Agenda Date: 11/21/25
Agenda Item: 5B

STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu

WATER

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC. FOR APPROVAL OF A RESILIENCY AND ENVIRONMENTAL SYSTEM INVESTMENT CHARGE FOUNDATIONAL FILING AND RELATED SURCHARGE	))))	ORDER APPROVING STIPULATION OF SETTLEMENT DOCKET NO. WR25060367

Parties of Record:

Courtney L. Schultz, Esq., Saul Ewing LLP, on behalf of Aqua New Jersey, Inc.
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On June 26, 2025, Aqua New Jersey, Inc. ("Aqua" or "Company") filed a petition with the Board of Public Utilities ("Board") requesting approval to establish and implement a Resiliency and Environmental System Investment Charge ("RESIC") for the recovery of certain costs of investments commencing July 1, 2025 through June 30, 2028 ("Foundational Filing"). By this Decision and Order, the Board considers a Stipulation of Settlement ("Stipulation") executed by Aqua, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, "Parties") resolving all issues in controversy in this matter.

BACKGROUND AND PROCEDURAL HISTORY

Aqua is a public utility corporation of the State of New Jersey engaged in the production, treatment, and distribution of water and the collection of wastewater within its defined service territory. The Company provides service to approximately 56,681 water and fire service customers and 7,049 wastewater service customers in portions of Atlantic, Burlington, Camden, Gloucester, Hunterdon, Mercer, Monmouth, Morris, Ocean, Sussex, and Warren counties in New Jersey.

On January 16, 2024, Governor Phil Murphy signed into law L. 2023, c. 315, N.J.S.A. 48:19-29 et seq., thereby establishing the "Resiliency and Environmental System Investment Charge Program" for cost recovery of certain investments made by certain utilities and supplementing Title 48 of the Revised Statutes. The Company filed the Foundational Filing in accordance with N.J.S.A. 48:19-31(b), N.J.A.C. 14:1-5.1, and N.J.S.A. 48:2-21.

By the Foundational Filing, Aqua sought a three (3) year program from 2025 through 2028 to invest a total of $69,584,467.50 into their system.[1] Aqua proposed to recover these expenditures through the RESIC mechanism occurring on an approximately six (6) month intervals, by no more than $1,234,168, which amount is no more than 2.5% of the Company's annual revenues ($49,366,736).

On September 15, 2025, the Parties consented to toll the 120-day statutory deadline to November 21, 2025, for the Parties to review the record, and for the Board to issue a Decision.

After proper notice in newspapers of general circulation throughout the Company's service territory, two (2) virtual public hearings were held on October 14, 2025, at 4:30 p.m. and 5:30 p.m., presided over by a hearing officer of the Board. No public comments were received by the Board.

STIPULATION

Following a review of the Foundational Filing, discovery, and settlement discussions, the Parties executed the Stipulation, which provides for the following:[2]

8. For the reasons set forth in the following paragraphs, the Parties agree that the record supports the findings and conclusions set forth in the Stipulation.

9. The Parties agree that the investments proposed in the Foundational Filing should be approved by the Board in all respects.

10. The Parties agree that the first RESIC recovery period will be July 1, 2025 to December 31, 2025.

11. The Parties agree that Aqua's Foundational Filing, including Appendix A – Project List, which is attached to the Stipulation as Attachment A, satisfies the requirements of N.J.S.A. 48:19-31.

12. The Parties agree that the projects listed in Attachment A of the Stipulation have been reviewed and are RESIC-eligible projects within the scope and meaning of the definition set forth in N.J.S.A. 48:19-29 and are eligible to be included in Aqua's semi-annual RESIC filings pursuant to N.J.S.A. 48:19-32.

13. The Parties agree that the revenue requirement associated with the actual costs of the approved projects listed in Attachment A of the Stipulation shall be recovered through future "RESIC filings" made during the "RESIC period" as those terms are defined in N.J.S.A. 48:19-29 at intervals and in a manner consistent with the requirements N.J.S.A. 48:19-32.

14. The Parties agree that the maximum amount of annual RESIC revenue that may be collected by Aqua is $1,234,168, which is no more than 2.5% of the Company's

[1] See Foundational Filing at Table 2.1.

[2] Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions of this Order. Paragraphs are numbered to coincide with the Stipulation.

annual revenues ($49,366,736), which is the cap on the RESIC surcharge revenues.

DISCUSSION AND FINDINGS

Having reviewed the record in this matter, including the Foundational Filing and the Stipulation, the Board **FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** 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 the length herein.

Based upon the information presented in the Foundational Filing and agreed to by the Parties in the Stipulation, the Board **HEREBY FINDS** that the Company's 2025 overall revenue for RESIC purposes is $49,366,736. The Board **FURTHER FINDS** that the Company's maximum amount of annual RESIC revenues that may be collected is $1,234,168, or no more than two and one-half percent (2.5%) of the Company's combined water and wastewater annual revenues established in the Company's most recent base rate case, for its first Foundational Filing pursuant to N.J.S.A. 48:19-35(b)(2)(a). The Company will implement the RESIC surcharge if, and when, it achieves specific levels of infrastructure investment and completes and places the facilities into service as required by N.J.S.A. 48:2-21 and N.J.S.A. 48:19-29 et seq. Based on the Petition, an average residential customer with a 5/8-inch meter may be subjected to a maximum monthly RESIC surcharge of $1.42. This average residential customer surcharge rate is an estimate and may change, however, the maximum annual RESIC revenue requirement, $1,234,168 cannot be exceeded.

The Board **HEREBY ORDERS** that, in accordance with N.J.S.A. 48:2-21 and N.J.S.A 48:19-32, the Company shall make RESIC filings on a semi-annual basis, commencing six (6) months after the effective date of the Foundational Filing. Aqua shall submit its semi-annual RESIC filing within fifteen (15) days of the end of the RESIC recovery period. RESIC filings shall be reviewed by Staff and Rate Counsel. Aqua may recover the interim surcharge associated with the RESIC eligible projects placed in service, including restoration costs during the RESIC recovery period not objected to by Board Staff or Rate Counsel beginning forty-five (45) days after receipt of the complete semi-annual RESIC filing.

The Board **FURTHER ORDERS** that, in accordance with N.J.S.A. 48:19-32(f), Aqua shall file a base rate case no later than three (3) years after the effective date of this Order. Rates approved by the Board for recovery of expenditures under a RESIC shall be provisional and subject to refund and interest. The prudence of RESIC expenditures shall be determined by the Board in Aqua's next base rate case.

Based upon the foregoing, the Board **HEREBY APPROVES** the Company's Foundational Filing and **ORDERS** that the Company may implement a RESIC, subject to this Order and Aqua's ongoing compliance with the RESIC regulations and annual true-up submissions.

This Order shall be effective November 28, 2025.

DATED: November 21, 2025

BOARD OF PUBLIC UTILITIES
BY:

CHRISTINE GUHL-SADOVY
PRESIDENT

DR. ZENON CHRISTODOULOU
COMMISSIONER

MICHAEL BANGE
COMMISSIONER

ATTEST:

SHERRI L. LEWIS
BOARD 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. FOR APPROVAL OF A RESILIENCY AND ENVIRONMENTAL SYSTEM INVESTMENT CHARGE FOUNDATIONAL FILING AND RELATED SURCHARGE

DOCKET NO. WR25060367

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC., FOR APPROVAL OF A RESILIENCY AND ENVIRONMENTAL SYSTEM INVESTMENT CHARGE FOUNDATIONAL FILING AND RELATED SURCHARGE	:	**STIPULATION OF SETTLEMENT** **BPU DOCKET NO. WR25060367**

APPEARANCES:

Colleen A. Foley, Esq. and Courtney L. Schultz, Esq., Saul Ewing LLP, on behalf of the Petitioner, Aqua New Jersey, Inc.

Brian Lipman, Director, and Christine Juarez, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Meliha Arnautovic, Deputy Attorney General, (Matthew J. Platkin, Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

The parties to this proceeding are Aqua New Jersey, Inc. ("Aqua," "Company," or "Petitioner"), the New Jersey Division of Rate Counsel ("Rate Counsel"), and Staff of the New Jersey Board of Public Utilities ("Staff") (collectively, "Parties"). There were no intervenors in this proceeding. As a result of an analysis of Aqua's petition filed on June 26, 2025 seeking to establish and implement a Resiliency and Environmental System Investment Charge ("RESIC" or "Surcharge") for the recovery of certain costs of investments commencing July 1, 2025, accompanying exhibits, discovery conducted by Rate Counsel and Staff, conferences, and negotiations, the Parties have come to the within agreement. The Parties hereby agree and stipulate as follows:

I. Background & Procedural History

1. Aqua is a public utility of the State of New Jersey, subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board" or "BPU"), with its principal business office at 10 Black Forest Road, Hamilton, New Jersey 08691.

2. Aqua is engaged in the production, treatment and distribution of water and collection of wastewater within its defined service territory within the State of New Jersey in portions of the following counties: Atlantic, Burlington, Camden, Gloucester, Hunterdon, Mercer, Monmouth, Morris, Ocean, Sussex and Warren. As of December 31, 2024, Petitioner provides service to approximately 56,681 water and fire service customer connections and 7,049 wastewater service customer connections.

3. On January 16, 2024, Governor Murphy signed into law P.L. 2023, c. 315, establishing the "Resiliency and Environmental System Investment Charge Program" for cost recovery of eligible investments made by certain utilities, which statute was subsequently codified at N.J.S.A. 48:19-29 *et seq.*

4. On June 26, 2025, pursuant to N.J.S.A. 48:19-29 *et seq.* and N.J.A.C. 14:1-5.1 *et seq*. Aqua filed the Petition to establish and implement a RESIC for the recovery of certain costs of investments commencing July 1, 2025 related to: (i) compliance with requirements to address existing and emerging chemical elements or compounds; (ii) installation of new plant or equipment or replacement of existing plant or equipment to further, maintain, enhance or improve resiliency, health, safety, or environmental protection for Aqua's customers, employees, or the public; and (iii) addressing treatment media and related equipment for both existing and emerging chemical elements and compounds.

