



Agenda Date: 12/15/21
Agenda Item: 5E

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 2022)
PURCHASED WASTEWATER TREATMENT CLAUSE)
RATE AND OTHER REQUIRED APPROVALS)
)
) DOCKET NO. WR21081056

Parties of Record:

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

BY THE BOARD:

BACKGROUND/PROCEDURAL HISTORY

On August 10, 2021, pursuant to N.J.A.C. 14:9-7.1 to 7.7, Aqua New Jersey, Inc. (“Aqua,” “Petitioner,” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) to set prospective Purchase Sewer Treatment Adjustment Clause (“PSTAC”) rates for calendar year 2022 as required by N.J.A.C. 14:9-7.1(d)(2) and 14:9-7.7.6.

Aqua represents it will true-up 2021 PSTAC revenues and rates in its 2022 PSTAC filing, and commits to making the 2022 PSTAC filing on a timely basis.

Petitioner’s Walkkill Sewer Division (“Walkkill”), formerly the Walkkill Sewer Company, provides wastewater service to approximately 423 customers in a portion of the Township of Hardyston, County of Sussex, pursuant to an Order of the Board.¹ Walkkill transmits the wastewater it collects to the Sussex County Municipal Utilities Authority (“SCMUA”) for treatment.

Petitioner’s Maxim Wastewater Division (“Maxim”) provides wastewater service to approximately 2,590 customers in the Township of Howell, County of Monmouth, pursuant to a municipal consent and franchise, and an Order of the Board approving the franchise and accepting

¹See I/M/O the Acquisition of the Walkkill Sewer Company by Aqua New Jersey, Inc. and Other Related Approvals, Docket No. WM10020117 (May 5, 2010).

Petitioner's initial tariff for filing.² Maxim transits the wastewater it collects to the Ocean County Municipal Utilities Authority ("OCMUA").

Petitioner also purchases wastewater treatment services from the Logan Township Municipal Utilities Authority ("LTMUA"). LTMUA treats all of the wastewater collected by the Company in its Woolwich service territory pursuant to the Sewer Service Agreement dated September 14, 2000 (as amended April 28, 2015) between the Company and LTMUA. LTMUA bills the Company a fixed monthly amount for each Equivalent Dwelling Unit ("EDU"), which is determined by the LTMUA rate schedule in effect. There are approximately 2,959 EDUs for which the LTMUA provides treatment.

Aqua's last water base rate case concluded in May 2019.³ Aqua's last wastewater base rate case concluded in December 2020 and implemented a uniform fixed monthly PSTAC for all wastewater customers.⁴

The matter was retained by the Board for review and disposition. The Company, the New Jersey Division of Rate Counsel Rate Counsel, and Board Staff (collectively, "Parties") agreed that a public comment hearing was not required because the Petitioner had proposed a decrease in rates.

STIPULATION OF SETTLEMENT

Following settlement negotiations, the Parties executed a Stipulation of Settlement ("Stipulation")⁵, which resolved all of the issues in the proceeding. The Stipulation is summarized below:

9. In this proceeding, the Parties have examined the Company's projected wastewater treatment expenses for 2022, as well as the costs of this proceeding. The Parties have determined that the current PSTAC rate should remain the same for 2022. In its petition, the Company determined that the current PSTAC rate should be decreased to recover \$28,697 less in revenues. The \$28,697 PSTAC decrease was calculated based on the following components:

²See I/M/O the Joint Petition for Approval of the Acquisition by Consumers New Jersey Water Company of a Controlling Interest in Maxim Sewerage Corporation, and the Resulting Merger of Maxim Sewerage Corporation into Consumers New Jersey Water Company, as Part of the Stock Purchase of AquaSource Utility, Inc. by Philadelphia Suburban Corporation, Docket No. WM02110808 (May 22, 2003) and I/M/O the Petition of Maxim Sewerage Corporation d/b/a Aquasource Utility-NJ for Approval to Close an Existing Office, Docket No. WE02020059 (May 22, 2003).

³See I/M/O the Petition of Aqua New Jersey, Inc. for Approval of an Increase in Rates of Water Service and Other Tariff Changes, BPU Docket No. WR18121351 and OAL Docket No. PUC 00305-20198 (May 28, 2019).

⁴See I/M/O Aqua New Jersey, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes, BPU Docket No. WR20010056 and OAL Docket No. PUC 01318-2020S (December 2, 2020).

⁵Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order.

