

fax

FROM

Gary S. Prettyman

TO

Mayor/Business Administrator/ Clerk of the Board of Chosen

Freeholders

DEPARTMENT

DATE

January 23, 2019

SUBJECT

NOTICE OF FILING OF A PETITION FOR APPROVAL OF A DISTRIBUTION SYSTEM IMPROVEMENT CHARGE FOUNDATIONAL FILING PURSUANT TO N.J.A.C. 14:9-10.4 BPU Docket No. WR18101158

REVISED



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NOTICE OF PUBLIC HEARING SUEZ WATER NEW JERSEY, INC. and SUEZ WATER TOMS RIVER, INC.

NOTICE OF FILING OF A PETITION FOR APPROVAL OF A DISTRIBUTION SYSTEM IMPROVEMENT CHARGE FOUNDATIONAL FILING PURSUANT TO N.J.A.C. 14:9-10.4 BPU Docket No. WR18101158

PLEASE TAKE NOTICE that on October, 22, 2018, SUEZ Water New Jersey, Inc. (the "Company"), 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 of a Foundational Filing 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 Company's petition consists of a Foundational Filing. The Foundational Filing lists the proposed projects from 2018 through 2022. If the Foundational Filing is approved, the Company will be required to file a base rate case within three years of the effective date of the Foundational Filing. Please note that the Company proposes to collect a maximum DSIC revenue requirement of \$13,797,646 annually. The Company will 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.

The Company has proposed that the monthly DSIC surcharge be assessed to the following services and classes of customers based on the customer's meter size; General Metered Service. The maximum proposed rates shown below are expected to be assessed incrementally over a two-to-three year period, commensurate with the Company's actual DSIC program capital spending.

The maximum proposed monthly DSIC rates are contained in the petition filed with the Board, as set forth below. These proposed rates are estimates and may change. However the maximum annual DSIC revenue requirement, \$13,797,646 cannot be exceeded.

PROPOSED DSIC SURCHARGE RATES BASED ON METER SIZE

General Metered Service Maximum Monthly DSIC Surcharge:

Size of Meter	5/8" Equivalent*	Proposed Rates
5/8"	1.0	\$3.36
3/4"	1.5	\$5.02
1"	2.5	\$8.39
1-1/2"	5.0	\$16.82
2"	8.0	\$26.88
3"	15.0	\$50.40
4"	25.0	\$84.00
6"	50.0	\$168.00
8"	80.0	\$268.80
10"	115.0	\$386.40
12"	165.0	\$554.40

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

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PLEASE TAKE FURTHER NOTICE that a public hearing on the Company's petition has been scheduled for:

Wednesday February 13, 2019 at 1:00 p.m. at the Toms River Board Meeting Room #119, First Floor Administration Building,101 Hooper Avenue, Toms River, NJ 08753

Wednesday February 13, 2019 at 5:30 p.m. at the Hackensack City Clerks Office, 65 Central Avenue, 3rd Floor (Counsel Chambers), Hackensack, NJ 07604.

In the event of inclement weather on Wednesday February 13 and the hearing is cancelled the hearing will be held on Friday February 15, 2019 at the same times and locations noted above.

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. Aida Camacho-Welch, Secretary, Board of Public Utilities, 44 S. Clinton Avenue, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350. Please include Docket Number WR18101158 in your comment letter.

Notice of the Petition was also served on the Clerks of Municipalities, County Executives and the Clerks of the County Boards of Freeholders 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, 3rd Floor, Suite 314, P.O. Box 350, Trenton, New Jersey 08625-0350 or at the Company's offices located at 400 From Road, Paramus, NJ 07652. The filling is available online at: www.mysuezwater.com.

Please submit any requests for special accommodation at least 72 hours prior to this hearing to SUEZ Water New Jersey, contact person: Gary Prettyman 201-784-7083.