5. In support of this Petition, Aqua submitted its Foundational Filing (Exhibit A to the Petition) for review and approval by the Board. The Foundational Filing included the following information required pursuant to N.J.S.A. 48:19-31:

a) Projected annual capital expenditures on RESIC-eligible projects for a three-year period, identified by major categories of expenditures (Exhibit A-Sections 1 through 6 and App. A – Project List).

b) Actual annual capital expenditures on RESIC-eligible projects for the previous three years, identified by major categories of expenditures (Exhibit A-Sections 1.2 and 2).

c) An engineering evaluation identifying the specific projects to be included in the proposed RESIC, (Exhibit A-Sections 2 through 6 and App. A – Project List).

d) Vintage, condition, or other similarly relevant and reasonably available information about the eligible infrastructure that is being rehabilitated or replaced, as applicable (Exhibit A-Sections 2 through 6).

e) A forecast of RESIC-eligible capital expenditures for a three-year period setting forth annual planned capital expenditures (Exhibit A-App. A – Project List).

f) The maximum dollar amount, in aggregate, the utility seeks to recover through the RESIC under the Foundational Filing (Exhibit A-App. B – Proposed RESIC Assessment).

g) The estimated rate impact of the proposed RESIC on Aqua customers (Exhibit A-App. B – Proposed RESIC Assessment).

h) A proposed form of public notice that includes the maximum dollar amount that is sought to be recovered through the RESIC as well as an estimated rate impact on customers for the entire period (Exhibit A-App. C – Proposed Form of Public Notice).

6. The Petition noted that if the Foundational Filing was approved as proposed, the Company would invest in RESIC-eligible property and increase annual revenues to reflect those in-service investments, in increments occurring at approximately six-month intervals, by no more than $1,234,168, which amount is no more than 2.5% of the Company's annual revenues ($49,366,736), which is the cap on the RESIC surcharge revenues.

7. The matter was retained by the Board for review and disposition. Virtual and telephonic public comment hearings were held on October 14, 2025 at 4:30 p.m. and 5:30 p.m., and were presided over by a Board-appointed representative. No members of the public appeared at the public comment hearings and the Board received no written comments.

II. Settlement Provisions

8. For the reasons set forth in the following paragraphs, the Parties agree that the record herein supports the findings and conclusions set forth below.

9. The Parties agree that the investments proposed in the Foundational Filing should be approved by the Board in all respects.

10. The Parties agree that the first RESIC recovery period will be July 1, 2025 to December 31, 2025.

11. The Parties agree that Aqua's Foundational Filing,[1] including Appendix A – Project List, which is attached to this Stipulation as Attachment A, satisfies the requirements of N.J.S.A. 48:19-31.

12. The Parties agree that the projects listed in Attachment A have been reviewed and are RESIC-eligible projects within the scope and meaning of the definition set forth in N.J.S.A. 48:19-29 and are eligible to be included in Aqua's semi-annual RESIC filings pursuant to N.J.S.A. 48:19-32.

13. The Parties agree that the revenue requirement associated with the actual costs of the approved projects listed in Attachment A shall be recovered through future "RESIC filings" made during the "RESIC period" as those terms are defined in N.J.S.A. 48:19-29 at intervals and in a manner consistent with the requirements N.J.S.A. 48:19-32.

14. The Parties agree that the maximum amount of annual RESIC revenue that may be collected by Aqua is $1,234,168, which is no more than 2.5% of the Company's annual revenues ($49,366,736), which is the cap on the RESIC surcharge revenues.

15. 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.

[1] The Foundational Filing was updated in discovery as of August 6, 2025, and it is the updated Foundational Filing that is included with this Stipulation.

16. 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.

17. 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.

18. 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.

October 28, 2025
Date

By: Colleen A. Foley
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Courtney L. Schultz, Esq.
Attorneys for Petitioner

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

11-3-2025
Date

By: Meliha Arnautovic DAG
Meliha Arnautovic
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.
DIRECTOR – RATE COUNSEL

Date

By: _____
Christine Juarez, Esq.
Assistant Deputy Rate Counsel

AQUA NEW JERSEY, INC.

_____ By: _____
Date
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_____ By: _____
Date
Meliha Arnautovic
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.
DIRECTOR – RATE COUNSEL

10/31/2025 By: *Christine Juarez*
Date
Christine Juarez, Esq.
Assistant Deputy Rate Counsel

ATTACHMENT A

AQUA NEW JERSEY FOUNDATIONAL RESIC FILING REPORT

AUGUST 2025

Prepared by:

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Project No. 4101.006

Dated: August 2025

Table of Contents

EXECUTIVE SUMMARY

Aqua New Jersey, Inc. (“Aqua New Jersey,” “Aqua New Jersey,” or the “Company”) respectfully submits this report as its initial Foundational Filing under the Resiliency and Environmental System Investment Charge (RESIC) Program. This filing outlines the Company’s proposed capital investments in its water and wastewater systems for the period spanning 2025 through 2028.

As part of this filing, Aqua New Jersey has identified a series of critical infrastructure investment projects throughout the state, with a particular focus on vertical asset improvements. These include an annual schedule of instrumentation, communication system enhancements, and treatment plant upgrades to ensure operational flexibility and responsiveness.

The proposed projects are geographically distributed across Aqua New Jersey’s three regional Operating Areas: Southern, Central, and Northern. The scope of these investments includes the replacement and enhancement of key system components, such as water production and treatment facilities, distribution infrastructure, storage tanks, pumping stations, and communication systems.

The total estimated capital investment for all water and wastewater projects included in this Foundational Filing is approximately $69.6 million, with spending expected to remain within this cap through the conclusion of 2028. Aqua New Jersey is committed to ensuring long-term infrastructure reliability, environmental stewardship, and customer service excellence through prudent and proactive investment under the RESIC Program.

Resiliency and Environmental System Investment Charge Program

On January 16, 2024, Governor Phil Murphy signed into law P.L. 2023, c.315 (the “RESIC Act”), which established the Resiliency and Environmental System Investment Charge (RESIC) Program. The RESIC program was created to allow water and wastewater utilities to recover costs from non-revenue producing projects that are essential for compliance and system operation. These projects support adherence to regulations and provide clean, healthy utilities to the public.

This document constitutes Aqua New Jersey, Inc.’s initial Foundational Filing in accordance with the RESIC Act. As required by the legislation, this filing includes:

- An engineering assessment of Aqua New Jersey’s water and wastewater utility systems;
- A description of the proposed RESIC projects, including estimated capital expenditures;
- An analysis of the projected rate impacts to customers over the proposed investment

period; and

- Additional supporting information deemed relevant by the Company to provide a complete and transparent view of the proposed program.

To assist in navigating this report, Table ES-1 at the end of this Executive Summary outlines the specific information mandated by the RESIC Act and references the corresponding sections where this information can be found.

Water and Wastewater System Asset Performance Evaluations

This Foundational Filing includes a comprehensive engineering report evaluating the vertical assets within each of Aqua New Jersey's three regional Water Operating Areas: Northern, Central, and Southern, and its Statewide Wastewater Operational Area. The report provides detailed analyses of current infrastructure conditions. The contents of the engineering report are organized into the following sections:

Section 1. Asset Management

Section 1 provides a general statewide overview of Aqua New Jersey's three regional Operating Areas. The RESIC Program encompasses a wide range of critical infrastructure, including production and treatment facilities, distribution and storage systems, and essential power and communications equipment.

Detailed evaluations for each water Operating Area are presented in Sections 3 through 6, while Section 7 focuses on the Company's Statewide wastewater systems. These sections outline the conditions, needs, and planned investments for vertical assets specific to each service area.

Section 2. Project Expenditures

Section 2 provides a general overview of Aqua New Jersey's inventory of smaller-scale assets and equipment that function as integral components of larger infrastructure systems. These include, but are not limited to, pumps and electric motors at pump stations; chemical feed pumps and continuous analyzer systems within water treatment plants; communications equipment used for remote monitoring and control; electric generators, direct drive units, and electric switchgear at production facilities.

This section also encompasses additional individual units of plants, such as flow meters, valve actuators and controls, filter media, and associated filter appurtenances, which require periodic renewal, upgrades, or replacement to ensure continued system reliability and compliance.

Section 3. Southern Operating Area

Section 3 presents an overview of Aqua New Jersey's Southern Operating Area, which includes three water systems that rely on groundwater wells to serve both urban and suburban communities in Camden, Gloucester, and Atlantic Counties.

This section outlines key infrastructure challenges in the Southern Operating Area, including:

- Reliable capacity,
- The need for water treatment enhancements to meet existing primary and secondary drinking water regulations,
- Anticipated compliance with proposed standards for emerging contaminants such as perfluorinated compounds,
- SCADA system limitations,
- System reliability concerns,
- Treatment plant deficiencies, and
- Operational and employee safety issues.

These identified needs support the prioritization of investments in this region under the RESIC Program.

Section 4. Northern Operating Area

Section 4 provides an overview of Aqua New Jersey's Northern Operating Area, which manages 16 Public Community Water Systems across Warren and Sussex Counties.

