



Agenda Date: 2/18/26
Agenda Item: 3B

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/

ENGINEERING

IN THE MATTER OF THE JOINT PETITION OF)
MIDDLESEX WATER COMPANY AND PINELANDS)
WATER COMPANY FOR APPROVAL OF A)
FOUNDATIONAL FILING FOR ESTABLISHING A)
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE) DOCKET NO. WR25070452

Parties of Record:

Jay L. Kooper, Esq., for Joint Petitioners, Middlesex Water Company and Pinelands Water Company
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:¹

On July 30, 2025, Middlesex Water Company (“Middlesex”) and Pinelands Water Company (“Pinelands Water”) (collectively, “Joint Petitioners”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:9-10.1 et seq., seeking authorization to implement a Distribution System Improvement Charge (“DSIC”) for the renewal of water distribution system assets for the period of 2025 through 2028 (“Foundational Filing”). By this Order, the Board considers a Stipulation of Settlement (“Stipulation”) executed by the Joint Petitioners, 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

The Joint Petitioners are both public utility corporations duly organized and existing under the laws of the State of New Jersey and subject to the jurisdiction of the Board, with their principal offices located at 485C Route One South, Suite 400, Iselin, New Jersey 08830. Middlesex provides water services to approximately 61,000 retail customers, primarily in Middlesex County, New Jersey. Pinelands Water provides water service on a retail basis to approximately 2,500 residential customers in Southampton Township in Burlington County.

¹ Commissioners Rebhorn and Coviello abstained from voting on this matter.

On May 8, 2025, the Joint Petitioners, together with Pinelands Wastewater Company (“Pinelands Wastewater”), another direct and wholly-owned subsidiary of Middlesex subject to the jurisdiction of the Board, filed an application to the Board to merge Pinelands Water and Pinelands Wastewater into Middlesex (“Merger Petition”).²

On June 30, 2025, the Joint Petitioners, together with Pinelands Wastewater, filed their current base rate case (“Middlesex-Pinelands Base Rate Case”).³ Concurrently with the settlement I this matter, the parties to the Middlesex-Pinelands Base Rate Case have settled that matter.

By Order dated January 14, 2026, the Board approved the Merger Petition.⁴

PETITION

By the Foundational Filing, pursuant to N.J.A.C. 14:9-10.4(b), the Joint Petitioners estimated that the proposed DSIC rates, if approved, would increase in increments occurring at approximately six (6)-month intervals, by no more than five percent (5%) of the maximum DSIC revenue allowable under N.J.A.C. 14:9-10.1 et seq. over the time covered by the Joint Petitioners’ Foundational Filing. The Joint Petitioners proposed to recover a maximum amount of approximately \$7.6 million through the DSIC, which is no more than five percent (5%) of total revenue proposed in the Joint Petitioners’ pending base rate proceeding. According to the Joint Petitioners, the final cap number will be determined in accordance with the Board Order approving the settlement of the Middlesex-Pinelands Base Rate Case.

Pursuant to N.J.A.C. 14:9-10.4(b)(1), as part of the Foundational Filing, Joint Petitioners submitted an engineering evaluation report that identified the rationale for the DSIC-eligible work to be performed; demonstrated that the proposed plan is cost-effective; identified elements of the distribution system requiring investment, including assets which are susceptible to failure; and identified efforts to extend the life of distribution system assets.

Pursuant to N.J.A.C. 14:9-10.4(b)(3), the Joint Petitioners provided a calculation of its base infrastructure spending. The Joint Petitioners calculated their base spending requirement to be approximately \$7,088,248. Further, pursuant to N.J.A.C. 14:9-10.4(b)(3), the Joint Petitioners submitted their proposed DSIC rate assessment by customer class and meter size (or service connection) over the entire DSIC period, as well as the estimated maximum rate impact on customers for the entire DSIC period.

Following adequate and proper notice, the Board held two (2) virtual public hearings, presided over by a Board-appointed regulatory officer, on December 16, 2025, at 4:30 p.m. and 5:30 p.m. No members of the public participated in either hearing and no written comments were received by the Board.

² In re the Merger of Middlesex Water Company, Pinelands Water Company and Pinelands Wastewater Company, BPU Docket No. WM25050284.

³ In re the Joint Petition for an Approval of an Increase in Rates for Water and Wastewater Service and Other Tariff Changes for Middlesex Water Company, Pinelands Water Company, and Pinelands Wastewater Company, BPU Docket No. WR25060372, OAL Docket No. PUC 12680-2025S.

⁴ In re the Merger of Middlesex Water Company, Pinelands Water Company and Pinelands Wastewater Company, BPU Docket No. WM25050284, Order dated January 14, 2026.

STIPULATION

Following a complete review of the Foundational Filing, conducting discovery, and discussion, the Parties executed the Stipulation, which provides for the following:⁵

1. As is permitted by N.J.A.C. 14:9-10.4(c), a DSIC Foundational Filing may be approved concurrently with the setting of base rates. As the settlement of this matter is concurrent with the settlement of the Middlesex-Pinelands Base Rate Case, and with that settlement the setting of new base rates, the Parties agree that the Joint Petitioners have met the requirements of N.J.A.C. 14:9-10.4(c).
2. As required by N.J.A.C. 14:9-10.4(b)(1), the Joint Petitioners' filing was supported by an engineering evaluation report ("DSIC Report"), which identifies the rationale for the DSIC-eligible work to be performed; demonstrates that the proposed plan is cost-effective; identifies elements of the distribution system that require investment including assets which are susceptible to failure; and identifies efforts to extend the life of the distribution system assets.
3. As required by N.J.A.C. 14:9-10.4(b)(2), the DSIC Report also contains project information, by element as follows: (i) a list of DSIC-eligible projects; (ii) project descriptions (with unique project identification numbers) including the nature, location, estimated duration of work (including estimated in-service dates, as well as the vintage and condition of the facilities being replaced or rehabilitated), estimated project costs, and a description and reason for the project; and (iii) aggregate information capturing blanket-type, DSIC-eligible infrastructure projects and the estimated annual cost of such blanket-type replacement programs.
4. As required by N.J.A.C. 14:9-10.4(b)(3), the Joint Petitioners provided a calculation of their base infrastructure spending including underlying detail regarding appropriate infrastructure types, a proposed DSIC assessment, and work papers, and demonstrated detailed calculations supporting the proposed assessment schedule.
5. As required by N.J.A.C. 14:9-10.4(b)(4), the Joint Petitioners gave appropriate public notice of the DSIC Foundational Filing and public hearings were properly held.
6. The Parties agree that N.J.A.C. 14:9-10.4(b)(5) is inapplicable at this time.
7. As permitted by N.J.A.C. 14:9-10.4(b)(6), the Foundational Filing was filed concurrently with the Middlesex-Pinelands Base Rate Case.
8. The Parties find the Foundational Filing to be administratively complete and further agree that the Joint Petitioners have satisfied the requirements for their Foundational Filing as enumerated in N.J.A.C. 14:9-10.4(b).

⁵ 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.

