NOTICE OF FILING OF PROPOSED RATE INCREASE AND PUBLIC HEARING

ALL PARTIES ARE INVITED TO ATTEND AND PRESENT THEIR VIEWS

IN THE MATTER OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC. FOR APPROVAL OF INCREASED TARIFF RATES AND CHARGES FOR WATER AND WASTEWATER SERVICE, AND OTHER TARIFF MODIFICATIONS

OAL DOCKET NO. PUC 00808-2022N BPU DOCKET NO. WR22010019

TO OUR CUSTOMERS:

PLEASE TAKE NOTICE that on January 14, 2022, New Jersey-American Water Company, Inc., (the "Company") filed with the Board of Public Utilities ("Board"), pursuant to N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12, a petition ("Petition") seeking to increase rates for water and wastewater service and to implement other tariff revisions. These changes were proposed to become effective for service rendered on or after February 13, 2022, or at such later date as may be determined by the Board. On February 23, 2022, the Board of Public Utilities issued an order suspending any rate increase until June 13, 2022. Based on the Company's total projected operating revenues for the twelve months ending June 30, 2022, the new rates proposed herein will yield additional operating revenues of \$94.7 million or 11.71%. The total projected operating revenues include the revenue being recovered through the Distribution System Improvement Charge ("DSIC") previously approved by this Board, and revenues recovered through the Purchased Water Adjustment Clause (PWAC) and Purchased Wastewater (Sewer) Treatment Adjustment Clause (PSTAC).

PLEASE TAKE FURTHER NOTICE that virtual public comment hearings on the Company's petition have been scheduled as follows:

APRIL 6, 2022 4:30 PM

- The call in number is as follows: 1-646-828-7666.
- Upon calling in, participants will be prompted to enter the meeting ID of 161 537 5156 and press the pound or hashtag button (#).
- Press the pound or hashtag button (#) a second time (in response to the second electronic prompt).

- Participants will then be prompted to enter the password for the public meeting of **899852** and press the pound or hashtag button (#)
- Participants will then be entered into the waiting room where the Office of Administrative Law
 ("OAL") Internet Technology ("IT") staff will admit the caller into the public hearing.
 Participants should mute their phones to prevent background noise. Failure to mute your own
 line may cause OAL IT staff to mute the participant and the participant will have to disconnect
 and call back in to participate in the public discussion portion.

APRIL 6, 2022 5:30 PM

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 line may cause OAL IT staff to mute the participant and the participant will have to disconnect
 and call back in to participate in the public discussion portion.

Administrative Law Judge Tricia Caliguire from the Office of Administrative Law will preside over the virtual public comment hearings. Members of the public are invited to participate and express their views on the proposed rates. Such comments will be made a part of the final record in the proceeding.

Whether or not you attend the virtual public hearings, written comments may be submitted no later than June 1, 2022, to the Hon. Tricia Caliguire, Office of Administrative Law, P.O. Box 049, Trenton, New Jersey 08625-0049 and/or the Hon. Aida Camacho Welch, Secretary, Board of Public Utilities, 44 S. Clinton Avenue, 9th Floor, Trenton, NJ 08625-0350, or emailed to board.secretary@bpu.nj.gov. Please include OAL Docket No. PUC00808-2022N and BPU Docket No. WR22010019 in your written comments. Written comments will be provided the same weight as statements made at the hearings.

IN ORDER TO ENCOURAGE FULL PARTICIPATION IN THIS

OPPORTUNITY FOR VIRTUAL PUBLIC COMMENT, PLEASE SUBMIT ANY REQUESTS FOR NEEDED ACCOMMODATIONS, INCLUDING INTERPRETERS OR VISUAL OR AUDITORY ASSISTANCE, TO THE COMPANY 48 HOURS PRIOR TO THIS HEARING TO DENISE FREE, DIRECTOR OF COMMUNICATIONS AND EXTERNAL AFFAIRS, NJAWC, 856-955-4874, DENISE.FREE@AMWATER.COM.