This region faces several infrastructure and operational challenges, including:

- A lack of reliable system redundancy,
- The need for water treatment upgrades to comply with existing primary and secondary drinking water standards,
- Anticipated requirements to address emerging contaminants,
- SCADA system deficiencies,
- Ongoing system reliability concerns,
- Treatment facility limitations, and
- Safety issues impacting both facilities and personnel.

These challenges form the basis for the Northern Operating Area's inclusion in the RESIC Program investment strategy.

Section 5. Central Operating Area

Section 5 details Aqua New Jersey's Central Operating Area, which includes six Public Community Water Systems located across Ocean, Mercer, Monmouth, and Burlington Counties.

Key infrastructure and operational challenges in this region include:

- Reliable capacity,
- The need for treatment system upgrades to meet primary and secondary drinking water standards,
- Anticipated regulatory requirements for emerging contaminants such as perfluorinated compounds,
- SCADA system limitations,
- System reliability concerns,
- Treatment plant deficiencies, and
- Safety issues affecting operations and personnel.

These challenges underscore the necessity of targeted capital investments under the RESIC Program to enhance service reliability, regulatory compliance, and overall system resiliency in the Central Operating Area.

Section 6. Wastewater Systems – Statewide

Section 6 provides an overview of Aqua New Jersey's wastewater service operations. The Company currently serves approximately 64,200 wastewater customers across nine systems located in Burlington, Monmouth, Sussex, Morris, and Hunterdon Counties. Of these, six systems provide both wastewater collection and treatment services, while the remaining three are collection-only systems.

As detailed in this section, Aqua New Jersey faces several challenges in its wastewater systems, particularly in older gravity-based infrastructure acquired through acquisitions. Many of these systems have experienced a lack of funds for investment and are subject to chronically high inflow and infiltration (I&I) rates. Elevated I&I levels can significantly reduce the effective capacity of downstream gravity sewers and lift stations, increasing the risk of sanitary sewer overflows. In addition, excessive I&I can hydraulically overload receiving treatment plants, further

compromising system performance.

The Company also operates numerous wastewater lift stations, many of which have above-ground buildings and structures approaching or exceeding their useful life. These assets are associated with high maintenance costs and diminished reliability. Across many wastewater facilities, structural and equipment conditions have been assessed as poor, with several systems demonstrating inadequate performance.

Recommended improvements to address these challenges include:

- Rehabilitation and upgrades to wastewater treatment plants,
- Site enhancements to improve safety and security, and
- Installation or replacement of process control instrumentation and communications equipment.

These improvements are essential to restoring system integrity, ensuring regulatory compliance, and enhancing the overall reliability and resiliency of Aqua New Jersey's wastewater operations.

Appendix A. Project List

Appendix A contains the comprehensive list of RESIC projects proposed under this Foundational Filing. Appendix A also includes estimated costs through 2028.

Appendix B. Proposed Assessment

Appendix B presents the projected financial impact of the RESIC-period projects on customers, based on the investment plan outlined in this Foundational Filing. The Company's financial schedule outlines the estimated RESIC-eligible capital spending associated with each semi-annual filing, as well as the projected cumulative assessment up to the authorized RESIC cap.

As part of this assessment, Aqua New Jersey is requesting approval to defer Post In-Service Carrying Costs (PISCC) and depreciation expenses from the date the respective investments are placed in service until such time as they are incorporated into the RESIC rate for cost recovery. These deferred amounts will be recovered through the RESIC revenue requirement over the average remaining useful life of the associated assets and will remain subject to the RESIC cap.

The Company submits this deferral request due to the nature and scale of many RESIC-eligible projects, which are driven by federal, state, or local regulatory compliance mandates. The magnitude of these investments and the timing between project completion and rate recovery necessitate deferred accounting treatment to ensure financial stability and alignment with regulatory cost recovery mechanisms.

Appendix C. Public Notice

Appendix C contains the proposed form of public notice to be issued in connection with the public hearing required prior to any action by the Board on this Foundational Filing. The notice is designed to meet applicable statutory and regulatory requirements for transparency and customer engagement.

The proposed public notice includes the maximum amount the Company seeks to recover from customers over the period covered by this Foundational Filing. This estimate is based on Aqua New Jersey's most recent general rate case and reflects the total projected RESIC-eligible investment and associated revenue requirement, subject to the RESIC cap.

RESIC Program Cost Impacts

The cost of the proposed program and its projected impact on customers are detailed in Appendices B and C. Aqua New Jersey proposes RESIC-eligible investments as summarized below. All proposed spending falls within the financial parameters and investment caps established under the RESIC Act. Monthly assessment per meter equivalent is based on the standard 5/8" residential meter.

Aqua New Jersey Estimated RESIC Program

RESIC Eligible Revenues	**$49,366,736**
Maximum Annual RESIC Revenue Surcharge at 2.50%	**$1,234,168**
Annual Assessment per Meter Equivalent at 2.50%	**$17.02**
Monthly Assessment per Meter Equivalent at 2.50%	**$1.42**

Unlike traditional rate case mechanisms, the RESIC framework allows for more timely cost recovery, which reduces regulatory lag and enables Aqua New Jersey to plan and deploy capital more efficiently and strategically.

Aqua New Jersey anticipates that implementation of projects under the RESIC Act will support a more consistent and sustainable level of asset renewal across its service territories. This is made possible through a shared commitment to regulatory compliance and infrastructure resiliency, as well as recognition of the growing need to protect utility systems against all hazards.

A stable and predictable annual funding mechanism for these types of projects will also enhance the Company's emergency response capabilities. For example, improved resiliency investments

in systems that currently fall below the minimum planning threshold, defined as the ability to deliver at least 24 hours of water or wastewater service at minimum daily demand during an emergency, are essential. The 24-hour benchmark reflects the critical time needed to initiate and execute a coordinated emergency response.

To maximize the benefits of the RESIC Program, both utilities and the Board should work collaboratively to avoid disruptions to systematic investment efforts. Maintaining investment continuity not only generates operational efficiencies and economies of scale but also delivers tangible value to customers, municipalities, employees, and contractors engaged in delivering these vital infrastructure projects.

In summary, the projects proposed under this Foundational Filing represent long-term investments in public safety, system resiliency, and regulatory compliance. These initiatives are in the best interest of Aqua New Jersey's customers, offering improved service reliability, enhanced water quality, and a stronger foundation for community resiliency across the Company's service areas.

RESIC Program Success Factors

Aqua New Jersey's infrastructure investments under the RESIC Program are guided by a set of converging factors that mirror the challenges faced by water and wastewater utilities across the United States. Among the most significant drivers for Aqua New Jersey is the increasing stringency of regulatory standards, particularly those addressing emerging contaminants.

Across Aqua New Jersey's Operating Areas, regulatory compliance and system reliability consistently emerge as the primary catalysts for capital investment. As outlined in the subsequent regional sections of this filing, high-priority challenges include resolving supply and treatment limitations, addressing service reliability issues, correcting storage or production deficits, meeting near-term capacity needs, and ensuring compliance with evolving water quality standards.

New Jersey utilities, including Aqua New Jersey, are currently required to comply with the state's Maximum Contaminant Levels (MCLs) for three PFAS compounds (PFOA, PFOS, and PFNA). The regulatory challenge has intensified with the U.S. Environmental Protection Agency's recent finalization of national MCLs for six PFAS chemicals, at levels significantly lower than New Jersey's existing standards. These stricter federal limits are expected to broaden the impact of regulatory compliance requirements across the state, placing additional pressure on utilities to respond swiftly.

Aqua New Jersey is actively addressing this challenge. The Company currently operates multiple

facilities that treat for regulated PFAS compounds, with additional treatment systems under construction. Through the RESIC Program, Aqua New Jersey is committed to proactively implementing treatment upgrades and operational strategies to comply with both state and federal drinking water standards, ensuring the continued delivery of safe, reliable, and affordable water service.

In parallel with regulatory compliance, long-term system resilience planning remains a critical focus. Aqua New Jersey recognizes that climate change may have far-reaching impacts on water and wastewater infrastructure, including:

- Changes to source water quality, nutrient loading, and aquifer recharge;
- Increased infiltration and inflow (I&I) in wastewater systems;
- More frequent and intense weather events (e.g., ice storms, snow loads, flooding);
- Power outages that compromise operational reliability;
- Changes in treatment processes and residuals management;
- Altered stream flows, bacterial populations in influent, and watershed discharge profiles;
- Supply chain disruptions and limited employee access during emergencies.

To support its investment planning, Aqua New Jersey employs a rigorous and structured asset management approach. Through this structured approach, Aqua New Jersey is positioned to deliver sustainable infrastructure improvements that protect public health, comply with evolving regulatory mandates, and enhance system resilience for the communities it serves.

Table ES–1 - Summary of Rule Requirements for Foundational Filings

	Sections of Report
1. Projected annual capital expenditures on RESIC-eligible projects for a three-year period, identified by major categories of expenditures.	Sections 1 through 6 and Appendix A - Project List
2. Actual annual capital expenditures on RESIC-eligible projects for the previous three years, identified by major categories of expenditures.	Sections 1.2 and 2
3. An engineering evaluation identifying the specific projects to be included in the proposed RESIC.	Sections 2 through 6 and Appendix A - Project List

4. A forecast of RESIC-eligible capital expenditures for a three-year period setting forth annual planned capital expenditures	Appendix A - Project List
5. The maximum dollar amount that the utility seeks to recover through the RESIC under the foundational filing.	Appendix B - Proposed RESIC Assessment
6. The estimated rate impact of the proposed RESIC for customers.	Appendix B - Proposed RESIC Assessment
8. Public notice and a public hearing are required on the RESIC Foundational Filing. The notice for said hearing shall include the maximum dollar amount that is sought to be recovered through the RESIC as well as an estimated rate impact on customers for the period.	Appendix C - Proposed Form of Public Notice

SECTION 1. ASSET MANAGEMENT

1.1. Aqua New Jersey Overview

Aqua New Jersey, Inc. ("Aqua New Jersey" or the "Company") is a regulated water and wastewater utility with its principal office located at 10 Black Forest Road, Hamilton Township, New Jersey 08691. The Company provides water and wastewater services to approximately 185,000 residents across the state of New Jersey.