9. The Parties agree the projects contained in Exhibit B to the Stipulation have been sufficiently reviewed and are DSIC-eligible projects as defined at N.J.A.C. 14:9-10.2.
10. The Parties agree that the Joint Petitioners should be authorized to recover, through their DSIC, the actual costs associated with the DSIC-eligible projects, as defined in N.J.A.C. 14:9-10.2, contained in Exhibit B to the Stipulation.
11. The Parties agree that actual DSIC charges will be levied on General Metered Service customers billed in accordance with Rate Schedule Nos. 1 and 1A and Private Fire Service customers billed in accordance with Rate Schedule Nos. 2 and 2A and that the rates will be calculated in a manner consistent with N.J.A.C. 14:9-10.9(a)(3).
12. The Parties agree that the maximum amount of annual DSIC revenues the Joint Petitioners may be authorized to recover through the DSIC is capped at five percent (5%) of the Joint Petitioners' total revenues established in the Middlesex-Pinelands Base Rate Case, which is being settled concurrently with this matter. Under this requirement, the Joint Petitioners' base spending requirement is approximately \$7,088,248. The Parties further agree that the maximum amount of annual DSIC revenues the Joint Petitioners may collect is \$7,056,818 as calculated in Exhibit C to the Stipulation.
13. The Parties further agree that spending for any DSIC-eligible projects included in this filing that: (i) were underway as of the date of the filing, or (ii) commenced during the pendency of this filing, will be used to either meet the Joint Petitioners' base spending requirement or will be recoverable in the Joint Petitioners' DSIC mechanism consistent with the Board's DSIC regulations.

DISCUSSION AND FINDINGS

Having reviewed the record in this matter, including the Foundational Filing and the Stipulation, the Board **HEREBY 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 length herein.

Based upon the information presented in the Foundational Filing, the record in the Middlesex-Pinelands Base Rate Case, and the terms agreed to by the Parties in the Stipulation, the Board **HEREBY FINDS** that the Joint Petitioners' 2025 overall revenue for DSIC purposes is \$141,136,363. The Board **FURTHER FINDS** that the maximum amount of annual DSIC revenues that the Joint Petitioners may collect is \$7,056,818, or no more than five percent (5%) of the Joint Petitioners' total water revenues as established in the Middlesex-Pinelands Base Rate Case. The Joint Petitioners shall implement the DSIC surcharge if, and when, it achieves specific levels of infrastructure investment and completes and places the facilities into service as required by N.J.A.C. 14:9-10.1 *et seq.* Based on the Stipulation, an average residential customer with a 5/8-inch meter may be subject to a maximum monthly DSIC surcharge of \$3.96. The average residential maximum DSIC surcharge rate is an estimate and may change, however, the maximum annual DSIC revenue requirement, \$7,056,818, cannot be exceeded.

The Board **HEREBY ORDERS** that, in accordance with N.J.A.C. 14:9-10.5(b), the Joint Petitioners shall make DSIC filings on a semi-annual basis, commencing approximately six (6) months after the effective date of the Foundational Filing. The Joint Petitioners must submit their semi-annual DSIC filing within fifteen (15) days of the end of the DSIC recovery period to be reviewed by Staff and Rate Counsel. The Joint Petitioners may recover the interim surcharge associated with the DSIC eligible projects closed during the DSIC recovery period and not objected to by Staff or Rate Counsel beginning forty-five (45) days after the receipt of the complete semi-annual DSIC filing, subject to refund at the Board's discretion.

The Board **FURTHER ORDERS** that the Joint Petitioners must comply with the base spending requirements set forth in this Order. Failure to comply with the base spending requirements will result in a reduction and refund, where appropriate, of the DSIC surcharge. Thus, Joint Petitioners' DSIC surcharge is interim, subject to refund, and shall not exceed the annual maximum revenue requirement of \$7,056,818 set forth in this Order.

The Board **FURTHER ORDERS** that in accordance with N.J.A.C. 14:9-10.4(e), if within three (3) years after the effective date of the Foundational Filing, the Joint Petitioners have not filed a petition in accordance with the Board's rules for the setting of its base rates, all interim charges collected under the DSIC shall be deemed an over-recovery, and shall be credited to customers in accordance with the Board's rules.

Based upon the foregoing, the Board **HEREBY APPROVES** the Foundational Filing and **AUTHORIZES** the Joint Petitioners to implement their proposed DSIC, subject to this Order and the Joint Petitioners' ongoing compliance with the DSIC regulations, as well as conformity of the base spending requirements and semi-annual true-up submissions.

The Joint Petitioners' costs, including those related to the DSIC, will remain subject to audit by the Board. This Order shall not preclude or prohibit the Board from taking further action relating to any such audit.

The effective date of this Order is February 25, 2026.

DATED: February 18, 2026

BOARD OF PUBLIC UTILITIES
BY:



CHRISTINE GUHL-SADOVY
PRESIDENT



DR. ZENON CHRISTODOLOU
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 JOINT PETITION OF MIDDLESEX WATER COMPANY AND PINELANDS WATER
COMPANY FOR APPROVAL OF A FOUNDATIONAL FILING FOR ESTABLISHING A DISTRIBUTION SYSTEM
IMPROVEMENT CHARGE

BPU DOCKET NO. WR25070452

SERVICE LIST

Middlesex Water Company

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January 5, 2026

Via Electronic Mail

Honorable Sherri Lewis
Secretary of the Board
New Jersey Board of Public Utilities
44 South Clinton Avenue
9th Floor
Trenton, NJ 08625-0350

Re: In the Matter of the Joint Petition of Middlesex Water Company and Pinelands Water Company for Approval of a Foundational Filing For Establishing a Distribution System Improvement Charge
BPU Docket No. WR25070452
Stipulation of Settlement

Dear Secretary Lewis:

Enclosed for the Board's consideration in the above-referenced matter is a Stipulation of Settlement executed by Joint Petitioners Middlesex Water Company and Pinelands Water Company, Staff of the New Jersey Board of Public Utilities, and the New Jersey Division of Rate Counsel, and the exhibits supporting the Stipulation.

Please contact me at (732) 638-7506 or jkooper@middlesexwater.com with any questions or concerns with respect to this filing.

Very truly yours,

A handwritten signature in blue ink that reads 'Jay Kooper'.

Jay L. Kooper
Vice President, General Counsel & Secretary

Enclosures

cc: Service List (attached) (via electronic mail)

**Middlesex Water Company and Pinelands Water Company
Petition For Approval of a Foundational Filing
For Establishing A Distribution System Improvement Charge
BPU Docket No. WR25070452
~ Service List A ~**

MIDDLESEX WATER COMPANY

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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| <p>Shane Simon, Esq. Saul Ewing LLP Centre Square West 1500 Market Street, 38th Floor Philadelphia, PA 19102-2186 shane.simon@saul.com</p> | <p>Jane H. Gisbey Saul Ewing LLP jgisbey@saul.com (Electronic Correspondence)</p> | <p>Jenna Elsayed Middlesex Water Company 485C Route 1 South Suite 400 Iselin, NJ 08830 jelsayed@middlesexwater.com (electronic only)</p> |
| <p>Rosemarie Cardo Middlesex Water Company 485C Route 1 South Suite 400 Iselin, NJ 08830 rcardo@middlesexwater.com (electronic only)</p> | <p>James C. Cagle Cagle Regulatory Advisor NC, LLC jcagle@middlesexwater.com</p> | <p>Hedy Lontakis Middlesex Water Company 485C Route 1 South, Suite 400 Iselin, NJ 08830 hlontakis@middlesexwater.com (electronic only)</p> |