The average residential water customer using 5,520 gallons per month will see their bill increase from \$62.44 to \$69.23, an increase of \$6.78 or 10.86% per month. The actual percentage increase to specific customers will vary according to the applicable rate schedule and level of the customer's usage. The changes proposed in the Petition will result in the changes indicated in the chart below.

The following comparisons of average present and proposed rates will permit customers to determine the approximate net effect upon them of the proposed increases and adjustments in rates. Any assistance required by customers in this regard will be furnished by the Company upon request. Complete information about the present and proposed rates for every class of customer is available on the Company's website at www.newjerseyamwater.com by first selecting Customer Service and then Rates Information. Please note that the Board, in its discretion, may apply all or any portion of whatever rate increase the Board may ultimately find just and reasonable to any class or classes of customers or to any rate schedule or schedules, or in a manner different than what the Company has proposed in its filing. Accordingly, the final rates and charges to be determined by the Board in this proceeding may be different than what the Company has described herein. All rates include both a fixed service charge and a consumption charge.

Customer Class	Usage	Rates pe	er Month	Change per Month	
		Current Bill*	Proposed Bill	Amount	Percentage
General Metered Service: All except SA- 1B, SA-1C, SA-1E and SA-1F	5,520 gal/mo.	\$62.44	\$69.23	\$6.78	10.86%
SA-1B (Pennsgrove) and SA-1C (Shorelands)	5,520 gal/mo.	\$59.96	\$69.23	\$9.27	15.46%
SA-1E (Haddonfield)	5,520 gal/mo.	\$57.92	\$64.73	\$6.81	11.75%
SA-1F (Roxbury)	5,520 gal/mo.	\$35.93	\$41.97	\$6.04	16.82%
SA-1G (Egg Harbor City)	5,520 gal/mo.	\$72.81	\$72.81	\$0.00	0.00%
Manasquan Resale**	Various	Various	Various	Various	11.30%

Optional Industrial Wholesale**	Various	Various	Various	Various	11.70%
Sales for Resale – CD**	Various	Various	Various	Various	11.71%
Sales for Resale – SOS**	Various	Various	Various	Various	11.71%
Private Fire Protection**	Various	Various	Various	Various	22.55%
Public Fire Protection	Various	Various	Various	Various	7.51%
Sewer					
Ocean City	17,000 gal/summer	\$71.31	\$74.57	\$3.26	4.6%
Lakewood	5,520 gal/mo.	\$63.98	\$68.41	\$4.43	6.9%
Elk Township	5,520 gal/mo.	\$55.75	\$72.44	\$16.69	29.9%
Adelphia	5,520 gal/mo.	\$70.96	\$80.87	\$9.90	13.9%
Former AWWM/Pottersville	5,520 gal/mo.	\$89.33	\$94.38	\$5.06	5.7%
Jensen's Run	5,520 gal/mo.	\$71.26	\$76.92	\$5.66	7.9%
Haddonfield	5,520 gal/mo.	\$21.98	\$28.15	\$6.17	28.1%
Mount Ephraim	Flat Fee***	\$8.58	\$8.84	\$0.26	3%
Egg Harbor City	5,520 gal/mo.	\$52.23	\$52.23	\$0.00	0%
Bound Brook	5,520 gal/mo.	\$40.33	\$40.33	\$0.00	0%
Long Hill Township	5,520 gal/mo.	\$115.43	\$118.91	\$3.48	3%

^{*}Rates include the PWAC and PSTAC as approved by the Board under BPU Docket Number WR20110719 and the fully implemented DSIC of \$3.59 for a 5/8" meter expected to be approved by the Board under BPU Docket No. WR20030256, effective July 1, 2022. Currently, the DSIC is \$2.44 for a 5/8" meter, effective December 30, 2021.

In addition to actual rate changes, the Company is proposing other changes and additions to its Tariff, some of which would apply to all customers and others that would apply only to specified customers. These changes include, but are not limited to, changes to various rate schedules.

