



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC., MAXIM WASTEWATER DIVISION, FOR APPROVAL OF A 2018 PURCHASED WASTEWATER TREATMENT ADJUSTEMENT CLAUSE TRUE-UP AND OTHER REQUIRED APPROVALS)	ORDER ADOPTING STIPULATION OF SETTLEMENT
)	
)	DOCKET NO. WR19080925
)	OAL DOCKET NO. PUC11846-2019S

Parties of Record:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, on behalf of Aqua New Jersey, Inc., Maxim Wastewater Division
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 15, 2019, pursuant to N.J.A.C. 14:9-7.1 et seq., Aqua New Jersey, Inc., Maxim Wastewater Division ("Maxim," "Company," or "Petitioner") filed a verified petition with the New Jersey Board of Public Utilities ("Board") for approval of a Purchased Sewerage Treatment Adjustment Clause ("PSTAC") true-up for calendar year 2018, and to set prospective rates for calendar year 2020 (as required by N.J.A.C. 14:9-7.7).

Maxim is a wastewater utility engaged in the collection and transmission of sewage. Maxim serves approximately 2,585 customers within a portion of Howell Township, Monmouth County, New Jersey. The Ocean County Utilities Authority ("OCUA") receives and treats all of the sewage transmitted by Maxim.

By this Order, the Board considers the Stipulation of Settlement ("Stipulation") executed by the Petitioner, the Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") (collectively, "Parties"), agreeing to an overall increase in Petitioner's PSTAC rate of \$161,828 in revenues.

BACKGROUND/PROCEDURAL HISTORY

On August 20, 2019, the matter was transmitted to the Office of Administrative Law ("OAL") and was later assigned to the Honorable Administrative Law Judge ("ALJ") Jacob S. Gertsman for review and disposition.

On November 6, 2019, the public hearing was held at the Howell Township Municipal Building, at 5:30 p.m., over which ALJ Gertsman presided. No members of the public appeared.

Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the Ocean County Utilities Authority ("OCUA"). The current PSTAC tariff was approved by the Board in an Order in Docket No. WR 18080882, dated December 18, 2018, which examines PSTAC revenues and expenses applicable to the period ending December 31, 2017 and set prospective rates for calendar year 2019.

In this proceeding, the Parties have examined the Company's actual revenues and actual OCUA expenses for calendar year 2018, the Company's projected OCUA expenses for 2020, as well as the costs of this proceeding. Based on the foregoing, the Parties have determined that the current PSTAC rate should be increased to recover an additional \$161,828 in revenues. The \$161,828 PSTAC increase was calculated based on the following components:

- a) An under-recovery of actual wastewater treatment charges of approximately \$104,902 for the calendar year ending December 31, 2018 (See Exhibit A, attached hereto, pages 1 to 3);
- b) Projected OCUA charges for 2020 of \$911,064 based on OCUA rates effective for 2019 (See Exhibit A, page 5)
- c) The total costs of this proceeding are deemed to be \$5,000 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$2,500 (See Exhibit A, page 7); and
- d) The pro forma PSTAC revenues at current rates are projected to be \$856,638 (See Exhibit A, page 6)

As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of OCUA costs for calendar year 2020, which estimate has been used to determine the applicable PSTAC rate for 2020.

DISCUSSIONS AND FINDINGS¹

Based on the estimated costs for 2020, the under-recovery for 2018, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be increased as indicated on Exhibit A. For the average residential customer, the Total annual flat PSTAC rate will increase from \$321.24 to \$381.93, or approximately 18.891% (See Exhibit A, page 8). With respect to the total annual rate for wastewater services, the total annual rate for the average residential customer will increase from \$625.24 to \$685.93, or approximately 9.71%.

Having reviewed the record in this matter, as well as the Stipulation among the Parties, the Board **HEREBY FINDS** that the Stipulation among the Parties is reasonable, in the public interest, and in accordance with the law.

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.

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

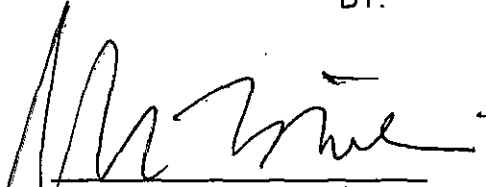
In accordance with the provisions of N.J.A.C. 14:9-7.3(c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, or by February 28, 2020, whichever is earlier, a PSTAC true-up filing in connection with this proceeding. This filing shall include estimates of the OCUA costs for calendar year 2020. Copies of the true-up filing shall be served upon all Parties to the present proceeding.