- a. Projected Sussex County Municipal Utilities Authority (“SCMUA”) charges for 2022 of \$144,891 based on SCMUA rates effective for 2021;
 - b. Projected Ocean County Utilities Authority (“OCUA”) charges for 2022 of \$949,165 based on OCUA rates effective for 2021;
 - c. Projected LTMUA charges for 2022 of \$1,154,544 based on LTMUA rates effective for 2021;
 - d. Projected rate case expenses of \$6,250. These costs will be share shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$3,125; and
 - e. The pro forma PSTAC revenues at present rates are projected to be \$2,280,422.
10. After the petition was filed and during the discovery period, Aqua received a notice from SCMUA indicating that the treatment rate would be increased from \$144,891 to \$166,531 for 2022. With this increase to expense, the previously calculated decrease went from \$28,697 to \$7,057. Consequently, the proposed rate decrease went from - 1.26% to - 0.31%.
11. In addition, the Parties believe it reasonably likely that OCUA may also increase the Company’s treatment costs for 2022, which increase will not be captured in rates for 2022.
12. The Stipulation therefore agrees that Petitioner’s current PSTAC rate should remain unchanged.

As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of treatment costs for calendar year 2022, which estimate has been used to determine the applicable PSTAC rate for 2022.

DISCUSSION AND FINDING

Having reviewed the record in this matter, as well as the Stipulation, the Board **HEREBY FINDS** that the Stipulation is reasonable, in the public interest and is in accordance with the law. Therefore, 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 fully set forth at length herein, subject to the following:

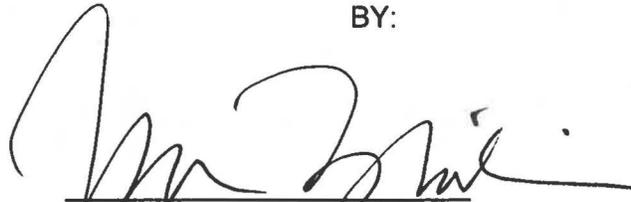
In accordance with the provisions of N.J.A.C. 14:9-7.3(c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, or by December 31, 2022, whichever is earlier, a PSTAC true-up filing in connection with this proceeding. This filing shall include estimates of the OCUA, SCMUA, and LTMUA costs for calendar year 2022. Copies of the true-up filing shall be served upon all Parties to the present proceeding.

The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order by January 1, 2022.

This Order shall be effective on December 22, 2021, with rates to become effective on January 1, 2022.

DATED: December 15, 2021

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST: 

AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC. FOR APPROVAL OF A
2022 PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE RATE AND
OTHER REQUIRED TARIFFS
DOCKET NO. WR21081056

SERVICE LIST

<p>Aqua New Jersey, Inc. Courtney Schultz, Esq. Saul Ewing Arnstein & Lehr, LLP Centre Square West, 38th Floor 1500 Market Street Philadelphia, PA 19102 courtney.Schultz@saul.com</p> <p>New Jersey Division of Rate Counsel 140 East Front Street, 4th Floor P.O. Box 003 Trenton, NJ 08625-0003</p> <p>Brain O. Lipman, Esq., Director blipman@rpa.nj.gov</p> <p>Susan E. McClure, Esq. smcclure@rpa.nj.gov</p> <p>New Jersey Department of Law and Public Safety Division of Law Public Utilities Section Richard J. Hughes Justice Complex 25 Market Street P.O. Box 112 Trenton, NJ 08625</p> <p>Pamela Owen, DAG, Assistant Section Chief pamela.Owen@law.njoag.gov</p> <p>Meliha Arnautovic, DAG meliha.Arnautovic@law.njoag.gov</p> <p>Brandon Simmons, DAG brandon.Simmons@law.njoag.gov</p> <p>Steven Chaplar, DAG steven.Chaplar@law.njoag.gov</p>	<p>New Jersey Board of Public Utilities 44 South Clinton Avenue, 1st Floor P. O. Box 350 Trenton, NJ 08625.</p> <p><u>Division of Water</u></p> <p>Mike Kammer, Director mike.kammer@bpu.nj.gov</p> <p>Megan Lupo, Bureau Chief megan.lupo@bpu.nj.gov</p> <p>Kyle Felton kyle.felton@bpu.nj.gov</p> <p>Counsel's Office</p> <p>Suzanne Patnaude suzanne.patnaude@bpu.nj.gov</p>
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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION	:	
OF AQUA NEW JERSEY, INC. FOR	:	STIPULATION OF SETTLEMENT
APPROVAL OF A 2022 PURCHASED	:	
WASTEWATER TREATMENT	:	BPU DOCKET
ADJUSTMENT CLAUSE RATE	:	
AND OTHER REQUIRED APPROVALS :	:	NO. WR21081056

APPEARANCES:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, on behalf of the Petitioner, Aqua New Jersey, Inc.