Notice of this filing was served upon the clerk, executive or administrator of each municipality and county within the Company's service areas. Such notice has also been served, together with the Verified Petition, Tariffs, and all other exhibits, upon the Director of the Division of Rate Counsel, who will represent the interests of ratepayers in this proceeding. Any members of the public who wish to inspect the petition at the Board should contact the Board's Division of Case Management at 609-292-0806 or board.secretary@bpu.nj.gov. Copies of the Verified Petition, Tariffs, and all other exhibits are available for inspection at the Company's office at 1 Water Street, Camden, NJ, and can also be found on the Company's website at www.newjerseyamwater.com by first selecting Customer Service and Billing and then Your

^{**} Increase percentage for the overall respective tariff or rate schedules based on proposed rate design.

^{***}The rate is at the single unit amount per month.

Water and Wastewater Rates.

Any relief determined by the Board of Public Utilities to be just and reasonable may be applied by the Board of Public Utilities in such manner as it may deem appropriate.

NEW-JERSEY AMERICAN WATER COMPANY, INC.

BY: MARK K. MCDONOUGH

PRESIDENT

NEW JERSEY-AMERICAN WATER

1 Water Street Camden, NJ 08102



Agenda Date: 2/23/22 Agenda Item: VA

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/

IN THE MATTER OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC. FOR APPROVAL OF INCREASED TARIFF RATES AND)	ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR
CHARGES FOR WATER AND WASTEWATER SERVICE, AND OTHER TARIFF MODIFICATIONS)	WATER SERVICE BPIL DOCKET NO WR22010019

WATER

Parties of Record:

Bruce V. Miller, Esq., Cullen and Dykman LLP, on behalf of New Jersey-American Water Company, Inc.

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On January 18, 2022, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, New Jersey-American Water Company ("Company" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition to increase its base tariff rates and charges for water and wastewater service amounting to approximately \$94.7 million or 11.22% in additional annual revenues. The Company proposed that the increase in rates becomes effective on February 13, 2022.1

The Company provides water service to approximately 660,000 customers and provides wastewater service to approximately 49,900 customers in portions of the following counties: Atlantic, Bergen, Burlington, Camden, Cape May, Essex, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Union, and Warren.

According to the petition, the primary driver of the proposed rate increase is the capital investment needed to maintain and improve the Company's infrastructure to continue providing safe, reliable and adequate service to its customers.

¹ By letter dated January 19, 2022, the Company indicated that it would not implement rates on an interim basis prior to the effective date of the Board's initial suspension order in this matter. However, the Company noted that it did not waive its right to implement the proposed rates at the conclusion of the second suspension period on October 13, 2022, should the Board not issue a final Decision and Order by that date.

Agenda Date: 2/23/22 Agenda Item: VA

It appearing that the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is HEREBY ORDERED that:

- (1) Pursuant to N.J.S.A. 48:2-21, the proposed revisions are suspended until June 13, 2022, unless prior to that date, the Board makes a determination disposing of the petition:
- Petitioner shall, at least 10 days prior to the date set for hearing on the petition by the (2) Office of Administrative Law, file with this Board and with the Office of Administrative Law, proof of compliance with the notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12(b) and (c), the notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- Petitioner shall serve copies of this Order upon the Office of Administrative Law, the (3) New Jersey Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, NJ 08625-0003), the clerk of the affected municipalities, the clerk of the Board of County Commissioners of the affected county, and, where appropriate, the executive officer of the affected county within its service area. Service of this petition, notice of hearings, and this Order may be made simultaneously. Proof of service of this Order shall be filed with the Board within 15 days of the date of this Order.

This Order shall be effective on February 23, 2022.

DATED: February 23, 2022

BOARD OF PUBLIC UTILITIES

BY:

OSĚPH L. FIORDALISO

PRESIDENT

COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

ATTEST:

AIDA CAMACHO-WELCH

SECRETARY

COMMISSIONER

ROBERT M. GORDON COMMISSIONER