Aqua New Jersey operates 92 groundwater wells to supply water service to approximately 55,000 customers, including both residential and fire protection accounts. In addition, the Company provides wastewater service to approximately 7,049 customers through nine wastewater systems located across six counties.

The Company's service territory is organized into three regional Operating Areas: Southern, Northern, and Central.

These Operating Areas collectively manage and operate a total of 25 public community water systems and 9 wastewater systems. A visual representation of Aqua New Jersey's service territory is provided in Exhibit 1.1. Further details are provided in Table 1.3 and Table 1.4.

1.2. Aqua New Jersey Capital Investments

The Company continually evaluates capital needs through an ongoing planning and prioritization process, which is integrated into its overall strategic capital investment plan. Projects are prioritized based on asset investment strategies tied to key drivers such as public and employee safety, regulatory compliance, capacity needs, customer service levels, infrastructure renewal, operational resiliency, and environmental sustainability.

For investment projects included in the capital plan, Aqua New Jersey conducts detailed design engineering and develops implementation schedules. A critical component of the Company's investment strategy is maintaining compliance with evolving drinking water and environmental regulations, especially those related to contaminants of emerging concern (CECs), including per- and polyfluoroalkyl substances (PFAS) and 1,4-dioxane. Recent advancements in analytical methods have detected these substances in drinking water at parts-per-trillion (ppt) levels. Scientific evidence suggests that even low concentrations of these contaminants may pose health risks.

To address these concerns, both the New Jersey Department of Environmental Protection (NJDEP) and the U.S. Environmental Protection Agency (EPA) have established or proposed Maximum Contaminant Levels (MCLs) for various PFAS compounds:

- NJDEP adopted MCLs for PFNA (2018), PFOA, and PFOS (2020).
- In March 2023, the EPA proposed national primary drinking water regulations for six PFAS compounds.
- On April 10, 2024, the EPA finalized MCLs, including:
    - 4.0 ppt for PFOA and PFOS
    - Regulation of PFNA, PFHxS, HFPO-DA, and PFBS via a Hazard Index approach

Aqua New Jersey has taken a proactive approach by constructing and operating treatment systems to meet these MCLs and continues to develop additional facilities in response to current and anticipated regulatory obligations.

The Company currently utilizes gaseous chlorine and ammonia at select treatment facilities, consistent with long-standing industry practices. However, due to the inherent risks associated with storage and handling of these chemicals, Aqua New Jersey is committed to transitioning to inherently safer alternatives. The Company's goal is to systematically eliminate higher-risk substances and adopt safer disinfection methods while maintaining treatment effectiveness and regulatory compliance.

Aqua New Jersey recognizes that climate change and extreme weather events pose a growing threat to utility infrastructure. Water and wastewater systems were traditionally designed to withstand events based on historical climate models. However, increased frequency and severity of droughts, floods, storms, and power outages now demand a re-evaluation of design assumptions and investment strategies.

Additional stressors include:

- Source water quality variability
- Increased inflow & infiltration (I&I) in wastewater systems
- Altered stream flows and recharge patterns
- Contamination events (accidental or intentional)
- Challenges to supply chains and facility access during emergencies

To address these risks, Aqua New Jersey prioritizes capital investments in critical assets for infrastructure hardening and operational resilience. Non-capital measures such as Emergency Response Plans (ERPs), drought contingency planning, and condition-based maintenance are also employed to enhance preparedness and reliability.

Aqua New Jersey's historical capital investment reflects a sustained commitment to regulatory compliance, infrastructure renewal, resiliency, and service quality. Table 1.1 provides a summary of actual annual capital expenditures for RESIC-eligible projects over the past three years, categorized by NARUC account numbers.

Table 1.1 Recurring Project Expenditures by NARUC Account - Actuals

Recurring Project RESIC Actuals by NARUC Account					
NARUC	**Description**	**2022**	**2023**	**2024**	**2025 YTD**
311	PUMPING EQUIP-WATER TREATMENT	$248,897	$528,019	$600,016	$186,580
320	WATER TREATMENT PLANT EQUIP - RP	$208,148	$390,342	$8,540,805	$2,036,118
346	COMMUNICATION EQUIPMENT – RP	$133,463	$1,035,737	$496,687	$24,360
371	PUMPING EQUIP - WASTEWATER	$47,471	$74,649	$170,237	$83,566
Total		$637,979	$2,028,747	$9,807,745	$2,330,624

While asset management planning is typically focused on preserving asset condition and performance, Aqua New Jersey also integrates efficiency, sustainability, and climate resiliency into its planning processes. Energy efficiency is a key consideration, given that pumping operations represent the largest source of energy use in water utility operations.

To support the achievement of these objectives, Aqua New Jersey is committed to advancing multiple sustainability strategies, including:

- Improving energy and water efficiency through smart infrastructure upgrades and operational optimization,
- Increasing the procurement of clean and renewable energy,
- Integrating sustainability metrics into capital planning and asset management processes.

These initiatives reflect Aqua New Jersey's commitment to environmental stewardship, regulatory compliance, and responsible utility management. By aligning its asset management strategies with broader sustainability and resiliency goals, Aqua New Jersey is ensuring that its infrastructure not only meets current demands but is prepared to withstand future challenges, including those related to climate change and energy availability.

1.3. Project Prioritization Guidelines for Capital Investments

As described in the preceding sections, Aqua New Jersey, Inc. applies a structured set of engineering and asset management criteria in the development of recommendations for the inspection, maintenance, renewal, and mitigation of its production facilities and associated infrastructure. These criteria are integral to Aqua New Jersey's commitment to delivering safe, adequate, and reliable water and wastewater services to its customers.

The recommended improvements outlined in this Foundational Filing are guided by this comprehensive evaluation framework and are essential for Aqua New Jersey to:

- Sustainably meet residential, commercial, and industrial water and wastewater demands;
- Maintain compliance with federal, state, and local regulatory requirements;
- Ensure ongoing provision of adequate fire protection capacity; and
- Preserve the integrity, performance, and reliability of critical infrastructure assets.

The specific evaluation criteria used to assess and prioritize system components are detailed in the Asset Inventory section of this filing. These criteria include considerations of asset condition, criticality, regulatory compliance status, safety, operational efficiency, system capacity, resiliency, and environmental sustainability.

On April 10, 2024 the U.S. Environmental Protection Agency announced the final regulation for

six PFAS compounds, known as “forever chemicals,” in our drinking water.” Aqua NJ applauds the EPA for their action on PFAS and will continue the work to address these toxins to meet the new regulation. Appendix D has a list of well sites where PFAS level needs to be addressed. The list has projects in the 3 Operational Areas at Aqua NJ.

Ion exchange was identified as an appropriate treatment technology to treat PFAS. Ion Exchange is an effective method for treating PFAS (per- and polyfluoroalkyl substances) in water. The process involves using specialized resins that attract and bind to PFAS molecules, effectively removing them from the water supply. This method is particularly useful for treating PFAS in groundwater and can be more space-efficient than other treatment technologies.

1.4. Cost Estimate Classification

In accordance with industry best practices, Aqua New Jersey, Inc. follows the American Water Works Association (AWWA) Manual of Water Supply Practice M47 for capital project delivery. This manual outlines standard procedures for project planning, budgeting, and execution within the U.S. water utility sector.

Establishing reliable capital cost estimates at the early stages of planning and design presents a number of inherent challenges. Planning-level estimates are typically informed by historical costs from comparable projects and include significant allowances and contingencies to account for:

- Items that are expected but not yet specifically identified or quantified;
- Unforeseen conditions or "true contingencies" that may arise during implementation.

Cost estimating becomes particularly complex for projects that involve:

- Novel or emerging treatment technologies, where little operational data or design precedent exists;
- Site renovations or improvements at existing facilities, which often involve subsurface utility conflicts, the need for specialized foundations, or limited site access;
- Response to emerging contaminants, such as perfluorinated compounds (PFAS), where significant pilot testing and treatment evaluation is required to determine feasibility, capital costs, and future operating expenses.

Additionally, planning-level cost estimates must consider timing and inflationary pressures. Estimates must be reviewed in the context of:

- The date the estimate was developed;

- Whether the values are expressed in current-year (nominal) dollars or must be escalated to align with the projected construction schedule;
- Market volatility and economic conditions.

Construction costs have escalated at a pace significantly exceeding historical norms in recent years. These sustained increases have impacted budget development and highlight the importance of continual estimate refinement throughout the design and construction lifecycle.

Most projects included in this Filing are in early-stage development and have not yet undergone detailed design. As such, estimates may evolve as design progresses and further site-specific information is obtained.