Brian Lipman, Director, and Susan E. McClure, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Meliha Arnautovic, Deputy Attorney General, (Andrew Bruck, Acting Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:

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

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

2. Petitioner’s Wallkill Sewer Division (“Wallkill”), formerly the Wallkill Sewer Company, provides wastewater service to approximately 423 customers in a portion of the Township of Hardyston, County of Sussex, pursuant to an Order of the Board.

3. Petitioner’s Maxim Wastewater Division (“Maxim”) provides wastewater service to approximately 2,590 customers in the Township of Howell, County of Monmouth, pursuant to a municipal consent and franchise, and an Order of the Board approving the franchise and accepting Petitioner’s initial tariff for filing.

4. Petitioner also purchases wastewater treatment services from the Logan Township Municipal Utilities Authority (“LTMUA”). LTMUA treats all of the wastewater collected by the Company in its Woolwich service territory pursuant to the Sewer Service Agreement dated September 14, 2000 (as amended April 28, 2015) between the Company and LTMUA.¹ LTMUA bills the Company a fixed monthly amount for each Equivalent Dwelling Unit (“EDU”),² which is determined by the LTMUA rate schedule in effect. There are approximately 2,959 EDUs for which the LTMUA provides treatment.

5. Prior to January 1, 2021, the Company’s rate schedules included a separate PSTAC for Wallkill³ and Maxim⁴ customers, and the treatment costs for LTMUA were included in the fixed monthly service charge to customers serviced by the Woolwich, California Village, Hanover Village and Spartan Village systems. In connection with the Company’s 2020 Wastewater Base

¹ The referenced amendment is the Fourth Amendment, there having been three prior amendments, each of which were superseded by the currently effective Fourth Amendment.

² LTMUA’s rate schedule refers to this as a “connection unit.”

³ The prior Wallkill PSTAC was approved by Board Order dated December 20, 2019 in Docket No. WR19080920 and became effective on January 1, 2020.

⁴ The prior Maxim PSTAC was approved by Board Order dated December 20, 2019 in Docket No. WR19080925 and became effective on January 1, 2020.

Rate Case, BPU Docket No. WR20010056, the Board approved the Company's request to establish a uniform PSTAC to include all of its purchased water treatment costs and to charge those costs to all customers.⁵ Accordingly, effective January 1, 2021, Petitioner established a uniform purchased wastewater treatment adjustment clause ("PSTAC") for all customers, which rates are set forth in its currently effective tariff at Rate Schedule No. 2.

6. On August 10, 2021, pursuant to N.J.A.C. 14:9-7.1 to 7.7, Aqua filed the above-captioned Petition with the Board, which was later assigned BPU Docket No. WR21081056, to set prospective rates for calendar year 2022 as required by N.J.A.C. 14:9-7.1(d)(2) and 14:9-7.7.⁶ Aqua will true-up 2021 PSTAC revenues and rates in its 2022 PSTAC filing, and commits that it will make this filing on a timely basis.

7. The matter was retained by the Board for review and disposition. The Parties agreed that a public comment hearing was not required because the Petitioner had proposed a decrease in rates.

8. Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the SCMUA, the OCUA, and the LTMUA. The current PSTAC tariff was approved by the Board in the Wastewater BRC Order in Docket No. WR20010056, which established the uniform PSTAC rate for calendar year 2021 and confirmed the PSTAC rates (without true-up) for 2019 and 2020.

⁵ *I/M/O Aqua New Jersey, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes*, BPU Docket No. WR20010056, Order Adopting Initial Decision Settlement ("Wastewater BRC Order"), dated December 2, 2020, at 5-6.

⁶ The Company did not request approval of a true-up of PSTAC costs and revenues for calendar years 2019 and 2020, because in connection with the transition from a separate PSTAC to a uniform PSTAC in the 2020 Wastewater Base Rate Case, the parties thereto agreed that there would be no true-up of costs and revenues with estimated costs and revenues for Wallkill and Maxim for 2019 and 2020, which agreement was approved by the Board in the Wastewater BRC Order. *See* Wastewater BRC Order, at 5-6 (citing to Exhibit A, Stipulation of Settlement, at ¶ 8, n.2).