Middlesex Water Company and Pinelands Water Company
Petition For Approval of a Foundational Filing
For Establishing A Distribution System Improvement Charge
BPU Docket No. WR25070452
~ Service List A ~

BOARD OF PUBLIC UTILITIES/DEPARTMENT OF LAW

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| <p>Dr. Benjamin Witherell Board of Public Utilities Office of the Economist 44 South Clinton Ave. P.O. Box 350 Trenton, NJ 08625 Benjamin.Witherell@bpu.nj.gov</p> | <p>Malike Cummings Board of Public Utilities Division of Water & Wastewater 44 South Clinton Ave. PO Box 350 Trenton, NJ 08625 Malike.Cummings@bpu.nj.gov</p> | <p>Andrew Tuzzo Board of Public Utilities 44 South Clinton Avenue PO Box 350 Trenton, NJ 08625-0350 Andrew.Tuzzo@bpu.nj.gov</p> |
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| <p>Meliha Arnautovic, DAG Division of Law Public Utilities Section R.J. Hughes Justice Complex 25 Market Street P.O. Box 112 Trenton, NJ 08625 Meliha.Arnautovic@law.njoag.gov</p> | <p>Pamela Owen Division of Law Public Utilities Section R.J. Hughes Justice Complex 25 Market Street Trenton, NJ 08625 Pamela.Owen@law.njoag.gov</p> | <p>Brandon Simmons, DAG Division of Law Public Utilities Section R.J. Hughes Justice Complex 25 Market Street P.O. Box 112 Trenton, NJ 08625 Brandon.Simmons@law.njoag.gov</p> |
| <p>Jackie O'Grady Board of Public Utilities Division of Water 44 South Clinton Avenue PO Box 350 Trenton, NJ 08625-0350 Jackie.OGrady@bpu.nj.gov</p> | <p>Michael Hunter Board of Public Utilities 44 South Clinton Ave. P.O. Box 350 Trenton, NJ 08625 Michael.hunter@bpu.nj.gov</p> | <p>William Barasky Board of Public Utilities Division of Water 44 South Clinton Avenue PO Box 350 Trenton, NJ 08625-0350 William.Barkasy@bpu.nj.gov</p> |
| <p>Dean Taklif Board of Public Utilities 44 South Clinton Avenue PO Box 350 Trenton, NJ 08625-0350 Dean.Taklif@bpu.nj.gov</p> | <p>John Masiello Board of Public Utilities 44 South Clinton Avenue PO Box 350 Trenton, NJ 08625-0350 John.Masiello@bpu.nj.gov</p> | <p>Kit Burnette Board of Public Utilities 44 South Clinton Ave. P.O. Box 350 Trenton, NJ 08625 kit.burnette@bpu.nj.gov</p> |

**Middlesex Water Company and Pinelands Water Company
Petition For Approval of a Foundational Filing
For Establishing A Distribution System Improvement Charge
BPU Docket No. WR25070452
~ Service List A ~**

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DIVISION OF RATE COUNSEL

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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| * <i>Electronic Mail Only</i> | | |
| Charles Sweeney chuckrsweeney@gmail.com | | |

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

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|----------------------------------------------|-----------------------------------------|
| IN THE MATTER OF THE JOINT PETITION : | BPU DOCKET NO. WR25070452 |
| OF MIDDLESEX WATER COMPANY AND : | |
| PINELANDS WATER COMPANY : | <u>STIPULATION OF SETTLEMENT</u> |
| FOR APPROVAL OF A FOUNDATIONAL : | |
| FILING FOR ESTABLISHING A : | |
| DISTRIBUTION SYSTEM IMPROVEMENT : | |
| CHARGE : | |

APPEARANCES:

Jay L. Kooper, Esq., Vice President, General Counsel & Secretary on behalf of Middlesex Water Company and Pinelands Water Company, Joint Petitioners

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

Susan McClure, Esq., Managing Attorney, Water and Wastewater, Christine Juarez, Esq., Assistant Deputy Rate Counsel, and Megan Lupo, Esq., Assistant Deputy Rate Counsel on behalf of the Division of Rate Counsel (Brian O. Lipman, Director)

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

The parties to this proceeding are Middlesex Water Company (“Middlesex”) and Pinelands Water Company (“Pinelands Water”) (collectively, “Joint Petitioners”), the Division of Rate Counsel (“Rate Counsel”), and the Staff of the New Jersey Board of Public Utilities (“Board”) (“Staff”) (collectively, “Parties”). There were no intervenors in this proceeding. As a result of an analysis of the joint petition filed by the Joint Petitioners (“Joint Petition”) and exhibits, discovery conducted by Rate Counsel and Staff, conferences and negotiations, the Parties to this proceeding have come to the within agreement.

BACKGROUND AND PROCEDURAL HISTORY

The Joint Petitioners are both public utility corporations duly organized and existing under the laws of the State of New Jersey subject to the jurisdiction of the Board with their principal offices located at 485C Route One South, Suite 400, Iselin, New Jersey 08830. Middlesex provides water services to approximately 61,000 retail customers, primarily in Middlesex County, New Jersey. Pinelands Water provides water service on a retail basis to approximately 2,500 residential customers in Southampton Township in Burlington County. Pinelands Water is a direct and wholly-owned subsidiary of Middlesex. Pinelands Water is not physically interconnected with the Middlesex system.

On July 30, 2025, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:9-10.1 et seq., the Joint Petitioners filed the above-captioned Joint Petition with the Board, which was later assigned BPU Docket No. WR25070452, to establish a Distribution System Improvement Charge (“DSIC”) for the renewal of water distribution assets for the period 2025 through 2028. In support of the Joint Petition, the Joint Petitioners filed a DSIC Foundational Filing (“Foundational Filing”) pursuant to N.J.A.C. 14:9-10.4.

Prior to this filing, on May 8, 2025, the Joint Petitioners, together with Pinelands Wastewater Company (“Pinelands Wastewater”), another direct and wholly-owned subsidiary of Middlesex also subject to the jurisdiction of the Board, filed an application to the Board seeking to merge Pinelands Water and Pinelands Wastewater into Middlesex, a matter that was docketed as BPU Docket No. WR25050284 (the “Middlesex-Pinelands Merger Case”).¹ Concurrently with the settlement of this matter, the Joint Petitioners engaged in settlement discussions in the Middlesex- Pinelands Merger Case and the parties to that case have executed a Stipulation of Settlement that is currently pending

¹ See In re the Merger of Middlesex Water Company, Pinelands Water Company and Pinelands Wastewater Company, BPU Docket No. WM25050284, Joint Petition dated May 8, 2025 (“Merger Petition”).

before the Board for its consideration. The Joint Petitioners structured their requests with respect to this DSIC Foundational Filing based on the combined corporate structure described in the Merger Petition.

Also prior to this filing, on June 30, 2025, the Joint Petitioners, together with Pinelands Wastewater, filed their current base rate case proceeding, a matter that was docketed as BPU Docket No. WR25060372 and OAL Docket No. PUC 12680-2025S (“Middlesex-Pinelands Base Rate Case”). Concurrently with the settlement of this matter, the Joint Petitioners are engaged in settlement discussions in the Middlesex-Pinelands Base Rate Case.