Table 1.2 – Aqua New Jersey - Water Systems

PWS ID #	System Name	Division:
New Jersey0415002	Blackwood	Southern
New Jersey0824001	Woolwich	
New Jersey0108005	Seaview Harbor	
New Jersey1103001	Hamilton	Central
New Jersey0326004	North Hanover	
New Jersey0326001	Cal Village	
New Jersey0326008	Spartan Village	
New Jersey1505002	Berkeley-Eastern	
New Jersey1107002	Lawrenceville Water	
New Jersey2119001	Phillipsburg	Northern
New Jersey2120001	Riegelsville	
New Jersey2120002	Warren Glen	
New Jersey1004001	Califon	
New Jersey1015003	Riegel Ridge	
New Jersey1015004	Fox Hill	
New Jersey1019001	Bunnvale	
New Jersey2110001	Brainards	
New Jersey1907002	Bear Brook	
New Jersey2110003	Harkers Hollow	
New Jersey1911001	Wallkill	
New Jersey1922008	Vernon	
New Jersey1908001	Tranquility	
New Jersey1911004	Summit Lake	
New Jersey1904009	Byram	
New Jersey1438001	Cliffside Park	
Total	**25 Systems**	

Table 1.3 – Aqua New Jersey - Wastewater Systems

System	County	Municipality
Wallkill WW System	Sussex County	Hardyston
Bear Brook WW System	Sussex County	Fredon
Oakwood WW System	Morris County	Mount Olive
Stanton Ridge WW System	Hunterdon County	Readington
Maxim WW System	Monmouth County	Howell
California Village WW System	Burlington County	North Hanover
North Hanover WW System	Burlington County	North Hanover
Spartan Village WW System	Burlington County	North Hanover
Woolwich WW System	Gloucester County	Woolwich
Total	9	

1.5. Asset Inventory

Aqua New Jersey, Inc. owns, operates, and maintains a comprehensive portfolio of infrastructure assets that support the delivery of water and wastewater services across its service territory. These assets are broadly categorized into production and distribution assets, often referred to as vertical and horizontal assets, respectively.

Aqua New Jersey's water system infrastructure includes 53 water treatment facilities, 35 water storage facilities, and approximately 92 groundwater wells. These vertical assets, along with their associated appurtenances, function collectively to extract, treat, and distribute potable drinking water to residential, commercial, industrial, and public fire protection customers throughout the state.

In parallel, Aqua New Jersey's wastewater ("WW") assets are designed to collect, treat, and safely discharge or dispose of wastewater generated by customers in the Company's wastewater service areas. These systems are vital to maintaining public health, environmental protection, and regulatory compliance.

This infrastructure forms the operational backbone of Aqua New Jersey's water and wastewater systems and is the focus of the targeted investments proposed under this Foundational Filing through the Resiliency and Environmental System Investment Charge (RESIC) program.

a. Production and Treatment Facilities

Aqua New Jersey, Inc. owns and operates a diverse range of water production assets, which are

distinct from transmission, distribution, and collection system infrastructure. Commonly referred to as vertical assets, these facilities and components form the core of the Company's water sourcing, treatment, and storage operations.

Production water assets are primarily characterized by their role in the extraction or diversion of water, including groundwater wells and surface water intakes. Beyond water sourcing, production assets also encompass pumping stations, water treatment facilities, finished water storage tanks, and interconnection points and pressure regulating devices used to maintain system integrity across multiple pressure zones.

These vertical assets are essential for ensuring reliable, compliant, and resilient water service delivery. They play a critical role in meeting both routine demand and emergency response needs, and they represent a major focus of capital investment under the RESIC program.

Raw Water Reservoirs

The Company owns and maintains one active reservoir in the Phillipsburg area. This reservoir is off-stream, meaning the water is pumped into the reservoir.

Well Stations

Aqua New Jersey, Inc. owns and operates an extensive network of groundwater supply wells throughout its service territory, totaling more than 90 active wells. These wells are a critical component of the Company's source water infrastructure and are configured either as individual well stations, each with dedicated treatment facilities, or wellfields, which may include four or more wells conveying water to a centralized treatment location.

The depth and capacity of Aqua New Jersey's wells vary significantly. Depths range from approximately 25 feet to 900 feet, and pumping capacities range from 15 gallons per minute (GPM) to 2,000 GPM.

The complexity of treatment processes at these well sites depend on raw water quality and regulatory requirements, and ranges from simple hypochlorite disinfection systems to advanced treatment configurations incorporating pre-treatment, filtration, air stripping, granular activated carbon adsorption, or advanced oxidation processes (AOP), followed by post-treatment disinfection.

The age profile of these well stations is broad, ranging from newer installations (less than 2 years old) to legacy assets that are nearly 90 years in service. Regular performance tracking is essential. Monitoring this metric enables the Company to schedule timely cleaning or rehabilitation efforts, helping to preserve capacity and avoid irreversible production losses.

Water treatment facilities are designed to meet projected maximum day demands and peak hourly flow requirements, ensure compliance with all applicable state and federal water quality and environmental regulations, and maintain operational resilience under variable system conditions. Key facility components are typically designed with redundant or standby capacity to allow continuous operation during maintenance or unforeseen outages.

Recommendations for capital investment in groundwater and treatment infrastructure are based on Aqua New Jersey's ongoing evaluation of system reliability and redundancy, water quality compliance (existing and anticipated regulations), and adequacy of supply to meet forecasted customer demand.

These evaluations inform prioritization within the Company's broader capital planning and asset management frameworks and support strategic investment under the RESIC program.

Wastewater Treatment Facilities

The Company owns and operates six (6) wastewater treatment facilities, primarily located in Central and Northern New Jersey. There are two (2) membrane bioreactor treatment plants and four (4) extended aeration plants. Similar to water production facilities, these wastewater treatment facilities, as well as lift stations, are considered vertical assets.

b. Distribution and Storage Facilities

Pump and Lift Stations

Aqua New Jersey, Inc. owns and operates a diverse network of over 40 pump and lift stations across its service territory, which are critical for maintaining system pressure and flow.

There are approximately 22 booster stations dedicated to increasing water pressure from lower to higher pressure zones within the distribution system. These stations are distinct from pumping facilities integral to water treatment plants, such as raw water intakes or high-lift stations. The Company operates roughly 25 wastewater lift stations, which pump collected wastewater into force mains. These force mains convey flow to larger interceptor mains and eventually to wastewater treatment plants (WWTPs).

The age of pump stations varies considerably, ranging from less than 2 years to over 60 years old, highlighting the need for ongoing assessment and renewal.

Pumping operations account for most of the energy consumption in water utilities. Aqua New Jersey pursues energy efficiency improvements by regularly evaluating pump condition and performance, conducting efficiency testing to identify energy savings opportunities, and implementing upgrades or operational changes to enhance both energy efficiency and system

reliability.

Booster pumping facilities are considered adequate if they can meet the maximum daily demand with the largest pump unit out of service. In pressure zones without storage facilities, booster pumps must be capable of satisfying instantaneous peak demands while maintaining required system pressures.

Storage Facilities

Aqua New Jersey, Inc. owns and maintains over 35 storage facilities throughout its service area. These facilities consist exclusively of storage tanks located within the distribution systems that hold treated (finished potable) water and do not include clearwells or tanks used within water treatment plants. Storage tank capacities range from 0.005 million gallons (MG) to 2 MG, with ages spanning from less than 5 years to more than 100 years. The facilities include a variety of types such as steel elevated tanks, steel standpipes, ground-level tanks, and several historic concrete reservoirs.

Distribution storage facilities are engineered to provide sufficient volume to equalize pumping rates from treatment plants or booster stations during maximum day demand conditions, meet fire protection volume requirements, and comply with state regulations requiring reserve volumes for reliability during emergencies such as power outages or main breaks.

Storage adequacy is determined by whether the effective volume of individual tanks or combined facilities meets both equalization and fire protection needs during peak demand events.

To maintain these assets, Aqua New Jersey's Engineering Department implements a tank maintenance program that includes engineered coatings for steel tanks, routine scheduled inspections, comprehensive condition assessments, and budgeting for necessary repairs or improvements based on inspection findings.

Interconnection Facilities

Aqua New Jersey, Inc. owns and maintains more than six transfer and interconnection facilities throughout its service area. These interconnections link various public water systems (PWSs) to enable coordinated operation and water sharing.

Interconnection facilities typically include booster pumps to manage pressure and flow pressure reducing valves (PRVs) to control pressure differentials, or flow control valves (FCVs) to regulate flow rates.

All interconnection points are equipped with flow meters to accurately measure water transfer volumes and are generally integrated with the Company's SCADA system for real-time monitoring

and control.

c. Power Generation and Communications Equipment

Generators

The Company owns and maintains approximately 21 standby generators, primarily powered by natural gas or diesel fuel, which serve as critical resiliency assets during power outages.

Ensuring continuous service during an outage is vital to system reliability and depends on several factors, including the configuration of electrical service, the availability of floating storage within a pressure zone, standby electrical generating capacity, and the presence of pumps capable of operating on diesel or natural gas power.

Renewables (Solar)

The Company owns a solar facility, one in Phillipsburg, and one in Gloucester that currently produces approximately 26,570 kWh per month. As the site is aging, key system components, including panels, inverters, transformers, and other equipment, are expected to require replacement within the next several years to maintain optimal operation.

In addition, the Company plans to expand its solar capacity by installing solar panels on the roofs of four (4) treatment facilities, further supporting its commitment to sustainable energy and operational efficiency.

Communication Equipment / SCADA

The Company owns and maintains approximately 25 Programmable Logic Controllers (PLCs) and 17 communication devices across its operations. Properly designed control systems play a critical role in enhancing the performance, reliability, efficiency, and effectiveness of utility operations, both at the individual process level and across the enterprise.

By employing optimization and automation strategies, the Company can reduce power consumption, improve water quality, minimize water loss, optimize resource utilization, and measure performance more accurately. Additionally, these systems enhance security and asset management by enabling early detection of potential issues, thereby supporting proactive maintenance and operational reliability.

SECTION 2. PROJECT EXPENDITURES

2.1. Work Order Group Projects

The following table summarizes Aqua New Jersey's projected annual capital expenditures on RESIC-eligible projects for a three-year period by major categories of expenditures (reflected in Table 2.1). This information details the capital spend for RESIC-eligible assets to be rehabilitated or replaced and the estimated annual cost.