9. In this proceeding, the Parties have examined the Company's projected wastewater treatment expenses for 2022, as well as the costs of this proceeding. Based on the foregoing, the Parties have determined that the current PSTAC rate should remain the same for 2022. In its Petition, the Company determined that current PSTAC rate should be decreased to recover \$28,697 less in revenues. The \$28,697 PSTAC decrease was calculated based on the following components:

- a) projected SCMUA charges for 2022 of \$144,891 based on SCMUA rates effective for 2021 (See Exhibit A, page 1);
- b) projected OCUA charges for 2022 of \$949,165 based on OCUA rates effective for 2021 (See Exhibit A, page 1);
- c) projected LTMUA charges for 2022 of \$1,154,544 based on LTMUA rates effective for 2021 (See Exhibit A, page 1);
- d) the total costs of this proceeding are deemed to be \$6,250 (See Exhibit A, page 2). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$3,125 (See Exhibit A, page 4); and
- e) the pro forma PSTAC revenues at present rates are projected to be \$2,280,422 (See Exhibit A, page 4).

10. However, after the Petition was filed and during the discovery period, Aqua received a notice from SCUMA indicating that the treatment rate would be increased from \$144,891 to \$166,531 for 2022. With this increase to expense, the previously calculated decrease went from \$28,697 to \$7,057. Consequently, the proposed rate decrease went from -1.26% to -0.31%. See Exhibit B (revised PSTAC schedules reflecting SCUMA rate increase, pages 1, 4 and

5). In addition, the Parties believe it reasonably likely that OCUA may also increase the Company's treatment costs for 2022, which increase will not be captured in rates for 2022.

11. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of treatment costs for calendar year 2022, which estimate has been used to determine the applicable PSTAC rate for 2022.

12. Based on the estimated costs for 2022 and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should remain the same.

13. Consistent with the provisions of N.J.A.C. 14:9-7.1 to 7.7, the Parties agree that the Company will file with the Board a PSTAC petition to reconcile calendar year 2021 actual treatment costs with the estimated treatment costs (as reflected in the rates identified on Exhibit A) for the same period. Additionally, the Company will include in its filing an estimate of treatment costs for calendar year 2023, which estimate will be used to determine the applicable PSTAC rate for 2023, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.

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

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.

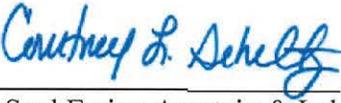
16. The Parties agree that each term within this Stipulation reflects a mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation as a whole, since the Parties hereto expressly and jointly state that they would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

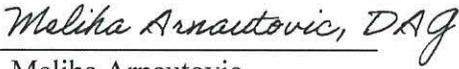
AQUA NEW JERSEY, INC.

November 9, 2021
Date

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

ANDREW BRUCK
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

11-16-2021
Date

By: 
Meliha Arnautovic
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.
DIRECTOR – RATE COUNSEL

11/16/21
Date

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

Aqua New Jersey, Inc.
 PSTAC Prospective Rate filing for 2022
 For Calendar year ending December 31, 2021

A.) 2022 Projected Treatment Expenses

<u>Quarter</u>	<u>Wallkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>
Q1	36,222.75	237,291.25	286,071.00	
Q2	36,222.75	237,291.25	287,781.00	
Q3	36,222.75	237,291.25	289,491.00	
Q4	36,222.75	237,291.25	291,201.00	
<i>Total 2021 Actual Treatment Expense</i>	144,891.00	949,165.00	1,154,544.00	2,248,600.00
	(based on 2021 billings)	(based on 2021 billings)	(based on 2022 Budget)	

Aqua New Jersey, Inc.
PSTAC Prospective Rate filing for 2022
For Calendar year ending December 31, 2021

B.) Cost of Filing Application:

	<u>Amount</u>
Legal	\$ 6,000
Notification & Other	\$ 250
Transcripts	\$ -
Total	<u>\$ 6,250</u>

Aqua New Jersey, Inc.
 PSTAC Prospective Rate filing for 2022
 For Calendar year ending December 31, 2021

C.) PSTAC Revenue at Present Rates (2021):