By the Joint Petition filed on July 30, 2025, pursuant to N.J.A.C. 14:9-10.4(b), the Joint Petitioners estimated that the proposed DSIC rates, if approved, would increase in increments occurring at approximately six-month intervals, by no more than five percent (5%) of the maximum DSIC revenue allowable under N.J.A.C. 14:9-10.1 et seq. over the time covered by the Joint Petitioners’ Foundational Filing. According to the Joint Petitioners, the final cap number will be determined in accordance with the Board Order approving the settlement of the Middlesex-Pinelands Base Rate Case.

This matter was retained by the Board for review and disposition. The Joint Petitioners provided notice of the filing of the Joint Petition, a statement of its effect and of the scheduling of the public comment hearings to its customers by a public notice (“Notice”) placed in newspapers published and circulated in the Joint Petitioners’ service areas pursuant to the rules of the Board. Copies of the approved form of Notice and the proposed DSIC rates were also served upon the respective municipalities, County Executives and Clerks of the Boards of County Commissioners pursuant to the Board’s regulations. Proofs of service of these notices were filed with the Board in accordance with the Board’s regulations

The Board held two virtual public hearings, presided over by a Board-appointed regulatory officer, on December 16, 2025 at 4:30 p.m. and 5:30 p.m. No members of the public participated in either hearing and no written comments were received by the Board. A copy of the public notice setting out the proposed rate impact of the DSIC is attached hereto as Exhibit A.

STIPULATION

Upon review of the Joint Petition and following settlement discussions, and for the reasons set forth in the following paragraphs, the Parties agree that the record herein supports the findings and conclusions below, and the Parties therefore HEREBY STIPULATE AND AGREE AS FOLLOWS:

1. As is permitted by N.J.A.C. 14:9-10.4(c), a DSIC Foundational Filing may be approved concurrently with the setting of base rates. As the settlement of this matter is concurrent with the settlement of the Middlesex-Pinelands Base Rate Case, and with that settlement the setting of new base rates, the Parties agree that the Joint Petitioners have met the requirements of N.J.A.C. 14:9-10.4(c).
2. As required by N.J.A.C. 14:9-10.4(b)(1), the Joint Petitioners' filing was supported by an engineering evaluation report ("DSIC Report"), which identifies the rationale for the DSIC-eligible work to be performed; demonstrates that the proposed plan is cost-effective; identifies elements of the distribution system that require investment including assets which are susceptible to failure; and identifies efforts to extend the life of the distribution system assets.
3. As required by N.J.A.C. 14:9-10.4(b)(2), the DSIC Report also contains project information, by element as follows: (i) a list of DSIC-eligible projects; (ii) project descriptions (with unique project identification numbers) including the nature, location, estimated duration of work (including estimated in-service dates, as well as the vintage and condition of the facilities

being replaced or rehabilitated), estimated project costs, and a description and reason for the project; and (iii) aggregate information capturing blanket-type, DSIC-eligible infrastructure projects and the estimated annual cost of such blanket-type replacement programs.

4. As required by N.J.A.C. 14:9-10.4(b)(3), the Joint Petitioners provided a calculation of its base infrastructure spending including underlying detail regarding appropriate infrastructure types, a proposed DSIC assessment, and work papers, and demonstrated detailed calculations supporting the proposed assessment schedule.

5. As required by N.J.A.C. 14:9-10.4(b)(4), the Joint Petitioners gave appropriate public notice of the DSIC Foundational Filing and public hearings were properly held.

6. The Parties agree that N.J.A.C. 14:9-10.4(b)(5) is inapplicable at this time.

7. As permitted by N.J.A.C. 14:9-10.4(b)(6), the DSIC Foundational Filing was filed concurrently with the Middlesex-Pinelands Base Rate Case.

8. The Parties find the Joint Petition to be administratively complete and further agree that the Joint Petitioners have satisfied the requirements for their Foundational Filing as enumerated in N.J.A.C. 14:9-10.4(b).

9. The Parties agree the projects contained in Exhibit B attached hereto have been sufficiently reviewed and are DSIC-eligible projects as defined at N.J.A.C. 14:9-10.2.

10. The Parties agree that the Joint Petitioners should be authorized to recover, through their DSIC, the actual costs associated with the DSIC-eligible projects, as defined in N.J.A.C. 14:9-10.2, contained in Exhibit B attached hereto.

11. The Parties agree that actual DSIC charges will be levied on General Metered Service customers billed in accordance with Rate Schedule Nos. 1 and 1A and Private Fire Service customers billed in accordance with Rate Schedule Nos. 2 and 2A and that the rates will be calculated in a manner consistent with N.J.A.C. 14:9-10.9(a)(3).

12. The Parties agree that the maximum amount of annual DSIC revenues the Joint Petitioners may be authorized to recover through the DSIC is capped at five percent (5%) of the Joint Petitioners' total revenues established in the Middlesex-Pinelands Base Rate Case, which is being settled concurrently with this matter. Under this requirement, the Joint Petitioners' base spending requirement is approximately \$7,088,248. The Parties further agree that the maximum amount of annual DSIC revenues the Petitioner may collect is \$7,056,818 as calculated in Exhibit C attached hereto.

13. The Parties further agree that spending for any DSIC-eligible projects included in this filing that: (i) were underway as of the date of the filing, or (ii) commenced during the pendency of this filing, will be used to either meet the Joint Petitioners' base spending requirement or will be recoverable in the Joint Petitioners' DSIC mechanism consistent with the Board's DSIC regulations.

14. This Stipulation is the product of negotiations by the Parties, reflecting a mutual balancing of interests and containing interdependent provisions, therefore 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 as each term is vital to its whole. It is also the intent of the Parties that this settlement, once accepted and approved by the Board, shall be a binding resolution governing all issues in this matter, specified and agreed to herein.

15. The Parties 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. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, any party hereto materially affected shall not be bound to proceed under this Stipulation. 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 no other matter.

16. It is specifically understood and agreed that this Stipulation represents a negotiated agreement that has been made exclusively for the purpose of these proceedings. All rates are subject to audit by the Board.

17. 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.

MIDDLESEX WATER COMPANY
PINELANDS WATER COMPANY

December 22, 2025
Date

By: Jay L. Kooper
Jay L. Kooper, Esq.
Vice President, General Counsel & Secretary

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

12/23/25
Date:

By: Meliha Arnautovic DAG
Meliha Arnautovic, Esq.
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.
DIRECTOR - RATE COUNSEL

1/5/26
Date:

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

NOTICE OF PUBLIC HEARING
MIDDLESEX WATER COMPANY
PINELANDS WATER COMPANY
NOTICE OF FILING OF A PETITION FOR APPROVAL OF A
DISTRIBUTION SYSTEM IMPROVEMENT CHARGE
BPU Docket No. WR25070452

PLEASE TAKE NOTICE that on July 30, 2025, Middlesex Water Company (“Middlesex”) and Pinelands Water Company (“Pinelands Water”)(collectively, the “Joint Petitioners”), pursuant to N.J.A.C. 14:9-10.1 et seq., filed a Petition with the Board of Public Utilities (the “Board” or “BPU”) of the State of New Jersey seeking approval to implement a Distribution System Improvement Charge (“DSIC”). A DSIC is a rate recovery mechanism to encourage and support accelerated rehabilitation and replacement of certain non-revenue producing, critical water distribution components. Its purpose is to enhance safety, reliability, water quality, systems flows and pressure, and/or conservation. A DSIC rate is interim, subject to refund, until the subsequent base rate case.