The Board **ORDERS** that the Company comply with the terms of the Initial Decision and Stipulation as if set forth fully herein, as well as the terms of this Order. The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order within ten (10) days from the effective date of this Order.

The effective date of this Order is December 30, 2019 with rates to become effective January 1, 2020.

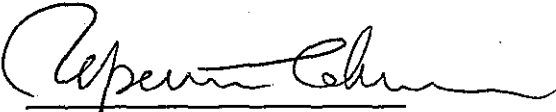
DATED: 12/20/19

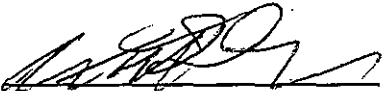
BOARD OF PUBLIC UTILITIES
BY:

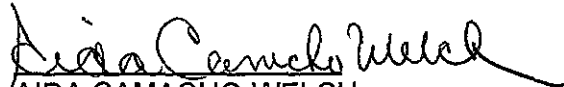

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNÉ SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
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 AQUA NEW JERSEY, INC., MAXIM WASTEWATER
DIVISION, FOR APPROVAL OF A 2017 PURCHASED WASTEWATER TREATMENT
ADJUSTMENT CLAUSE TRUE-UP AND OTHER REQUIRED APPROVALS
BPU DOCKET NO. WR19080925

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Aida Camacho-Welch
Secretary of the Board
board.secretary@bpu.nj.gov

Division of Water

Mike Kammer, Director
mike.kammer@bpu.nj.gov

Megan Lupo, Bureau Chief
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Kyle Felton, Rate Analyst
Kyle.felton@bpu.nj.gov



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 11846-19

AGENCY DKT. NO. WR19080925

**IN THE MATTER OF THE PETITION
OF AQUA NEW JERSEY, INC.,
MAXIM WASTEWATER DIVISION,
FOR APPROVAL OF A 2018 PURCHASED
WASTEWATER TREATMENT ADJUSTMENT
CLAUSE TRUE-UP AND OTHER
REQUIRED APPROVALS.**

Courtney L. Schultz, Esq., for petitioner (Saul Ewing Arnstein & Lehr LLP, attorneys)

Peter Van Brunt and Patricia Krogman, Deputy Attorneys General, for Staff of the Board
of Public Utilities (Gurbir S. Grewal, Attorney General of New Jersey, attorney)

Debra F. Robinson and Susan E. McClure, Assistant Deputies Rate Counsel, for
Division of Rate Counsel (Stefanie A. Brand, Director)

Record Closed: November 15, 2019

Decided: November 19, 2019

BEFORE JACOB S. GERTSMAN, ALJ t/a:

This proceeding involves a petition filed on August 15, 2019, by Aqua New Jersey, Inc., Maxim Wastewater Division (Maxim or Company) with the Board of Public Utilities (Board),

seeking approval of a purchased wastewater treatment adjustment clause true-up (PSTAC) for calendar year 2018 and prospective rates for calendar year 2020, pursuant to N.J.A.C. 14:9-7.1 et seq.

The petition was filed with the Office of Administrative Law (OAL) on August 26, 2019, for determination as a contested case, and assigned to the undersigned, who conducted the initial case management conference on September 20, 2019. A duly-noticed public hearing was held on November 6, 2019, at the Howell Township Municipal Building. No members of the public appeared at the hearing to provide comments and no written comments were received.

The parties filed on November 15, 2019, a Stipulation of Settlement (J-1) which resolves all issues in this proceeding. Said Stipulation of Settlement has been signed by petitioner, Staff of the Board of Public Utilities and Division of Rate Counsel. It indicates the terms of settlement, and is attached and fully incorporated herein.

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.

November 19, 2019 _____

DATE



JACOB S. GERTSMAN, ALJ t/a

Date Received at Agency:

11-20-19

Date Mailed to Parties:

11-20-19

JSG/nd

APPENDIX

EXHIBITS

Jointly Submitted

J-1 Stipulation of Settlement

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

RECEIVED

2019 NOV 15 P 3:43

IN THE MATTER OF THE PETITION :
OF AQUA NEW JERSEY, INC., :
MAXIM WASTEWATER DIVISION, :
FOR APPROVAL OF A 2018 :
PURCHASED WASTEWATER :
TREATMENT ADJUSTMENT CLAUSE :
TRUE-UP AND OTHER REQUIRED :
APPROVALS :
:

STATE OF NEW JERSEY
SETTLEMENT ADMIN. LAW
STIPULATION OF SETTLEMENT
BPU DOCKET NO. WR19080925
OAL DOCKET NO. PUC11846-2019S

APPEARANCES:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, and Kimberly A. Joyce, Esq., Aqua America, Inc., on behalf of the Petitioner, Aqua New Jersey, Inc., Maxim Wastewater Division

Debra F. Robinson, Deputy Rate Counsel, and Susan E. McClure, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Paul Youchak, Deputy Attorney General (Gurbir S. Grewal, Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:

The Parties that have participated in this proceeding are Aqua New Jersey, Inc., the Maxim Wastewater Division ("Aqua," "Company," or "Petitioner"), the Division of Rate Counsel ("Rate Counsel"), and the Staff of the Board of Public Utilities ("Staff") (collectively, the "Parties"). There were no intervenors in this proceeding. As a result of an analysis of Aqua's Petition and exhibits, discovery conducted by Rate Counsel and Staff, conferences and negotiations, the Parties to this proceeding have come to the within agreement. The Parties hereto agree and stipulate as follows:

1. Petitioner operates a sewage collection and transmission system within a portion of the Township of Howell, New Jersey. Petitioner serves approximately 2,585 customers within

its service territory. Aqua New Jersey, Inc. is a public utility corporation of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (the "Board"). Aqua's principal business office is located at 10 Black Forest Road, Hamilton, New Jersey 08691.

2. On August 15, 2019 pursuant to N.J.A.C. 14:9-7.1 to -7.7, Aqua filed the above-captioned Petition with the Board, which was later assigned BPU Docket No. WR19080925, for approval of a purchased sewerage treatment adjustment clause ("PSTAC") true-up for calendar year 2018, and to set prospective rates for calendar year 2020 as required by N.J.A.C. 14:9-7.1(d) and 14:9-7.7. Aqua will true-up 2019 PSTAC revenues and rates in its 2020 PSTAC filing, and commits that it will make this filing on a timely basis.

3. On August 20, 2019, the matter was transmitted to the Office of Administrative Law ("OAL") and was later assigned to the Honorable Administrative Law Judge ("ALJ") Jacob Gertsman for review and disposition.

4. On September 20, 2019, a telephonic prehearing conference was held before ALJ Gertsman.

5. A public comment hearing was scheduled for November 6, 2019, and all requisite notices were given, including notice by publication in the Asbury Park Press on September 30, 2019.

6. On November 6, 2019, the public hearing was held at the Howell Township Municipal Building, at 5:30 p.m., over which ALJ Gertsman presided. No members of the public appeared.

7. Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the Ocean County Utilities Authority ("OCUA"). The current PSTAC tariff was approved by the Board in an Order in Docket No. WR18080882, dated December 18, 2018, which examined

PSTAC revenues and expenses applicable to the period ending December 31, 2017 and set prospective rates for calendar year 2019.

8. In this proceeding, the Parties have examined the Company's actual revenues and actual OCUA expenses for calendar year 2018, the Company's projected OCUA expenses for 2020, as well as the costs of this proceeding. Based on the foregoing, the Parties have determined that the current PSTAC rate should be increased to recover an additional \$161,828 in revenues. The \$161,828 PSTAC increase was calculated based on the following components:

a) an under-recovery of actual wastewater treatment charges of approximately \$104,902 for the calendar year ending December 31, 2018 (See Exhibit A, attached hereto, pages 1 to 3);

b) projected OCUA charges for 2020 of \$911,064 based on OCUA rates effective for 2019 (See Exhibit A, page 5);

c) the total costs of this proceeding are deemed to be \$5,000 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$2,500 (See Exhibit A, page 7); and

d) the pro forma PSTAC revenues at current rates are projected to be \$856,638 (See Exhibit A, page 6).

9. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of OCUA costs for calendar year 2020, which estimate has been used to determine the applicable PSTAC rate for 2020.

10. Based on the estimated costs for 2020, the under-recovery for 2018, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be increased as indicated on Exhibit A. For the average residential customer, the

total annual flat PSTAC rate will increase from \$321.24 to \$381.93, or approximately 18.891% (See Exhibit A, page 8). With respect to the total annual rate for wastewater services, the total annual rate for the average residential customer will increase from \$625.24 to \$685.93, or approximately 9.71%.