Table 2.1 Projected Project Expenditures by Work Order Group Number

Work Order Group	Description	2025	2026	2027	2028
510	SCADA	$626,162	$801,796	$421,572	$894,987
520	Repair/Replace Water Treatment Equipment	$260,000	$273,000	$286,650	$300,983
526	Repair/Replace Pumping Equipment	$173,443	$502,504	$884,491	$898,574
528	New Water Treatment Equipment	$15,160,714	$18,776,553	$11,781,746	$10,961,110
529	New Well/Well Pump	$500,000	$530,005	$1,500,000	$2,240,278
530	Repair/Replace Well/Well Pump	$39,184	$144,000	$151,200	$158,760
599	Repair/Replace Other Treatment Plant/Booster	$136,756	$395,000	$500,000	$285,000
Total		**$16,896,259.00**	**$21,422,858.00**	**$15,525,659.00**	**$15,739,691.50**

Historically, Aqua New Jersey's annual expenditures for production unit asset replacements and renewals have ranged between $5 million and $10 million, while spending on communication equipment has varied from $1.1 million to $2.9 million.

Going forward, Aqua New Jersey proposes an annual expenditure plan of approximately $17 million for production unit asset replacements and renewals. For communication equipment, the Company proposes an annual budget of about $1.0 million.

SECTION 3. SOUTHERN OPERATING AREA

3.1. Overview

Aqua New Jersey's Southern Operating Area comprises three (3) Public Community Water Systems located in Camden, Gloucester, and Atlantic Counties. The primary sources of supply in this region are groundwater wells within the service area. Collectively, these water systems deliver an average of approximately 4.29 million gallons per day (MGD). Table 3.1 provides details on the number of residential customers and water usage for each system.

Table 3.1 - Southern Operating Area Water Systems' Characteristics

PWSID	System Name	Service Connections	Estimated Population Served	Avg Day Demand (MGD)
NJ0415002	Blackwood	16,030	44,396	3.477
NJ0824001	Woolwich	3,347	6,271	0.793
NJ0108005	Seaview Harbor	94	300	0.016

Aqua New Jersey provides water service to approximately 44,396 people in the Blackwood service area, which includes Blackwood and Gloucester Township. The water supply for the Blackwood area is sourced from 13 individual wells located throughout the service area, as well as one metered interconnection with American Water.

The Woolwich system serves about 3,347 people in Camden County. Aqua New Jersey's franchise area for Woolwich encompasses the entire Woolwich Township. The system relies on six year-round wells situated in the southern part of Woolwich Township, along with one metered interconnection with American Water.

The Seaview Harbor system serves approximately 94 people in Ocean County. This system's franchise area covers Egg Harbor Township and is supplied by two wells.

3.2. Proposed RESIC Projects

The list of RESIC-eligible projects proposed by Aqua New Jersey is provided in Appendix A. Upon completion, these projects will enhance water quality as well as improve system safety and reliability.

In the Southern Operating Area, RESIC projects include:

- Three (3) SCADA system upgrades
- Repair or replacement of water treatment equipment
- Repair or replacement of pumping equipment
- Installation of new water treatment equipment
- Installation of a new well pump
- Repair or replacement of an existing well pump

SECTION 4. NORTHERN WATER OPERATING AREA

4.1. Overview

Aqua New Jersey's Northern Operating Area is responsible for the management of 16 Public Community Water Systems in Warren and Sussex Counties. These systems are listed in Table 4.1 below.

Table 4.1 - Northern Operating Area Water Systems' Characteristics

PWSID	System Name	Service Connections	Estimated Population Served	Avg Day Demand (MGD)
NJ2119001	Phillipsburg	11,288	26,686	2.201
NJ2120001	Riegelsville	24	62	0.005
NJ2120002	Warren Glen	79	192	0.009
NJ1004001	Califon	454	936	0.055
NJ1015003	Riegel Ridge	242	621	0.044
NJ1015004	Fox Hill	71	172	0.006
NJ1019001	Bunnvale	104	252	0.014
NJ2110001	Brainards	60	135	0.007
NJ1907002	Bear Brook	87	226	0.023
NJ2110003	Harkers Hollow	21	40	0.002
NJ1911001	Wallkill	466	1,050	0.079
NJ1922008	Vernon	207	515	0.027
NJ1908001	Tranquility	62	599	0.014

PWSID	System Name	Service Connections	Estimated Population Served	Avg Day Demand (MGD)
NJ1911004	Summit Lake	77	177	0.006
NJ1904009	Byram	152	400	0.026
NJ1438001	Cliffside Park	34	80	0.006

The Phillipsburg System is a public water system that supplies finished water to 3 municipalities in Hunterdon and Warren counties. Finished water delivered to customers is derived from groundwater wells in one well station in Warren and Hunterdon Counties.

The Riegelsville System is in Warren County in northern New Jersey. The Riegelsville System is supplied Purchased water from Riegelsville Water Company in PA.

The Warren Glen System is in Holland Township, Hunterdon County. Finished water delivered to customers is derived from two groundwater wells in one well station.

Aqua New Jersey's Califon System serves customers in Califon Borough in Hunterdon County. Water supply for the Califon System is groundwater derived from four wells in two well stations..

The Riegel Ridge System serves customers in Holland Township in Hunterdon County. Water supply for the Riegel Ridge System is groundwater obtained from two wells located in two well stations.

Aqua New Jersey's Fox Hill System serves customers in Holland Township in Hunterdon County. Supply for the Fox Hill System is groundwater obtained from two wells in one well station.

Aqua New Jersey's Bunnvale System serves customers in the Township of Lebanon in Hunterdon County. The Bunnvale System is composed of a residential development. Supply for the Bunnvale System is groundwater obtained from four wells. Three treatment stations provide disinfection (sodium hypochlorite), and the Bunnvale Station currently provides chlorination, pH adjustment and corrosion control treatment.

The Brainards System located in the Township of Harmony in Warren County serves a residential community. The Brainards System obtains its supply from one well in one treatment station.

The Bear Brook System located in the Township of Fredon in Sussex County serves a residential community. The Bear Brook System obtains its supply from two wells in one well station .

The Harkers Hollow System located in the Township of Harmony in Warren County serves a residential community. The Harkers Hollow System obtains its supply from two groundwater wells in one well station.

The Wallkill System located in the Township of Hardyston in Sussex County serves a residential and commercial community. The Wallkill System obtains its supply from three groundwater wells in two well stations.

The Vernon System located in the Township of Vernon in Sussex County serves a residential community. The Vernon System obtains its supply from nine groundwater wells in three well stations.

The Tranquility System located in Green Township in Sussex County serves a residential community. The Tranquility System obtains its supply from three groundwater wells in one treatment station.

The Summit Lake System located in the Township of Hardyston in Sussex County serves a residential community. The Summit Lake System obtains its supply from one groundwater well in one treatment station.

The Byram System located in the Township of Byram in Sussex County serves a residential community. The Byram System obtains its supply from two groundwater wells in two treatment stations.

The Cliffside Park System located in the Township of Cliffside Park in Morris County serves a residential community. The Cliffside Park System obtains its supply from two groundwater wells in one treatment stations.

4.2. Proposed RESIC Projects

A list of RESIC-eligible projects proposed for completion in the Northern Operating Area is provided in Appendix A. Upon completion, these projects will enhance water quality and improve

system safety and reliability.

The RESIC projects in this area include:

- Two (2) SCADA system upgrades
- Repair and replacement of water treatment equipment
- Repair and replacement of pumping equipment
- Two (2) installations of new water treatment equipment
- Two (2) repair or replacement projects for well pumps

SECTION 5. CENTRAL WATER OPERATING AREA

5.1. Overview

Aqua New Jersey's Central Operating Area consists of six (6) Public Community Water Systems in Ocean, Mercer, Monmouth, and Burlington Counties. Combined, these water systems deliver approximately 5.12 MGD, on average, to water customers. Table 5.1 details the number of customers and water usage by the six water systems.

Table 5.1 - Central Operating Area Water Systems' Characteristics

PWSID	System Name	Service Connections	Population Served	Avg Day Demand (MGD)
NJ1103001	Hamilton	16,228	39,128	3.837
NJ0326004	North Hanover	141	285	0.012
NJ0326001	Cal Village	122	300	0.012
NJ0326008	Spartan Village	221	594	0.024
NJ1505002	Berkeley-Eastern	4,583	12,000	0.773
NJ1107002	Lawrenceville Water	2,667	8,655	0.428

The primary source of supply for this Operating Area is groundwater wells.

The Hamilton System located in Hamilton Township in Mercer County serves a large residential and commercial community. The Hamilton System obtains its supply from five groundwater wells in five treatment stations.

The North Hanover System located in the North Hanover Township in Burlington County serves a residential community. The North Hanover System obtains its supply from three groundwater wells in three treatment stations.

The California Village System located in North Hanover Township in Burlington County serves a residential community. The California Village System obtains its supply from three groundwater wells in three treatment stations.

The Spartan Village System located in the Wrightstown Township in Burlington County serves a residential community. The Spartan Village system obtains its supply from two groundwater wells in two treatment stations.

The Berkeley-Eastern System, located in the Township of Berkeley in Ocean County, serves residential, commercial and industrial communities. The Berkeley-Eastern system obtains its supply from four groundwater wells in three treatment stations.

The Lawrenceville Water System located in Lawrence Township in Mercer County serves a residential and commercial area. The Lawrenceville System obtains its supply from five groundwater wells in three treatment stations.

5.2. Proposed RESIC Projects

A list of RESIC-eligible projects proposed to be completed is shown in Appendix A. Once completed, these projects will result in enhanced water quality and improved safety and reliability.