The Joint Petition consists of a Foundational Filing. The Foundational Filing lists the projects the Joint Petitioners believes are eligible for recovery through the DISC surcharge for the period 2025 through 2028. Please note the Joint Petitioners requested that a maximum quarterly DSIC surcharge of \$12.72 per meter equivalent be authorized. The Joint Petitioners will implement the DSIC surcharge if, and when, it achieves specific levels of infrastructure investment and places the facilities into service as required by N.J.A.C. 14:9-10.4.

The Joint Petitioners have proposed that the DSIC surcharge be assessed to the following services and classes of customers based on the customer’s meter size or service connection: General Metered Service and Private Fire Protection Service. Pursuant to BPU regulations, public fire service charges are not affected by this surcharge. It is important to note that any surcharges implemented as a result of the DSIC will be revised on customer bills on a semi-annual basis. The maximum surcharges shown below are not intended or expected to be reached until the conclusion of both the Foundational Filing proceeding and subsequent semi-annual DSIC filings. The Joint Petitioners expect the rates to be assessed incrementally over a three year period commensurate with the Joint Petitioners’ actual DSIC program capital spending.

The maximum proposed DSIC rates allowable for recovery pursuant to N.J.A.C. 14:9-10.1 et seq. are set out below:

| <u>PROPOSED DSIC SURCHARGE RATES¹</u> | | |
|--------------------------------------------------|------------------------------|--------------------------------|
| <u>General Metered Service</u> | | |
| <u>Maximum Proposed DSIC Surcharge:</u> | | |
| <u>Meter Size</u> | <u>Proposed Monthly Rate</u> | <u>Proposed Quarterly Rate</u> |
| 5/8” | \$ 4.24 | \$ 12.72 |
| 3/4” | \$ 6.36 | \$ 19.08 |
| 1” | \$ 10.60 | \$ 31.80 |

¹ The maximum surcharge is 5%, implemented in semi-annual increments as approved projects are placed into service, likely over a 12 – 36 month period.

| | | |
|--------|-----------|-------------|
| 1-1/2" | \$ 21.20 | \$ 63.60 |
| 2" | \$ 33.92 | \$ 101.76 |
| 3" | \$ 63.60 | \$ 190.80 |
| 4" | \$ 106.00 | \$ 318.00 |
| 6" | \$ 212.01 | \$ 636.03 |
| 8" | \$ 339.21 | \$ 1,017.63 |
| 10" | \$ 487.62 | \$ 1,462.86 |
| 12" | \$ 911.63 | \$ 2,734.89 |

PLEASE TAKE FURTHER NOTICE that a virtual public hearing on the Joint Petition has been scheduled for December 16, 2025 beginning at 4:30 pm and 5:30 pm on the following Zoom platform:

Join Zoom Meeting

<https://middlesexwater.zoom.us/j/84341091897?pwd=yPaxcTCXbscchusbDSLtK66ZszJmB1.1>

Meeting ID: 843 4109 1897

Passcode: 971037

One tap mobile

[+19292056099..84341091897#....*971037#](tel:+19292056099..84341091897#....*971037#) US (New York)

[+16469313860..84341091897#....*971037#](tel:+16469313860..84341091897#....*971037#) US

Dial by your location

- +1 929 205 6099 US (New York)
- +1 646 931 3860 US
- +1 312 626 6799 US (Chicago)
- +1 301 715 8592 US (Washington DC)
- +1 305 224 1968 US
- +1 309 205 3325 US
- +1 386 347 5053 US
- +1 507 473 4847 US
- +1 564 217 2000 US
- +1 669 444 9171 US
- +1 669 900 6833 US (San Jose)
- +1 689 278 1000 US
- +1 719 359 4580 US
- +1 253 205 0468 US
- +1 253 215 8782 US (Tacoma)
- +1 346 248 7799 US (Houston)
- +1 360 209 5623 US

Meeting ID: 843 4109 1897

Passcode: 971037

Find your local number: <https://middlesexwater.zoom.us/u/kdwrogD8q6>

Join by SIP

- 84341091897@zoomcrc.com

Join by H.323

- 144.195.19.161 (US West)

- 206.247.11.121 (US East)
- 115.114.131.7 (India Mumbai)
- 115.114.115.7 (India Hyderabad)
- 159.124.15.191 (Amsterdam Netherlands)
- 159.124.47.249 (Germany)
- 159.124.104.213 (Australia Sydney)
- 159.124.74.212 (Australia Melbourne)
- 170.114.180.219 (Singapore)
- 64.211.144.160 (Brazil)
- 159.124.132.243 (Mexico)
- 159.124.168.213 (Canada Toronto)
- 159.124.196.25 (Canada Vancouver)
- 170.114.194.163 (Japan Tokyo)
- 147.124.100.25 (Japan Osaka)

Meeting ID: 843 4109 1897

Passcode: 971037

A Hearing Officer designated by the Board will preside over the public comment hearing. Members of the public are invited to attend and express their views on the proposed DSIC mechanism. Such comments will be made a part of the final record in the proceeding. Written comments may be submitted to the Hon. Sherri L. Lewis, Secretary, Board of Public Utilities, 44 S. Clinton Avenue, 9th Floor, Trenton, New Jersey 08625. Please include Docket Number WR25070452 in your comment letter.

Notice of the Petition was also served on the Clerks of Municipalities, and the Clerks of the County Boards of County Commissioners in the service area of the Company. Further information and copies of the Petition may be obtained at the Board's offices located at 44 S. Clinton Avenue, 9th Floor, Trenton, New Jersey 08625 or at the Joint Petitioners' offices located at 485C Route One South, Suite 400, Iselin, New Jersey 08830. A copy of the Petition is available for public inspection on the Middlesex Water Company website at <http://www.middlesexwater.com/customer-care/regulatory>.

Please submit any requests for special accommodation, including interpreters, at least 72 hours prior to this hearing to Joint Petitioners' counsel: Jay L. Kooper, 485C Route One South, Suite 400 Iselin, New Jersey 08830, phone 732-634-1500.

MIDDLESEX WATER COMPANY
PINELANDS WATER COMPANY
485C Route One South, Suite 400
Iselin, New Jersey 08830