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family		6,390	\$25.21	\$1,933,102.80	84.77%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	\$11,253.00	0.49%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	\$23,232.00	1.02%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	\$1,512.60	0.07%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	\$64,919.40	2.85%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	\$12,100.80	0.53%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	\$24,201.60	1.06%
Oakwood Village Apartment Complex		1	\$15,428.52	\$185,142.24	8.12%
Bear Brook Clubhouse		1	\$564.70	\$6,776.40	0.30%
Stanton Ridge Clubhouse		1	\$143.70	\$1,724.40	0.08%
Maxim Laundromat		1	\$615.12	\$7,381.44	0.32%
Total:					
Total PSTAC Revenue at Present Rates =>				\$2,280,422	

Aqua New Jersey, Inc.
PSTAC Prospective Rate filing for 2022
For Calendar year ending December 31, 2021

D.) PSTAC Calculation:

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2022 Billings	2,248,600	A.)
2.) Cost of Filing Application (\$6,250 x 50%)	\$3,125	B.)
3.) 2022 PSTAC Revenue Requirement	<u>\$2,251,725</u>	Sum Lines 1 thru 3
4.) PSTAC Revenue at Present (2021) Rates	<u>\$2,280,422</u>	C.)
5.) Subtotal PSTAC Request - Annualized	<u>(\$28,697)</u>	Line 5 minus Line 6

Aqua New Jersey, Inc.
 PSTAC Prospective Rate filing for 2022
 For Calendar year ending December 31, 2021

E.) Rate Design:

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>New Rate</u>	<u>% Change</u>
Residential - Single Family		6,390	\$25.21	84.77%	(2,027)	\$24.89	-1.26%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	0.20%	(5)	\$24.89	-1.26%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	0.49%	(12)	\$29.87	-1.26%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	1.02%	(24)	\$59.74	-1.26%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	0.07%	(2)	\$124.46	-1.26%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	2.85%	(68)	\$184.20	-1.26%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	0.20%	(5)	\$373.39	-1.26%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	0.53%	(13)	\$497.86	-1.26%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	1.06%	(25)	\$1,991.42	-1.26%
Oakwood Village Apartment Complex		1	\$15,428.52	8.12%	(194)	\$15,234.36	-1.26%
Bear Brook Clubhouse		1	\$564.70	0.30%	(7)	\$557.59	-1.26%
Stanton Ridge Clubhouse		1	\$143.70	0.08%	(2)	\$141.89	-1.26%
Maxim Laundromat		1	\$615.12	0.32%	(8)	\$607.38	-1.26%
					<u>(2,391)</u>	Monthly	

Aqua New Jersey, Inc.
 PSTAC Prospective Rate filing for 2022
 For Calendar year ending December 31, 2021

F.) Proof of Revenue:

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>New Rate</u>	<u>Prospective 2022 Revenue</u>
Residential - Single Family		6,390	\$24.89	\$1,908,776
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$24.89	\$4,481
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$29.87	\$11,111
Commercial, Industrial, School, Business, & Religious	1"	32	\$59.74	\$22,940
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$124.46	\$1,494
Commercial, Industrial, School, Business, & Religious	2"	29	\$184.20	\$64,102
Commercial, Industrial, School, Business, & Religious	3"	1	\$373.39	\$4,481
Commercial, Industrial, School, Business, & Religious	4"	2	\$497.86	\$11,949
Commercial, Industrial, School, Business, & Religious	8"	1	\$1,991.42	\$23,897
Oakwood Village Apartment Complex		1	\$15,234.36	\$182,812
Bear Brook Clubhouse		1	\$557.59	\$6,691
Stanton Ridge Clubhouse		1	\$141.89	\$1,703
Maxim Laundromat		1	\$607.38	\$7,289
Total:				<u><u>\$2,251,725</u></u>

Aqua New Jersey, Inc.
 PSTAC Prospective Rate filing for 2022
 For Calendar year ending December 31, 2021

A.) 2022 Projected Treatment Expenses

<u>Quarter</u>	<u>Walkill - SCUMA</u>	<u>Maxim - OCUA</u>	<u>Logan</u>	<u>Total</u>
Q1	41,632.75	237,291.25	286,071.00	
Q2	41,632.75	237,291.25	287,781.00	
Q3	41,632.75	237,291.25	289,491.00	
Q4	41,632.75	237,291.25	291,201.00	
Total 2021 Actual Treatment Expense	166,531.00	949,165.00	1,154,544.00	2,270,240.00
	(pg. 4, SCUMA Letter dated 10/13/21, Rec'd 10/27/21 - Walkill Sewer Co.)	(based on 2021 billings)	(based on 2022 Budget)	

