-7)		(11,494)
10	sub-total (lines 8 + 9)		\$1,036,557
11	Gross-up factor for Unallocables Exp. & Actual 2015 BPU / Div Rate Coupled Assessments (1)		0.9725
12	PSTAC for Recovery 4/1/2016-3/31/2017 (line 10 / 11)		\$1,045,297
13	Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)		188,782
14	PSTAC per 1000 gallons (line 12 / 13) (3)		\$5.5374
Oran City Sewer Service			
15	Pro Forma Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2016-3/31/2017 (Schedule DMD-10)		\$8,347,827
16	PSTAC True-up from PSTAC Year 4/01/14-3/31/15 (Schedule DMD-6)		(5,047)
17	sub-total (lines 15 + 16)		\$8,342,780
18	Gross-up factor for Unallocables Exp. & Actual 2015 BPU / Div Rate Coupled Assessments (1)		0.9925
19	PSTAC for Recovery 4/1/2016-3/31/2017 (line 17 / 18)		\$8,394,896
20	Total Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)		322,888
21	PSTAC per 1000 gallons (line 19 / 20) (3)		\$24,8644

NOTES
 (1) Unallocable rate @ 0.49% per 1-year increase of 2013-2014 unallocable rates and Actual Assessment Rates @ 0.2887% (rounded) (BPU + 0.2172% (2015 rates for 2015), Rate Coupled = 0.0079% (2015/2014) for 2015), Gross-up factor (100% - 0.49% = 0.51%) (rounded) or 0.5125%
 (2) See Schedule DMD-11, page 2 for explanation of Projected Sewer Sales.
 (3) Gross-up for CRT not applicable - wastewater treatment costs are deductible from Gross Receipts when computing CRTL.

New Jersey American Water Company
Pro Forma PSTAC-Supporting Sewer Service Sales Worksheet
PSTAC Year 4/1/2016-3/31/2017

New Jersey American Water Company
BPU Docket No. WR15111289
Witness Responsible: Dante M. DeStefano

Schedule DMD-11, Stipulated 2/25/2016
PSTAC Filing Year: 4/1/2015 - 3/31/2016
Page 2

Pro forma Lakewood Sewer Service Sales:

Total Sales Lakewood	<u>1,319,153</u> (1)
	<u>1,319,153</u>

Pro forma Adelphia Sewer Service Sales:

Total Sales Adelphia	<u>166,782</u> (2)
	<u>166,782</u>

Pro forma Ocean City Sewer Service Sales:

Total Sales Ocean City	<u>332,668</u> (3)
	<u>332,668</u>

Notes:

- (1) Source: Average of customers' 2013, 2014 & 2015 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 10 in Docket #WR15010035.
- (2) Source: Average of customers' 2013, 2014 & 2015 actual wastewater consumption.
- (3) Source: Average of 2013, 2014 and 2015 actual summer wastewater consumption.

TOTAL REVENUES (Base + PWAC/PSTAC)

Base Rate Revenues per BPU ORDER Doc #WR15010035 note (2)

Water - Exh. P-2, Schd.5, Pg.1, Col.10, ln. 11
 Sewer- Exh. P-2, Schd.5, Pg.4, Col. 10
 Adelpia Sewer - ln. 6
 Lakewood Sewer - ln. 7
 Ocean City Sewer - ln. 8
 Other Sewer Service not subject to PSTAC - lns. 9-11 & 20
 Total Base Rate Revenues per BPU ORDER

Water	Sewer	Total
\$558,126,620		\$558,126,620
	1,223,663	1,223,663
	6,942,698	6,942,698
	5,246,236	5,246,236
	5,167,445	5,167,445
<u>\$558,126,620</u>	<u>\$18,580,042</u>	<u>\$576,706,662</u>

Pro Forma PWAC/PSTAC Present Rate Revenues per Current Filing

PWAC per Schedule DMD-3, Col.2, (ln 23 * \$0.3750) + (ln 31 * \$0.4348) note (1)
 PSTAC per Schedule DMD-11 (ref. cols and lines below) note (2):
 Adelpia Sewer - Col. 2, ln 14 * \$5.8388
 Lakewood Sewer - Col. 2, ln 7 * \$3.8151
 Ocean City Sewer - Col. 2, ln 21 * \$24.8816
 Total Pro Forma PWAC/PSTAC Revenue Increase

\$35,266,558		\$35,266,558
	973,807	973,807
	5,032,701	5,032,701
	8,277,312	8,277,312
<u>\$35,266,558</u>	<u>\$14,283,820</u>	<u>\$49,550,378</u>

Total Present Rate Revenues (Base + DSIC + PWAC/PSTAC) per above

Water
 Adelpia Sewer
 Lakewood Sewer
 Ocean City Sewer
 Other Sewer Service not subject to PSTAC
 Total Present Rate Revenues

\$593,393,178		\$593,393,178
	2,197,470	2,197,470
	11,975,399	11,975,399
	13,523,548	13,523,548
	5,167,445	5,167,445
<u>\$593,393,178</u>	<u>\$32,863,862</u>	<u>\$626,257,040</u>

Pro Forma PWAC/PSTAC Proposed Revenue Increase per Current Filing

PWAC
 PSTAC Adelpia Sewer
 PSTAC Lakewood Sewer
 PSTAC Ocean City Sewer
 Total Pro Forma PWAC/PSTAC Revenue Increase

\$2,522,456		\$2,522,456
	71,490	71,490
	458,263	458,263
	27,554	27,554
<u>\$2,522,456</u>	<u>\$557,307</u>	<u>\$3,079,763</u>

Pro Forma PWAC/PSTAC Proposed Rev.Incr.% over current Total Present Rev.