Middlesex Water Company
 2025 DSIC Foundational Filing
 BPU Docket No. 25070452

EXHIBIT B

PROJECT LIST

| Project ID # | Project Name / Location | Reason for Project | Project Description | Estimated Duration | Projected In Service Date | Estimated Project Cost |
|--------------|------------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------|------------------------|
| 01P-2025-301 | RENEW 2025 | Replacement of Aging Infrastructure | Replacement of approximately 19,550 LF of cast iron 6" water main in Woodbridge Township. | 180 | 10/31/2025 | \$ 250,000.00 |
| 01P-2024-301 | RENEW 2024 | Replacement of Aging Infrastructure | Replacement of approximately 17,200 LF of cast iron 6" water main in Woodbridge Township. | 180 | 12/31/2024 | \$ 100,000.00 |
| 01P-2013-309 | Thornall Street Main Relocation | Replacement due to County Culvert Work | Project is for the relocation of ~100 feet of 16-inch water main along Thornall Street just south of Wood Avenue. | 45 | 3/30/2025 | \$ 100,000.00 |
| 01P-2019-305 | Route1 - Avenel Street to South Inman Ave | Replacement of Aging Infrastructure | Replacement of approximately 3,700-feet of 6-inch water main on Route 1 (Northbound) between South Inman Avenue and Avenel Street in Woodbridge. The project will also include the installation of approximately 3,700-feet of 8-inch water main on the southbound side of Route 1 between South Inman Avenue and Avenel Street. | 90 | 12/31/2025 | \$ 780,000.00 |
| 01P-2014-335 | Orchard Street Main Relocation | Replacement due to County Culvert Work | Relocation of approximately 180-feet of 6-inch water main to facilitate the County's replacement of Culvert 1-C-124 on Orchard Street in Edison, New Jersey. The 6-inch water main is cast iron, was installed in 1964 and is rated as a 3 in MWC's prioritization model. | 30 | 12/31/2025 | \$ 250,000.00 |
| 01P-2023-314 | Whittier Water Main Replacement | Replacement of vulnerable shallow Infrastructure | Replacement of up to 500 lf of 8"/6" on North Whittier Street between Matthew Ave and Herman Ave | 30 | 12/31/2025 | \$ 250,000.00 |
| 01P-2016-308 | Grove Avenue Main Relocation | Replacement due to County Bridge Work | Replacement of approximately 180 feet of 6-inch main on Grove Street at the rail crossing due to proposed bridge reconstruction. | 30 | 12/31/2025 | \$ 150,000.00 |
| 03P-2024-311 | Maldstone Place Water Main Replacement | Replacement due to County Culvert Work | This project consists of the replacement of 550-feet of 12-inch ACP water main and the installation of an automatic flushing unit. | 30 | 12/31/2025 | \$ 400,000.00 |
| 01B-2026-911 | T&D Mains Replacement Blanket | Blanket | Installation & Replacement of miscellaneous T&D mains during the year | | Nov 25 - Apr 26 | \$ 1,572,271.52 |
| 01B-2026-913 | Service Line Replacement Blanket | Blanket | Service line replacement & installation during the year | | Nov 25 - Apr 26 | \$ 412,903.21 |
| 01B-2026-915 | Hydrants Replacement Blanket | Blanket | Hydrant replacement & installation during the year | | Nov 25 - Apr 26 | \$ 1,099,532.31 |
| 01P-2025-301 | RENEW 2025 | Replacement of Aging Infrastructure | Replacement of approximately 19,550 LF of cast iron 6" water main in Woodbridge Township. | 180 | 6/30/2026 | \$ 1,500,000.00 |
| 01P-2020-310 | Route 9 - Green Street Phase 2 Main Replacement | Replacement of Aging Infrastructure | This project is for the replacement of approximately 1,495 lf of 12-inch main and approximately 335 lf of 8-inch main. | 60 | 10/31/2026 | \$ 1,750,000.00 |
| 01P-2019-306 | Route 1 - Hudson Blvd to Lord Street | Replacement of Aging Infrastructure | Project consists of the replacement of approximately 2,200-feet of 6-inch water main on Route 1 (Northbound) between Hudson Blvd and Lord Street in Woodbridge. The project will also include the installation of approximately 2,200-feet of 8-inch water main on the southbound side of Route 1 between Hudson Blvd and Lord Street. | 90 | 10/31/2026 | \$ 1,160,000.00 |
| 01P-2019-309 | Green Street @ Route 1 Main Replacements | Replacement of Aging Infrastructure | Replacement of approximately 2,000 feet of 6-inch, 8-inch and 12-inch water main on Green Street and US Route 1 in Avenel. Full replacement of water main and associated hydrants and services. | 90 | 10/31/2026 | \$ 1,301,528.90 |
| 01P-2019-314 | South Main St - Edison Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 1,500 linear feet of 6-inch main with 8-inch ductile iron pipe. | 30 | 10/31/2026 | \$ 863,000.00 |
| 01P-2025-304 | Fordham Place WMR - Woodbridge | Replacement of Aging Infrastructure | Replacement of 1,600 ft of 6" (1956) on Fordham Place in Woodbridge. Most pipe sections has a priority of 6 with some at 4. | 45 | 10/31/2026 | \$ 850,000.00 |
| 03P-2020-300 | Holly Blvd Main Replacement | Replacement of Aging Infrastructure | Replacement of 4,000' of 6" ACP on Holly Blvd in Hampton Lakes due to increasing main breaks | 45 | 10/31/2026 | \$ 1,830,000.00 |
| 03P-2024-310 | Hampton Lakes & Leisure Town Interconnection | Replacement of Aging Infrastructure | Installation of 2,360-feet of 8-inch water main to eliminate the dead ends located on Holly Boulevard and Huntington Drive. | 60 | 10/31/2026 | \$ 1,722,000.00 |
| 03P-2026-301 | Picardy Place Water Main Replacement | Replacement of Aging Infrastructure | Replacement of 1,300 lf of main on Picardy Place, including services & hydrants | 30 | 10/31/2026 | \$ 390,000.00 |
| 01P-2026-301 | RENEW 2026 | Replacement of Aging Infrastructure | Replacement of approximately 28,400 LF of cast iron 6" water main in South Plainfield Borough. | 180 | 6/30/2027 | \$ 8,250,000.00 |
| 01B-2026-911 | T&D Mains Replacement Blanket | Blanket | Installation & Replacement of miscellaneous T&D mains during the year | | May 26 - Oct 26 | \$ 938,072.50 |
| 01B-2026-913 | Service Line Replacement Blanket | Blanket | Service line replacement & installation during the year | | May 26 - Oct 26 | \$ 353,805.00 |
| 01B-2026-915 | Hydrants Replacement Blanket | Blanket | Hydrant replacement & installation during the year | | May 26 - Oct 26 | \$ 676,710.00 |
| 01P-2025-301 | RENEW 2025 | Replacement of Aging Infrastructure | Replacement of approximately 19,550 LF of cast iron 6" water main in Woodbridge Township. | 180 | 6/30/2026 | \$ 100,000.00 |
| 01P-2026-301 | RENEW 2026 | Replacement of Aging Infrastructure | Replacement of approximately 26,400 LF of cast iron 6" water main in South Plainfield Borough. | 180 | 4/30/2027 | \$ 1,350,000.00 |
| 01P-2019-312 | Rahway Ave - Kings Ct to Meinzer St Main Replacement | Replacement of Aging Infrastructure | Replacement of 1,150 ft of the 6"/8" main with with 8" DI pipe and associated hydrants and services. | 90 | 4/30/2027 | \$ 1,430,000.00 |
| 01P-2025-305 | Ella Ave WMR - Woodbridge | Replacement of Aging Infrastructure | Replacement of 1,200 ft of 6" (1952) on Ella Ave in Woodbridge. | 30 | 4/30/2027 | \$ 650,000.00 |
| 01P-2025-306 | Sherwood Road WMR Edison | Replacement of Aging Infrastructure | Replacement of 1,800 ft of 6" (1965) on Sherwood Ave in Edison. | 45 | 4/15/2027 | \$ 1,000,000.00 |
| 01P-2025-308 | Meade Street Main Replacement | Replacement of Aging Infrastructure | Replacement of 600 linear feet of 6-inch CIP on Meade Street along with services and hydrants. | 30 | 4/30/2027 | \$ 350,000.00 |
| 01B-2027-911 | T&D Mains Replacement Blanket | Blanket | Installation & Replacement of miscellaneous T&D mains during the year | | Nov 26-Apr 27 | \$ 956,834.70 |
| 01B-2027-913 | Service Line Replacement Blanket | Blanket | Service line replacement & installation during the year | | Nov 26-Apr 27 | \$ 360,881.20 |
| 01B-2027-915 | Hydrants Replacement Blanket | Blanket | Hydrant replacement & installation during the year | | Nov 26-Apr 27 | \$ 690,244.33 |
| 01P-2026-301 | RENEW 2026 | Replacement of Aging Infrastructure | Replacement of approximately 26,400 LF of cast iron 6" water main in South Plainfield Borough. | 180 | 6/30/2027 | \$ 1,600,000.00 |
| 01P-2027-301 | RENEW 2027 | Replacement of Aging Infrastructure | Replacement of approximately 26,400 LF of cast iron 6" water main in Carteret Borough. | 180 | 10/31/2027 | \$ 8,000,000.00 |
| 01P-2021-509 | Spring Lake Distribution Improvements | Main Installation to Improve the distribution system | Additional piping is needed to connect the pipe network northwest of Spring Lake to the larger MWC distribution system in South Plainfield. | 90 | 10/31/2027 | \$ 1,140,000.00 |
| 01P-2025-309 | Old Road Water Main Replacement | Replacement of Aging Infrastructure | Replacement of up to 3,500 lf of 6" min on Old Road in Port Reading. Port Reading Ave to E. Summit Ave | 60 | 10/31/2027 | \$ 1,800,000.00 |
| 03P-2026-302 | Sheffield Place Water Main Replacement | Replacement of Aging Infrastructure | Replacement of 2,400 lf of main on Sheffield Place, including services & hydrants | 45 | 10/31/2027 | \$ 720,000.00 |
| 01P-2020-319 | East Carteret Main Replacement Project | Replacement of Aging Infrastructure | Replacing approximately 2,500 LF of water main replacements on Pershing, Emerson, Lowell and Longfellow. Including mains, valves, service lines, and hydrants. | 60 | 10/31/2027 | \$ 1,697,500.00 |