RESIC projects in the Central Operating Area include:

- Two (2) SCADA upgrades
- Repair/replacement of water treatment equipment
- Repair/replacement of pumping equipment
- Two (2) projects involving the installation of new water treatment equipment
- Repair/replacement of a well pump

SECTION 6. WASTEWATER SYSTEMS - STATEWIDE

6.1 Overview

The Company provides wastewater services to approximately 7,049 customer connections across nine (9) wastewater systems throughout the state, spanning from Gloucester County in the southern region to Sussex and Morris counties in the north. Six (6) of these systems include both wastewater collection and treatment, while the remaining three (3) are collection-only systems, as detailed in Table 6.1. These wastewater systems are categorized into three groups:

Southern

A mid-size collection-only system serving between 3,000 and 4,000 customer connections. This system features multiple connection points that transfer collected wastewater from the Company-owned collection system to municipal or regional sewerage authorities. The total length of sewer mains (gravity and force) in this group is approximately 37 miles.

Northern

Comprises two small and one medium municipal wastewater systems providing both wastewater collection and treatment. Customer connections range from 100 to 3,200 across these systems. The total length of sewer mains (gravity and force) in this group is about 15 miles.

Central

Includes three small municipal wastewater systems offering both collection and treatment, along with one medium collection-only system. These systems serve between 100 and 3,000 customers in total. The combined length of sewer mains (gravity and force) in this group is approximately 38 miles.

Table 6.1 – Statewide Operating Wastewater Systems' Characteristics (2025)

System	County	Connections	Capacity[1]
California Village Wastewater	Burlington County	136	0.030
Maxim Wastewater	Monmouth County	2,618	n/a
North Hanover Wastewater	Burlington County	100	0.020
Spartan Village Wastewater	Burlington County	221	0.040
Bear Brook Wastewater	Sussex County	87	0.030
Oakwood Village Wastewater	Morris County	35	0.180
Stanton Ridge Wastewater	Hunterdon County	152	0.060
Wallkill Wastewater	Sussex County	446	N/A
Woolwich Wastewater	Gloucester County	3,254	N/A

[1] Capacity = Treatment capacity in MGD, N/A indicated for wastewater collection system only.

6.2 Wastewater System Asset Performance

The following section outlines common challenges related to wastewater collection systems and asset management, supported by data and insights that highlight the benefits of accelerated investment.

Wastewater Gravity Sewer Challenges

Older wastewater systems that have limited funds often suffer from high inflow and infiltration ("I&I"). Elevated I&I levels reduce the capacity of downstream gravity sewers and wastewater lift stations, increasing the risk of sewer overflows. Additionally, excessive I&I can hydraulically overload wastewater treatment plants, limiting their effective treatment capacity.

Inflow refers to water entering the sewer system through sources such as roof leaders, cellar or foundation drains, yard and area drains, defective utility hole covers, cross-connections between storm and sanitary sewers, and catch basins.

Infiltration is groundwater entering the sewer system through defective pipes, pipe joints, connections, or manholes. The extent of infiltration depends on the groundwater table level above the sewer lines. During rainfall events, rising groundwater increases hydraulic pressure on buried pipes, often resulting in leaks and further infiltration.

Wastewater Lift Station Challenges

Dry well/wet well lift stations have been commonly used for many years, particularly in older wastewater systems. These small to medium-sized stations feature above-ground buildings and structures that generally incur high maintenance costs, especially as the stations near the end of their service life. The confined spaces of dry and wet wells make pump maintenance and wet well cleaning difficult and costly.

Currently, submersible lift stations are preferred for small to medium applications due to their lower cost, smaller footprint, elimination of buildings, and simplified operations and maintenance. These modern stations achieve high reliability by using non-clog submersible pumps combined with emergency alarm and automatic control systems (SCADA) for remote monitoring and operation. Many submersible pumps are equipped with flush valves that agitate and resuspend sludge in the wet well, reducing the need for jetting and manual cleaning. Maintenance is easier and safer since pumps can be lifted out of the wet well from the surface without confined space entry.

Older lift stations often discharge wastewater to cast iron force mains. Similar to pressurized water mains, these sewer mains are prone to corrosion and damage from the cyclical pumping

operation. When cast iron force mains reach the end of their service life, they are typically replaced with PVC or ductile iron pipes coated specifically for sewer service. Trenchless rehabilitation technologies, commonly applied to water main renewal, are also effective for force main rehabilitation.

6.3 Proposed RESIC Projects

A list of RESIC-eligible projects proposed for completion is provided in Appendix A. Upon completion, these projects will enhance safety and reliability across the wastewater systems.

The wastewater RESIC projects include:

- Repair and replacement of treatment plant equipment in the Oakwood Village system
- Repair and replacement of pumping equipment in the Bear Brook system
- Repair and replacement of both pumping and treatment plant equipment in the Maxim, Spartan Village, and California Village systems
- SCADA upgrades, along with repair and replacement of pumping and treatment plant equipment in the North Hanover system
- SCADA upgrades in the Woolwich system

Location	W/WW	Work Order Group	2025	2026	2027	2028
NJWA Northern Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 120,908.00	$ -	$ -	$ -
NJWA Northern Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 120,908.00	$ 248,507.00	$ 55,532.00	$ 467,381.00
NJWA Northern Division	Water	520R-Rep/Repl Water Treat Equip-NS	$ 20,000.00	$ 21,000.00	$ 22,050.00	$ 23,152.50
NJWA Northern Division	Water	526R-Rep/Repl Pumping Equipment-NS	$ 14,675.00	$ 57,600.00	$ 60,480.00	$ 63,504.00
NJWA Northern Division	Water	528N-New Water Treatment Equip-NS	$ 6,064,285.00	$ 7,453,021.00	$ 4,712,700.00	$ 5,480,555.00
NJWA Northern Division	Water	528N-New Water Treatment Equip-NS	$ -	$ 57,600.00	$ -	$ -
NJWA Northern Division	Water	530R-Rep/Repl Well/Well Pump-NS	$ 14,675.00	$ 57,600.00	$ 60,480.00	$ 63,504.00
NJWA Northern Division	Water	530R-Rep/Repl Well/Well Pump-NS	$ 7,337.00	$ -	$ -	$ -
NJWA Central Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 63,154.00	$ -	$ -	$ -
NJWA Central Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 63,154.00	$ 99,806.00	$ 102,370.00	$ 204,117.00
NJWA Central Division	Water	520R-Rep/Repl Water Treat Equip-NS	$ 200,000.00	$ 210,000.00	$ 220,500.00	$ 231,525.00
NJWA Central Division	Water	526R-Rep/Repl Pumping Equipment-NS	$ 14,675.00	$ 57,600.00	$ 293,771.00	$ 303,318.00
NJWA Central Division	Water	528N-New Water Treatment Equip-NS	$ 6,064,285.00	$ 7,453,021.00	$ 4,712,700.00	$ 5,480,555.00
NJWA Central Division	Water	528N-New Water Treatment Equip-NS	$ -	$ 57,600.00	$ -	$ -
NJWA Central Division	Water	530R-Rep/Repl Well/Well Pump-NS	$ 11,004.00	$ 43,200.00	$ 45,360.00	$ 47,628.00
NJWA Eastern Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 63,154.00	$ 141,806.00	$ -	$ 172,304.00
NJWA Eastern Division	Water	520R-Rep/Repl Water Treat Equip-NS	$ 20,000.00	$ 21,000.00	$ 22,050.00	$ 23,152.50
NJWA Eastern Division	Water	528N-New Water Treatment Equip-NS	$ -	$ 28,800.00	$ -	$ -
NJWA Eastern Division	Water	530R-Rep/Repl Well/Well Pump-NS	$ 2,500.00	$ 14,400.00	$ 15,120.00	$ 15,876.00
NJWA Southern Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 43,908.00	$ 70,069.00	$ -	$ -
NJWA Southern Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ -	$ -	$ 212,485.00	$ -
NJWA Southern Division	Water	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 43,908.00	$ -	$ -	$ -
NJWA Southern Division	Water	520R-Rep/Repl Water Treat Equip-NS	$ 20,000.00	$ 21,000.00	$ 22,050.00	$ 23,152.50
NJWA Southern Division	Water	526R-Rep/Repl Pumping Equipment-NS	$ 7,337.00	$ 28,800.00	$ 30,240.00	$ 31,752.00
NJWA Southern Division	Water	528N-New Water Treatment Equip-NS	$ 3,032,144.00	$ 3,726,511.00	$ 2,356,346.00	$ -
NJWA Southern Division	Water	529N-New Well/Well Pump-NS	$ 500,000.00	$ 530,005.00	$ 1,500,000.00	$ 2,240,278.00
NJWA Southern Division	Water	530R-Rep/Repl Well/Well Pump-NS	$ 3,668.00	$ 28,800.00	$ 30,240.00	$ 31,752.00
NJWW Oakwood Village	Wastewate	599R-Rep/Repl Other TrtPlt/Boost-NS	$ 27,354.00	$ 75,000.00	$ -	$ -
NJWW Wallkill	Wastewate	526R-Rep/Repl Pumping Equipment-NS	$ -	$ 150,000.00	$ 200,000.00	$ 200,000.00
NJWW Bear Brook	Wastewate	599R-Rep/Repl Other TrtPlt/Boost-NS	$ 13,677.00	$ 150,000.00	$ 100,000.00	$ 251,500.00
NJWW Maxim	Wastewate	526R-Rep/Repl Pumping Equipment-NS	$ 54,700.00	$ 112,500.00	$ 150,000.00	$ 150,000.00
NJWW Maxim	Wastewate	599R-Rep/Repl Other TrtPlt/Boost-NS	$ 41,025.00	$ 20,000.00	$ 50,000.00	$ 32,000.00
NJWW Spartan Village	Wastewate	526R-Rep/Repl Pumping Equipment-NS	$ 41,025.00	$ 37,500.00	$ 100,000.00	$ -
NJWW Spartan Village	Wastewate	599R-Rep/Repl Other TrtPlt/Boost-NS	$ -	$ 112,500.00	$ 200,000.00	$ -
NJWW California Village	Wastewate	526R-Rep/Repl Pumping Equipment-NS	$ 13,677.00	$ 39,000.00	$ 50,000.00	$ 50,000.00
NJWW California Village	Wastewate	599R-Rep/Repl Other TrtPlt/Boost-NS	$ 54,700.00	$ -	$ -	$ 1,500.00
NJWW North Hanover	Wastewate	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 63,160.00	$ 99,806.00	$ 51,185.00	$ 51,185.00
NJWW North Hanover	Wastewate	526R-Rep/Repl Pumping Equipment-NS	$ 27,354.00	$ 19,504.00	$ -	$ 100,000.00
NJWW North Hanover	Wastewate	599R-Rep/Repl Other TrtPlt/Boost-NS	$ -	$ 37,500.00	$ 150,000.00	$ -
NJWW Woolwich	Wastewate	510R-R/Rpl SCADA/Auto Dist Ctrls-NS	$ 43,908.00	$ 141,802.00	$ -	$ -
			$ 16,896,259.00	**$ 21,422,858.00**	**$ 15,525,659.00**	**$ 15,739,691.50**

