

New Jersey Board of Public Utilities

NEWS RELEASE

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Contact:

Greg Reinert 609-777-3305

Christie Administration Orders N.J. American Water to Investigate Collapse of Swimming River Treatment Plant Pipe Bridge

Board of Public Utilities approves Parsippany firm as Special Reliability Master

TRENTON, N.J. – Today, the New Jersey Board of Public Utilities (Board) ordered New Jersey American Water (NJAW) to retain Jerry J. Notte, of the Water Business Group at CH2M Hill, of Parsippany, as a Special Reliability Master (SRM) to investigate reliability issues pertaining to the June 29, 2012, Swimming River Treatment Plant Pipe Bridge failure. The incident subjected an estimated 285,000 people in 22 communities in Monmouth County to a precautionary boil advisory and outdoor water ban, some of which suffered temporary low water pressure or loss of water service.

With today's order the Board continues its investigation into the Swimming River Pipe Bridge collapse. The bridge collapse caused all three water transmission main pipes supported by the bridge to be severed, which resulted in the treatment plant being taken totally offline and causing a countywide water emergency.

After Hurricane Irene, concerns regarding the Swimming River Pipe Bridge structural safety were raised. According to NJAW, the bridge and piping were impacted during the storm, but were deemed fit for service by an engineering firm the company hired. Furthermore, NJAW had begun to undertake an engineering project to repair the bridge prior to the June 29 collapse, but the collapse occurred before structural repairs commenced.

"A Special Reliability Master with expertise in pipe and bridge infrastructure is necessary to assess pre-collapse condition of the structure, the cause of the collapse, and whether New Jersey American Water acted timely and appropriately after it was on notice that Hurricane Irene had impacted the structure," said Bob Hanna, President of the New Jersey Board of Public Utilities. "To date, New Jersey American Water has fully cooperated with the investigation by Board staff, and I expect that the company will continue its cooperation with Board Staff and the Special Reliability Master so that we can determine what happened and why, learn necessary lessons and take appropriate remedial steps."

In order to ensure that a thorough investigation is conducted, the Board determined a SRM is needed to evaluate:

- NJAW's historic operation and maintenance practices since 2000 with respect to the Swimming River Pipe Bridge and appurtenant piping.
- The circumstances surrounding the bridge collapse and the company's restoration efforts after the collapse.
- NJAW's response to Hurricane Irene as it related to the Swimming River Pipe Bridge, including its restoration efforts, resource deployment and communications with government officials, customers and other stakeholders.
- The post-Hurricane Irene inspection that determined that the bridge was "fit for use."
- NJAW's governance related to prioritization of capital projects that were identified to complete repairs to the bridge assets after Hurricane Irene.

The Board has directed that the SRM complete the review and submit its finding by November 15, 2012.

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About the New Jersey Board of Public Utilities (NJBPU)

The NJBPU is a state agency and regulatory authority mandated to ensure safe, adequate and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by the NJBPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the NJBPU, visit our web site at www.nj.gov/bpu.