Middlesex Water Company
2025 DSIC Foundational Filing
BPU Docket No. 25070452

EXHIBIT B

PROJECTLIST

| Project ID # | Project Name / Location | Reason for Project | Project Description | Estimated Duration | Projected In Service Date | Estimated Project Cost |
|--------------|--------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------|------------------------|
| 01P-2012-321 | Oak Drive Dead End Closure | Main Installation to Improve the distribution system | Provide a looping water system eliminating two (2) existing dead ends totaling 2,900 feet in Roosevelt Park. | 30 | 10/31/2027 | \$ 650,000.00 |
| 03P-2025-314 | Kathleen Ln, West Shore Dr, Gloria Ln Water Main Replacement | Replacement of Aging Infrastructure | Replacement of 2,400' of 6" ACP on Kathleen Lane, West Shore Drive and Gloria Ln in Hampton Lakes along with services and hydrants. | 45 | 10/31/2027 | \$ 1,700,000.00 |
| 01P-17-316 | Ronson Road Main Replacement | Replacement of Infrastructure due to new construction | Replacement of 3,300 lf of 12" on Ronson Road in Iselin. Includes 5 hydrants and 19 services | 60 | 10/30/2027 | \$ 1,900,000.00 |
| 01B-2027-911 | T&D Mains Replacement Blanket | Blanket | Installation & Replacement of miscellaneous T&D mains during the year | | May 27 - Oct 27 | \$ 966,215.80 |
| 01B-2027-913 | Service Line Replacement Blanket | Blanket | Service line replacement & installation during the year | | May 27 - Oct 27 | \$ 364,419.30 |
| 01B-2027-915 | Hydrants Replacement Blanket | Blanket | Hydrant replacement & installation during the year | | May 27 - Oct 27 | \$ 697,011.50 |
| 01P-2020-315 | Oaktree Road/Green Street Main Replacement | Replacement of Aging Infrastructure | Replacement of 8" and 16" main along Oaktree Rd/Green St (between Benjamin Avenue to Lincoln Hwy) in Woodbridge. | 60 | 4/15/2028 | \$ 1,250,000.00 |
| 01P-2027-301 | RENEW 2027 | Replacement of Aging Infrastructure | Replacement of approximately 26,400 LF of cast iron 6" water main in Carteret Borough. | 180 | 4/30/2028 | \$ 2,175,000.00 |
| 01P-2020-313 | Tingley Lane 24" Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 5,800 feet of 24" PCCP main with 24" DIP. The project also consists of 69 service and 7 hydrants which will need replacement/changeover. | 90 | 4/30/2028 | \$ 1,620,000.00 |
| 01P-2020-318 | North Lafayette Main Replacement Project | Replacement of Aging Infrastructure | Replacement of approximately 4,000 feet of 6", 8" and 12" main that traverses from the terminus of North Lafayette Road to Route 1. | 60 | 3/31/2028 | \$ 1,919,202.00 |
| 01P-2018-305 | Freeman Street Area Main Replacement | Replacement of Aging Infrastructure | Replacement of roughly 1,950 feet of 24" main, 1,400 feet of 16" main, and 1,350 feet of 6" main. The 6" main will be replaced with 8" DIP. | 90 | 4/30/2028 | \$ 1,619,947.42 |
| 03P-2026-303 | Warwick Way Water Main Replacement | Replacement of Aging Infrastructure | Replacement of 2,500 lf of main on Warwick Way, including services & hydrants | 45 | 12/31/2027 | \$ 750,000.00 |
| 01P-2025-310 | Omar Avenue Water Main Replacement | Replacement of Aging Infrastructure | Replacement of 350 linear feet of 6-inch CIP on Omar Avenue. | 30 | 12/31/2027 | \$ 220,000.00 |
| 01P-2013-315 | Northern Colonia Area Main Relocation | Replacement of Aging Infrastructure & Access Issues | Installation of 100 feet of 20" DIP, 1,350 feet of 16" DIP and 450 feet of 8" DIP. 8" Main is to close dead end on Sherold Road. | 45 | 12/21/2027 | \$ 500,000.00 |
| 01P-2020-312 | Lincoln Highway Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 4,150 feet of 12" cast iron mains with 12" DIP. Project includes 18 services (mix of residential, fire and commercial) along with 7 hydrants. | 90 | 12/30/2028 | \$ 3,200,000.00 |
| 01B-2028-911 | T&D Mains Replacement Blanket | Blanket | Installation & Replacement of miscellaneous T&D mains during the year | | Nov 27 - Apr 28 | \$ 985,541.02 |
| 01B-2028-913 | Service Line Replacement Blanket | Blanket | Service line replacement & installation during the year | | Nov 27 - Apr 28 | \$ 371,707.75 |
| 01B-2028-915 | Hydrants Replacement Blanket | Blanket | Hydrant replacement & installation during the year | | Nov 27 - Apr 28 | \$ 710,951.89 |
| 01P-2028-301 | RENEW 2028 | Replacement of Aging Infrastructure | This water main rehabilitation program known as RENEW is Middlesex Water Company's flagship program to address aging infrastructure. This program was established to replace old cast iron water mains or mains that have been identified as deficient by the asset management program. | 180 | 10/30/2028 | \$ 3,250,000.00 |
| 01P-2027-301 | RENEW 2027 | Replacement of Aging Infrastructure | Replacement of approximately 26,400 LF of cast iron 6" water main in Carteret Borough. | 180 | 4/30/2028 | \$ 1,250,000.00 |
| 01P-2025-302 | Meridian Road Water Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 1,100-feet of 12-inch water main on Meridian Road in Edison, New Jersey. | 30 | 10/30/2028 | \$ 625,000.00 |
| 01P-2025-303 | Longfellow Street Water Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 1,500-feet of 6-inch water main on Longfellow Street (Carteret Avenue to Hermann Avenue) in Carteret, New Jersey. | 30 | 10/30/2028 | \$ 825,000.00 |
| 01P-2025-307 | Auth Avenue Main Replacement | Replacement of Aging Infrastructure | Replacement of 2500 linear feet of 6-inch CIP on Auth Avenue. | 45 | 10/30/2028 | \$ 750,000.00 |
| 01P-2019-310 | Queen Road @ Route 9 Main Replacements | Replacement of Aging Infrastructure | Replacement of approximately 2,660 feet of 6-inch, 8-inch and 12-inch water main on Queen Road and US Route 9 in Avenel. Full replacement of water main and associated hydrants and services. | 60 | 10/30/2028 | \$ 1,434,500.00 |
| 03P-2025-313 | Stagecoach Rd. Water Main Replacement | Replacement of Aging Infrastructure | Replacement of 3,200' of 6" ACP on Stagecoach Rd in Hampton Lakes. | 60 | 10/30/2028 | \$ 1,250,000.00 |
| 03P-2026-304 | Narberth Place Water Main Replacement | Replacement of Aging Infrastructure | Replacement of 1,400 lf of main on Narberth Place, including services & hydrants | 30 | 10/30/2028 | \$ 420,000.00 |
| 01P-2025-312 | Grand Street Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 860 linear feet of 6-inch CIP & DIP along Grand Street | 30 | 10/30/2028 | \$ 260,000.00 |
| 01P-2025-313 | Trento Street Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 1500 linear feet of 6-inch CIP & DIP along Trento Street | 30 | 10/30/2028 | \$ 450,000.00 |
| 01P-2025-314 | Trieste Street Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 1,930 linear feet of 6-inch CIP & DIP along Trieste Street | 30 | 10/30/2028 | \$ 600,000.00 |
| 01P-2020-314 | Middlesex Essex Turnpike Main Replacement | Replacement of Aging Infrastructure | Replacement of approximately 4,000-feet of existing water main from Wood Avenue to Green Street in Iselin, New Jersey. | 90 | 10/30/2028 | \$ 3,745,816.00 |
| 01B-2028-911 | T&D Mains Replacement Blanket | Blanket | Installation & Replacement of miscellaneous T&D mains during the year | | May 28 - Oct 28 | \$ 995,203.63 |
| 01B-2028-913 | Service Line Replacement Blanket | Blanket | Service line replacement & installation during the year | | May 28 - Oct 28 | \$ 375,351.98 |
| 01B-2028-915 | Hydrants Replacement Blanket | Blanket | Hydrant replacement & installation during the year | | May 28 - Oct 28 | \$ 717,922.08 |