PWAC
 PSTAC Adelpia Sewer
 PSTAC Lakewood Sewer
 PSTAC Ocean City Sewer
 Total Pro Forma PWAC/PSTAC Revenue Increase %

0.43%		0.43%
	3.25%	3.25%
	3.83%	3.83%
	0.20%	0.20%
<u>0.43%</u>	<u>1.70%</u>	<u>0.49%</u>

Notes: (1) Present Rates on an Uncompressed basis per Schedule DMD-3 - Per Settlement, WR14111278. Usage per DMD-3, lines 22 and 30.
 (2) Present Rates on an Uncompressed basis per Schedule DMD-11 - Per Settlement, WR14111278. Usage per DMD-11.
 (3) Approx. \$58 mil. Of Base Revenues are not subject to PWAC (Fire Service, Uninter, Manasquan Serv., and Other Operating Revenues)

New Jersey American Water Company
 PWAC & PSTAC Rate Filing - Bill Comparisons
 Usage in gallons. Usage Rates in 1000 gallons.
 Proposed Rates are Compressed Rates

Schedule DED-16, Repealed 2/28/2016
 EFD Docket No. WR15111269

PWAC

Service Area	Present Rates			Proposed Rates		
	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢
SA1 - STATEWIDE	4,000	\$11.00	\$5.00	4,000	\$11.00	\$5.00
SA2 & SA3 - SALES	6,000	6.00	3.00	6,000	6.00	3.00
Municipal, SA12	6,000	13.00	5.00	6,000	13.00	5.00
Southampton	6,000	13.00	5.00	6,000	13.00	5.00
SA-1b Parsippany	6,000	13.00	5.00	6,000	13.00	5.00

Service Area	Present Rates			Proposed Rates		
	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢
SA1 - STATEWIDE	4,000	\$11.00	\$5.00	4,000	\$11.00	\$5.00
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Municipal, SA12	6,000	13.00	5.00	6,000	13.00	5.00
Southampton	6,000	13.00	5.00	6,000	13.00	5.00
SA-1b Parsippany	6,000	13.00	5.00	6,000	13.00	5.00

PSTAC

Service Area	Present Rates			Proposed Rates		
	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢
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Municipal, SA12	6,000	13.00	5.00	6,000	13.00	5.00
Southampton	6,000	13.00	5.00	6,000	13.00	5.00
SA-1b Parsippany	6,000	13.00	5.00	6,000	13.00	5.00

3P Customer

Monthly Usage	Present Rate	Proposed Rate	Increase
4,000	\$11.00	\$11.00	0.00%
6,000	13.00	13.00	0.00%
Annual	\$132.00	\$132.00	0.00%

3P Customer

Monthly Usage	Present Rate	Proposed Rate	Increase
4,000	\$11.00	\$11.00	0.00%
6,000	13.00	13.00	0.00%
Annual	\$132.00	\$132.00	0.00%

3P Customer

Monthly Usage	Present Rate	Proposed Rate	Increase
4,000	\$11.00	\$11.00	0.00%
6,000	13.00	13.00	0.00%
Annual	\$132.00	\$132.00	0.00%

3P Customer

Monthly Usage	Present Rate	Proposed Rate	Increase
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6,000	13.00	13.00	0.00%
Annual	\$132.00	\$132.00	0.00%

3P Customer

Monthly Usage	Present Rate	Proposed Rate	Increase
4,000	\$11.00	\$11.00	0.00%
6,000	13.00	13.00	0.00%
Annual	\$132.00	\$132.00	0.00%

3P Customer

Monthly Usage	Present Rate	Proposed Rate	Increase
4,000	\$11.00	\$11.00	0.00%
6,000	13.00	13.00	0.00%
Annual	\$132.00	\$132.00	0.00%

(E) Applicable to each service account usage.
 (F) Applicable to any year's summer quarter usage.

PSTAC

Service Area	Present Rates			Proposed Rates		
	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢
SA1 - STATEWIDE	4,000	\$11.00	\$5.00	4,000	\$11.00	\$5.00
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Municipal, SA12	6,000	13.00	5.00	6,000	13.00	5.00
Southampton	6,000	13.00	5.00	6,000	13.00	5.00
SA-1b Parsippany	6,000	13.00	5.00	6,000	13.00	5.00

PSTAC

Service Area	Present Rates			Proposed Rates		
	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢
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Municipal, SA12	6,000	13.00	5.00	6,000	13.00	5.00
Southampton	6,000	13.00	5.00	6,000	13.00	5.00
SA-1b Parsippany	6,000	13.00	5.00	6,000	13.00	5.00

PSTAC

Service Area	Present Rates			Proposed Rates		
	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢	Monthly Usage	Basic Rates (E) 9/27/15 Mon/Fri Serv, Chg. 5¢	Usage Charge (F) 9/27/15 Chg. 5¢
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Municipal, SA12	6,000	13.00	5.00	6,000	13.00	5.00
Southampton	6,000	13.00	5.00	6,000	13.00	5.00
SA-1b Parsippany	6,000	13.00	5.00	6,000	13.00	5.00

(F) Example PWAC rate of 90.4719 per 1000 gallons.