Aqua New Jersey, Inc.

Monthly RESIC Assessment Revenues at 2.50%
Docket No. WR

Applicable to General Metered Service Connections noted below:

RESIC Eligible Revenues	**$49,366,736**
Maximum Annual RESIC Revenue Surcharge at 2.50%	**$1,234,168**
Annual Assessment per Meter Equivalent at 2.50%	**$17.02**
Monthly Assessment per Meter Equivalent at 2.50%	**$1.42**

Class	Size	Customers	Meter Equivalents	Monthly RESIC Assessment $	Weighted Meter Equivalents	Monthly RESIC Assessment Revenues at 2.5%
Residential						
	5/8x3/4"	46,088	1.0	$1.42	46,088	$65,445
	3/4"	5,635	1.5	$2.13	8,453	$12,003
	1"	1,195	2.5	$3.55	2,988	$4,243
	1-1/2"	145	5.0	$7.10	725	$1,030
	2"	157	8.0	$11.36	1,256	$1,784
	3"	6	15.0	$21.30	90	$128
	4"	0	25.0	$35.50	0	$0
	6"	1	50.0	$71.00	50	$71
	8"	1	80.0	$113.60	80	$114
	Total Base RES	**53,228**			**59,730**	**$84,817**
Commercial						
	5/8x3/4"	1,394	1.0	$1.42	1,394	$1,979
	3/4"	184	1.5	$2.13	276	$392
	1"	383	2.5	$3.55	958	$1,360
	1-1/2"	202	5.0	$7.10	1,010	$1,434
	2"	560	8.0	$11.36	4,480	$6,362
	3"	62	15.0	$21.30	930	$1,321
	4"	25	25.0	$35.50	625	$888
	6"	5	50.0	$71.00	250	$355
	8"	10	80.0	$113.60	800	$1,136
	10"	1	115.0	$163.30	115	$163
	Total Base COM	**2,826**			**10,838**	**$15,390**
Industrial						
	5/8x3/4"	10	1.0	$1.42	10	$14
	3/4"	1	1.5	$2.13	2	$3
	1"	1	2.5	$3.55	3	$4
	1-1/2"	3	5.0	$7.10	15	$21
	2"	13	8.0	$11.36	104	$148
	3"	0	15.0	$21.30	0	$0
	4"	7	25.0	$35.50	175	$249
	6"	2	50.0	$71.00	100	$142
	8"	1	80.0	$113.60	80	$114
	10"	0	115.0	$163.30	0	$0
	Total Base IND	**38**			**489**	**$694**
Public Authority						
	5/8x3/4"	21	1.0	$1.42	21	$30
	3/4"	0	1.5	$2.13	0	$0
	1"	3	2.5	$3.55	8	$11
	1-1/2"	11	5.0	$7.10	55	$78
	2"	59	8.0	$11.36	472	$670
	3"	4	15.0	$21.30	60	$85
	4"	3	25.0	$35.50	75	$107
	6"	9	50.0	$71.00	450	$639
	8"	4	80.0	$113.60	320	$454
	Total Base PUB	**114**			**1,461**	**$2,075**
Totals		**56,206**			**72,518**	**$102,976**

NOTICE OF PUBLIC HEARINGS
AQUA NEW JERSEY, INC.

NOTICE OF FILING OF A PETITION FOR APPROVAL OF A RESILIENCY AND ENVIRONMENTAL SYSTEM INVESTMENT CHARGE PROGRAM
BPU Docket No. WR2506____

TO OUR CUSTOMERS:

PLEASE TAKE NOTICE that on June 25, 2025, Aqua New Jersey, Inc. ("Company") filed a Petition with the New Jersey Board of Public Utilities ("Board"), seeking approval of a Foundational Filing to implement a Resiliency and Environmental System Investment Charge ("RESIC"), pursuant to N.J.S.A. 48:19-29 *et seq*. A RESIC is a regulatory mechanism that enables timely cost recovery of investments in certain non-revenue producing water and wastewater system components that are in direct or indirect compliance with requirements addressing existing or emerging requirements; as well as investments to enhance water and wastewater system resiliency, and the health, safety or environmental protection of customers, employees, or the public. A RESIC rate is interim, subject to refund, until the subsequent base rate case.

Any rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A. 48:2-21 and for other good and legally sufficient reasons to any class or classes of customers of the Company. Therefore, the described charges may increase or decrease based upon the Board's decision. The Petition and applicable Exhibits as well as the Public Hearing Notice for this proceeding can be viewed on the Company's website at www._____.

The maximum proposed monthly RESIC rates are contained in the petition filed with the Board, as set forth below.

PROPOSED RESIC SURCHARGE RATES BASED ON
METER SIZE OR EQUIVALENT
Maximum Monthly RESIC Surcharge – Water and Wastewater:

Size of Meter	5/8" Equivalent*	Proposed Rate
5/8	1.0	$1.42
3/4	1.5	2.13
1	2.5	3.55
1-1/2	5.0	7.10
2	8.0	11.36
3	15.0	21.30
4	25.0	35.50
6	50.0	71.00
8	80.0	113.60
10	115.0	163.30

*Based on American Water Works Association flow rates. A 5/8" meter is equivalent to one unit, whereas a 1-inch meter is equivalent to 2.5 units based on the amount of water that will flow through the meter size.

PLEASE TAKE FURTHER NOTICE the virtual public hearings will be conducted on the following date and times so that members of the public may present their views on the Petition:

Date: _____, 2025
Times: 4:30 and 5:30 pm
Link: _____
Dial-In Number: 1-
Phone Conference ID: _____
Meeting ID: _____
Passcode: _____

Representatives from the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the link or dial-in information set forth above to express their views on the Petition. All comments will be made part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, at least 48 hours prior to the above hearing to the Board Secretary at board.secretary@bpu.nj.gov.

Comments may be submitted directly to the specific docket listed above using the "Post Comments" button on the Board's Document Search tool, https://publicaccess.bpu.state.nj.us. Comments are considered public documents for purposes of the State's Open Public Records Act. Only submit public documents using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may be filed electronically via the Board's e-filing system or by email to the Secretary of the Board, Sherri Lewis. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage, https://www.nj.gov/bpu/agenda/efiling/.

Emailed and/or written comments may also be submitted to:
Sherri Lewis, Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Email: board.secretary@bpu.nj.gov

By: Natalie Chesko
President, Aqua New Jersey, Inc.

Appendix D

PFAS Projects List

Project Number	Well Site	Pressure (PSI)	Operation Area Division	Design Capacity (gpm)	Water Service Count	Ion Exchange Filter Count	Ion Exchange Filter Diameter (ft)
C.P5100204599.000002	Hamilton Well 13C	70	Central	1200	12738	2	12
C.P5100202526.000001	Brainards Well 1	75-96	Northen	38	52	2	2
C.P5100202526.000001	Bunnvale Well 5 (Windswept)	50	Northen	16	99	4	1.16
C.P5100202526.000001	Byram Well 2	52	Northen	150	153	2	4
C.P5100202526.000001	Vernon Upper Well House (Wells 3, 5, 9)	40-60	Northen	52	206	2	3
C.P5100204599.000002	Lawrenceville Well 6 (Village Mill Rd)	75	Central	600	2665	2	8
C.P5100204599.000002	Lawrenceville Well 9 (Denow Rd)	75	Central	250	2665	2	5
C.P5100204599.000002	Hamilton Well 12C	95	Central	1195	12738	2	12
C.P5100204599.000002	Hamilton Well 14C	60	Central	1950	12738	4	10
C.P5100400520.000001	Well 14 (Part of WFTP Blackwood)	75	Southern	775	15372	TBD	TBD
C.P5100400520.000001	Well 15 (Part of WFTP Blackwood)	80	Southern	375	15372	TBD	TBD
C.P5100202526.000001	Walkill #2 (#2 and #3)	60	Northen	207	389	4	4
C.P5100204599.000002	Hamilton Well 11C	65	Central	1600	12738	4	10
C.P5100202526.000001	Bear Brook Wells 2 & 3	62	Northen	100	80	2	4
C.P5100202526.000001	Walkill #4	55	Northen	44	80	TBD	TBD