Middlesex Water Company
 Distribution System Improvement Charge
 BPU Docket No. WR25070452

Maximum DSIC Charge by Meter Size Calculation

Consolidated Middlesex Water Company & Pinelands Water Company

| | |
|--------------------------------------------------------------|---------------------|
| Total Annual Proposed Water Revenue Requirement (WR25060372) | \$ 141,136,363 |
| DSIC Cap Percentage | 5.00% |
| DSIC Revenue Requirement Recovery Amount Cap | <u>\$ 7,056,818</u> |

| Meter Size | /-----GMS Customer Class-----\ Residential Commercial Industrial | | | Private Fire | Total GMS/PF Meters (1) | AWWA Ratio | Equivalent Meters | EM% To Total | Monthly DSIC Charge | Monthly DSIC Revenue | Quarterly DSIC Charge | Quarterly DSIC Revenue | Annual DSIC Revenue |
|------------|---------------------------------------------------------------------|--------------|------------|--------------|-------------------------|------------|-------------------|----------------|---------------------|----------------------|-----------------------|------------------------|---------------------|
| 5/8" | 46,231 | 1,000 | - | - | 47,231 | 1.00 | 47,231 | 31.77% | \$ 3.96 | \$ 187,035 | \$ 11.88 | \$ 561,104 | \$ 2,244,417 |
| 3/4" | 9,625 | 394 | 2 | - | 10,021 | 1.50 | 15,032 | 10.11% | \$ 5.93 | \$ 59,425 | \$ 17.79 | \$ 178,274 | \$ 713,094 |
| 1" | 1,444 | 509 | 8 | 12 | 1,973 | 2.50 | 4,933 | 3.32% | \$ 9.89 | \$ 19,513 | \$ 29.67 | \$ 58,539 | \$ 234,156 |
| 1-1/2" | 127 | 408 | 20 | - | 555 | 5.00 | 2,775 | 1.87% | \$ 19.78 | \$ 10,978 | \$ 59.34 | \$ 32,934 | \$ 131,735 |
| 2" | 45 | 1,032 | 35 | 53 | 1,165 | 8.00 | 9,320 | 6.27% | \$ 31.65 | \$ 36,872 | \$ 94.95 | \$ 110,617 | \$ 442,467 |
| 3" | - | 241 | 39 | 41 | 321 | 15.00 | 4,815 | 3.24% | \$ 59.33 | \$ 19,045 | \$ 177.99 | \$ 57,135 | \$ 228,539 |
| 4" | - | 69 | 79 | 298 | 446 | 25.00 | 11,150 | 7.50% | \$ 98.89 | \$ 44,105 | \$ 296.67 | \$ 132,315 | \$ 529,259 |
| 6" | - | 11 | 52 | 325 | 388 | 50.00 | 19,400 | 13.05% | \$ 197.78 | \$ 76,739 | \$ 593.34 | \$ 230,216 | \$ 920,864 |
| 8" | - | 14 | 17 | 277 | 308 | 80.00 | 24,640 | 16.57% | \$ 316.45 | \$ 97,467 | \$ 949.35 | \$ 292,400 | \$ 1,169,599 |
| 10" | - | 4 | 8 | 62 | 74 | 115.00 | 8,510 | 5.72% | \$ 454.90 | \$ 33,663 | \$ 1,364.70 | \$ 100,988 | \$ 403,951 |
| 12" | - | 2 | - | 2 | 4 | 215.00 | 860 | 0.58% | \$ 850.47 | \$ 3,402 | \$ 2,551.41 | \$ 10,206 | \$ 40,823 |
| Total (1) | <u>57,472</u> | <u>3,684</u> | <u>260</u> | <u>1,070</u> | <u>62,486</u> | | <u>148,665</u> | <u>100.00%</u> | | <u>\$ 588,242</u> | | <u>\$ 1,764,726</u> | <u>\$ 7,058,904</u> |

DISC Revenue Requirement Recovery Cap \$ 588,068 \$ 1,764,205 \$ 7,056,818

Rounding Difference \$ 174 \$ 521 \$ 2,086