Aqua New Jersey, Inc.
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B.) Cost of Filing Application:

	<u>Amount</u>
Legal	\$ 6,000
Notification & Other	\$ 250
Transcripts	\$ -
Total	<u>\$ 6,250</u>

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C.) PSTAC Revenue at Present Rates (2021):

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family		6,390	\$25.21	\$1,933,102.80	84.77%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	\$11,253.00	0.49%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	\$23,232.00	1.02%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	\$1,512.60	0.07%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	\$64,919.40	2.85%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	\$4,537.80	0.20%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	\$12,100.80	0.53%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	\$24,201.60	1.06%
Oakwood Village Apartment Complex		1	\$15,428.52	\$185,142.24	8.12%
Bear Brook Clubhouse		1	\$564.70	\$6,776.40	0.30%
Stanton Ridge Clubhouse		1	\$143.70	\$1,724.40	0.08%
Maxim Laundromat		1	\$615.12	\$7,381.44	0.32%
Total:					
Total PSTAC Revenue at Present Rates =>				\$2,280,422	

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D.) PSTAC Calculation:

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2022 Billings	2,270,240	A.)
2.) Cost of Filing Application (\$6,250 x 50%)	\$3,125	B.)
3.) 2022 PSTAC Revenue Requirement	<u>\$2,273,365</u>	Sum Lines 1 thru 3
4.) PSTAC Revenue at Present (2021) Rates	<u>\$2,280,422</u>	C.)
5.) Subtotal PSTAC Request - Annualized	<u>(\$7,057)</u>	Line 5 minus Line 6

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E.) Rate Design:

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>2021 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>New Rate</u>	<u>% Change</u>
Residential - Single Family		6,390	\$25.21	84.77%	(499)	\$25.13	-0.31%
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.21	0.20%	(1)	\$25.13	-0.31%
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.25	0.49%	(3)	\$30.16	-0.31%
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.50	1.02%	(6)	\$60.31	-0.31%
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$126.05	0.07%	(0)	\$125.66	-0.31%
Commercial, Industrial, School, Business, & Religious	2"	29	\$186.55	2.85%	(17)	\$185.97	-0.31%
Commercial, Industrial, School, Business, & Religious	3"	1	\$378.15	0.20%	(1)	\$376.98	-0.31%
Commercial, Industrial, School, Business, & Religious	4"	2	\$504.20	0.53%	(3)	\$502.64	-0.31%
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,016.80	1.06%	(6)	\$2,010.56	-0.31%
Oakwood Village Apartment Complex		1	\$15,428.52	8.12%	(48)	\$15,380.77	-0.31%
Bear Brook Clubhouse		1	\$564.70	0.30%	(2)	\$562.95	-0.31%
Stanton Ridge Clubhouse		1	\$143.70	0.08%	(0)	\$143.26	-0.31%
Maxim Laundromat		1	\$615.12	0.32%	(2)	\$613.22	-0.31%
					<u>(588)</u>	Monthly	

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F.) Proof of Revenue:

<u>Class</u>	<u>Meter Size</u>	<u>Customers Budget 2022</u>	<u>New Rate</u>	<u>Prospective 2022 Revenue</u>
Residential - Single Family		6,390	\$25.13	\$1,927,120
Commercial, Industrial, School, Business, & Religious	5/8"	15	\$25.13	\$4,524
Commercial, Industrial, School, Business, & Religious	3/4"	31	\$30.16	\$11,218
Commercial, Industrial, School, Business, & Religious	1"	32	\$60.31	\$23,160
Commercial, Industrial, School, Business, & Religious	1.5"	1	\$125.66	\$1,508
Commercial, Industrial, School, Business, & Religious	2"	29	\$185.97	\$64,718
Commercial, Industrial, School, Business, & Religious	3"	1	\$376.98	\$4,524
Commercial, Industrial, School, Business, & Religious	4"	2	\$502.64	\$12,063
Commercial, Industrial, School, Business, & Religious	8"	1	\$2,010.56	\$24,127
Oakwood Village Apartment Complex		1	\$15,380.77	\$184,569
Bear Brook Clubhouse		1	\$562.95	\$6,755
Stanton Ridge Clubhouse		1	\$143.26	\$1,719
Maxim Laundromat		1	\$613.22	\$7,359
Total:				<u><u>\$2,273,365</u></u>