11. Consistent with the provisions of N.J.A.C. 14:9-7.1 to -7.7, the Parties agree that the Company will file with the Board a PSTAC petition to reconcile calendar year 2019 actual OCUA costs with the estimated OCUA costs (as reflected in the rates identified on Exhibit A) for the same period. Additionally, the Company will include in its filing an estimate of OCUA costs for calendar year 2021, which estimate will be used to determine the applicable PSTAC rate for 2021, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.

12. The Parties have engaged in full discovery. The Parties agree that the within Stipulation reflects a mutual balancing of various issues and positions, and that it is being entered into in the spirit of compromise and to avoid protracted and costly litigation.

13. This Stipulation is the product of negotiations by the Parties, and it is an express condition of the settlement embodied by this Stipulation that it be presented to the Board in its entirety without modification or condition. It is also the intent of the Parties to this Stipulation that this settlement, once accepted and approved by the Board, shall govern all issues specified and agreed to herein. The Parties to this Stipulation specifically agree that if adopted in its entirety by the Board, no appeal shall be taken by them from the order adopting same as to those issues upon which the Parties have stipulated herein.

14. The Parties agree that each term within this Stipulation reflects a mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation as a whole, since the Parties hereto expressly and


jointly state that they would not have signed this Stipulation had any terms been modified in any way. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, then any Party hereto materially affected thereby shall not be bound to proceed under this Stipulation.

15. The Parties further agree that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Parties shall be prohibited from, or prejudiced in, arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposedly underlying any agreement provided herein in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

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

AQUA NEW JERSEY, INC.
MAXIM WASTEWATER DIVISION

11/14/19
Date

By: 
Saul Irving Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Date

By: _____
Paul Youchak
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

Date

By: _____
Susan E. McClure, Esq.
Assistant Deputy Rate Counsel

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AQUA NEW JERSEY, INC.
MAXIM WASTEWATER DIVISION

Date

By: _____
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Nov 8, 2019
Date

By: _____
Paul Youchak
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

Date

By: _____
Susan McClure, Esq.
Assistant Deputy Rate Counsel

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

AQUA NEW JERSEY, INC.
MAXIM WASTEWATER DIVISION

Date

By: _____
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Date

By: _____
Paul Youchak
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

11/15/19

Date


By: _____

Susan E. McClure, Esq.
Assistant Deputy Rate Counsel

EXHIBIT A

Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

A.) 2018 Treatment Expenses Paid to OCUA:

<u>Quarter</u>	<u>Gallons Billed</u>	<u>Amount</u>	<u>Invoice #</u>	<u>Reference</u>
Q1	62.00	\$232,650	1800020515	
Q2	62.00	\$232,650	1800020775	
Q3	62.00	\$232,650	1800021105	
Q4	62.00	\$232,650	1800021412	
Deficiency Due		\$52,668		
Total 2018 Actual Treatment Expense	248.00	\$983,268		Exhibit A

Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

B.1 2018 Revenues Billed to Maxim Customers:

<u>Class</u>	<u>Customers</u>	<u>Meter Size</u>	<u>Amount</u>	<u>Rate</u>	<u>% of Revenue</u>	
Residential - Single Family	2,548		\$775,942	\$304.53	95.62%	
Commercial, Industrial, School, Business, & Religious	25	3/4"	\$7,613	\$304.53	0.94%	95
Commercial, Industrial, School, Business, & Religious	1	1"	\$508	\$507.90	0.06%	159
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$0	\$1,045.46	0.00%	327
Commercial, Industrial, School, Business, & Religious	8	2"	\$12,967	\$1,620.88	1.60%	507
Commercial, Industrial, School, Business, & Religious	-	3"	\$0	\$3,137.40	0.00%	980
Commercial, Industrial, School, Business, & Religious	7	4"	\$5,072	\$5,071.77	0.63%	1,585
Subtotal:	2,583		\$802,192		98.85%	

<u>Customer #</u>	<u>Meter Size</u>	<u>Min. Bill</u>	<u>In Kgals</u>			<u>% of Revenue</u>
			<u>Over Minimum</u>	<u>Min. Gallons</u>	<u>Gallons Billed</u>	
891661	3/4"		24	95	119	
991662	3/4"		28	95	123	
991679	2"		2,083	507	2,590	
991683	2"		212	507	719	
991685	2"		93	507	599	
2061674	3/4"		48	95	143	
2111109	3/4"		439	95	535	
Subtotal Gallons:			2,927			
Rate / 1,000 gallons			\$3,200			
Subtotal Commercial Revenues over Minimum			\$9,368			1.15%
Total Revenues Billed 2018:			\$811,468			

Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

C.1 2018 Reconciliation - Over/(Under) Recovery:

			<u>Reference</u>
C.1)	Actual Revenue 2018	\$811,468	B)
	Prospective Revenue Authorized 2018	\$806,810	Exhibit A, Ex. A, Page 7
	Over/(Under) Recovery 2018	<u>\$4,658</u>	
C.2)	Actual Expense 2018	\$983,268	A)
	Projected Expense 2018	\$873,706	Exhibit A Page 2 Sub B
	Over/(Under) Recovery 2018	<u>(\$109,562)</u>	
	Total Over/(Under) Recovery 2018	(\$104,902)	

Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

D.J Cost of Filing Application:

	<u>Amount</u>
Legal	\$4,500
Notification & Other	\$250
Transcripts	\$250
Total	<u>\$5,000</u>

Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

E.) Prospective 2020 Rate Adjustment:

- 1.) Projected 2020 Sewage Volume (in millions)
- 2.) Proposed 2020 OCUA Bulk Rate
- 3.) Projected Calendar Year 2020 Billings by OCUA
- 4.) Projected 2019 OCUA Billings
- 5.) Prospective Adj. for Rates Effective 1/1/2020

<u>Calculation</u>	<u>Reference</u>
225.57	Footnote (a)
\$4,039	Exhibit C
\$911,064	Lines 1.) x 2.)
\$877,540	Ex. D, Page 2, Sub (b)
<u>\$33,524</u>	Lines 3.) - 4.)

Year	Volume
2016	208.7
2017	219.7
2018	248.3
3 Yr Avg	225.6

Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

G.) PSTAC Calculation:

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2020 Calendar Year Billings by OCUA	\$911,064	E.)
2.) Under Recovery 2018	\$104,902	C.)
3.) Interest on Under Recovery	\$0	
4.) Cost of Filing Application (\$5,000 x 50%)	<u>\$2,500</u>	D.)
5.) 2020 PSTAC Revenue Requirement	<u>\$1,018,466</u>	Sum Lines 1 thru 3
6.) PSTAC Revenue at Present (2019) Rates	<u>\$856,638</u>	F.)
7.) Subtotal PSTAC Adjustment 2020	<u>\$161,828</u>	Line 4 minus Line 5

Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

H.J Rate Design:

<u>Class</u>	<u>Customers</u>	<u>Meter Size</u>	<u>2019 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>2020 New Rate</u>	<u>% Change</u>
Residential - Single Family	2,550	-	\$321.24	95.63%	\$154,748.30	\$381.93	18.891%
Commercial, Industrial, School, Business, & Religious	25	3/4"	\$321.24	0.94%	\$1,517.14	\$381.93	18.891%
Commercial, Industrial, School, Business, & Religious	1	1"	\$535.77	0.06%	\$101.21	\$636.98	18.891%
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$1,102.82	0.00%	\$0.00	\$1,311.15	18.891%
Commercial, Industrial, School, Business, & Religious	8	2"	\$1,709.82	1.60%	\$2,584.02	\$2,032.82	18.891%
Commercial, Industrial, School, Business, & Religious	-	3"	\$3,309.54	0.00%	\$0.00	\$3,934.75	18.891%
Commercial, Industrial, School, Business, & Religious	1	4"	\$5,350.05	0.62%	\$1,010.68	\$8,360.73	18.891%
Total:					<u>\$159,861</u>		
Commercial Metered Service Rate / 1,000 gallons =			\$3.376	1.15%	\$1,806.64	\$4.014	18.891%
Total Revenue Assessed					<u>\$161,528</u>		

Apex New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

LI Proof of Revenue:

CLASS	Customers/Gallons	Meter Size	New Rate	Prospective 2020 Revenue
Residential - Single Family	2,550	-	\$381.83	\$972,910.30
Commercial, Industrial, School, Business, & Religious	25	3/4"	\$981.83	\$9,548.14
Commercial, Industrial, School, Business, & Religious	1	1"	\$636.98	\$636.98
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$1,311.15	\$0.00
Commercial, Industrial, School, Business, & Religious	8	2"	\$2,032.82	\$16,262.58
Commercial, Industrial, School, Business, & Religious	-	3"	\$1,934.75	\$0.00
Commercial, Industrial, School, Business, & Religious	1	4"	\$6,360.73	\$6,360.73
Commercial over Minimum Gallons	2,927	Apex	\$4,014	\$11,747.73
Total:				<u>\$1,018,456</u>