

STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

•		
IN THE MATTER OF THE PETITION OF NEW)	ORDER ADOPTING INITIAL
JERSEY-AMERICAN WATER COMPANY, INC. FOR)	DECISION/SETTLEMENT
AUTHORIZATION TO CHANGE THE LEVEL OF ITS)	
PURCHASED WATER ADJUSTMENT CLAUSE AND	j	
PURCHASED WASTEWATER (SEWERAGE)	j	BPU DOCKET NO. WR16111065
TREATMENT ADJUSTMENT CLAUSE	í	OAL DOCKET NO PUC 17239-2016N

WATER

Parties of Record:

Steven R. Bishop, Esq., New Jersey-American Water Company, Inc., Petitioner Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel Jay L. Kooper, Esq., Vice President, General Counsel and Secretary, Middlesex Water Company

BY THE BOARD:

On November 4, 2016, New Jersey-American Water Company, Inc. ("Petitioner" or "Company"), a public utility of the State of New Jersey, filed a petition with the Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:9-7.1 et seq., and N.J.A.C. 14:9-8.1 et seq., for authorization to change the levels of its existing Purchased Water Adjustment Clause ("PWAC") charge and Purchased Wastewater (sewerage) Treatment Adjustment Clause ("PSTAC") charges, with respect to increased purchased water expense and increased purchased wastewater treatment expense. The total amount originally requested was an overall increase of \$924,038 or 0.14% above estimated total Company revenues of \$638,796,586. As a result of settlement discussions, the Petitioner, the Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively the "Signatory Parties") have agreed to a total overall stipulated decrease of (\$737,263) or (0.12%) below total Company revenues of \$638,943,181. Intervenor Middlesex Water Company ("Middlesex") submitted a letter not objecting to the settlement.

The Petitioner services approximately 620,000 general metered water customers and approximately 41,000 sewer customers in all or part of 188 municipalities in 18 of the State's 21 counties.

The Company purchases water on a routine basis from nine separate entities and purchases wastewater treatment services from three separate entities, each of which adjusts its rates for service, and, in the case of wastewater treatment service providers, issues sewerage deficit/credit adjustments, at different times throughout the year. The nine water purveyors are: Passaic Valley Water Commission; Morris County Municipal Utilities Authority; Montclair Water Bureau; Shorelands Water Company; New Jersey Water Supply Authority; Atlantic City Municipal Utilities Authority; City of Wildwood; City of Newark; and Marlboro Township Municipal Utilities Authority. The three sewerage treatment purveyors are: Cape May County Municipal Utilities Authority for the Petitioner's Ocean City Sewer tariff group; Ocean County Utilities Authority for the Petitioner's Lakewood Sewer tariff group; and Howell Township for the Petitioner's Adelphia Sewer tariff group.

In <u>I/M/O New Jersey American Water Company</u>, Elizabethtown Water Company, and Mount Holly Water Company. (Docket No. WR06030257, April 2, 2007), the Board ordered that all purchased water costs and purchased wastewater treatment costs be removed from base rates and recovered through the PWAC and PSTAC as applicable. In this petition, Petitioner proposed to increase its PWAC rate in PWAC Rate Schedule O-1 from \$0.4659 per thousand gallons of water to \$0.4722 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.4018 per thousand gallons of water to \$0.4072 per thousand gallons for Exempt customers. It also proposed to address its PSTAC charges as follows:

For customers in Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter water quarter usage (January, February and March meter readings), as reflected in PSTAC Rate Schedule 2-B, would increase from \$4.1625 per thousand gallons to \$4.2949 per thousand gallons.

For customers in Ocean City; Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings), as reflected in PSTAC Rate Schedule 1-B, would decrease from \$25.7237 per thousand gallons to \$24.5226 per thousand gallons.

For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water, as reflected in PSTAC Rate Schedule 3-B, would decrease from \$6.2674 per thousand gallons to \$6.1299 per thousand gallons.

BACKGROUND/PROCEDURAL HISTORY

This matter was transmitted to the Office of Administrative Law ("OAL") on November 9, 2016, as a contested case and was assigned to Administrative Law Judge ("ALJ") Irene Jones. A telephonic prehearing conference was held on December 8, 2016, with ALJ Jones during which, among other things, the ALJ directed that public hearings be held on this matter.

On December 7, 2016, Middlesex filed a motion to intervene in the instant proceeding, and no party opposed the motion, which was subsequently granted. After proper notice, two public hearings were held in following locations in Petitioner's service area: in Ocean City on January 31, 2017 at 2:00 p.m. in the Ocean City public library and at 6:00 p.m. at the Howell Township Municipal Building. One member of the public attended the Ocean City public hearing but chose not to speak on the record.

Subsequent to the public hearings, the Petitioner, Rate Counsel, Staff and Middlesex engaged in settlement negotiations. On March 2, 2017, the Signatory Parties entered into a Stipulation of Settlement ("Stipulation). Middlesex submitted a letter to ALJ Jones on March 2, 2017, stating that it had no objection to the Stipulation and "will in the near future submit a formal request to [the Board] for deferred accounting as a result of the change in the level of [PWAC] adopted in the Stipulation." Id.

On March 7, 2017, ALJ Jones issued her Initial Decision Settlement recommending adoption of the Stipulation executed by the Signatory Parties, finding that they had voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues and is consistent with the law. Also, by letter dated March 3, 2017, the Company requested an expedited Board order to become effective on March 26, 2017, and allowing the subject rates to become effective on April 1, 2017, to avoid any compression of the resulting rates.

DISCUSSIONS AND FINDINGS¹

The Signatory Parties recommend that the Board approve a decrease to Petitioner's PWAC rate on PWAC Rate Schedule O-1 from \$0.4659 per thousand gallons of water for Non-Exempt customers to \$0.4540 per thousand gallons of water for Non-Exempt customers; and from \$0.4018 per thousand gallons of water for Exempt customers to \$0.3915 per thousand gallons of water for Exempt customers.

The Signatory Parties further recommend that the Board permit Petitioner to change its effective PSTAC charges as follows (including the effects of rate compression):

For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter as reflected within PSTAC Rate Schedule 2-B will increase from \$4.1625 per thousand gallons to \$4.4859 per thousand gallons.

For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings), as reflected within PSTAC Rate Schedule 1-B, will decrease from \$24.9644 per thousand gallons to \$24.2286 per thousand gallons.

For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water, as reflected within PSTAC Rate Schedule 3-B, will increase from \$6.2674 per thousand gallons to \$6.5669 per thousand gallons.

The effective PWAC rate change would result in a decrease in the annual bill of an average residential customer utilizing 6,000 gallons per month as follows:

¹ 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.

	Present <u>Monthly Bill</u>	Proposed Per month	Amount <u>Decrease</u>	Percentage <u>Decrease</u>
SA-1	\$55.49	\$55.42	(\$0.07)	(0.13%)
SA-1B Pennsgrove	\$45.29	\$45.22	(\$0.07)	(0.15%)
SA-2 Manville, SA-1D	\$52.01	\$51.94	(\$0.07)	(0.13%)
SA-2, SA-3 & SA-1A	\$54.62	\$54.54	(\$0.08)	(0.15%)
SA-3 Southampton	\$49.76	\$49.68	(\$0.08)	(0.16%)

The PSTAC rate changes will result in: (a) an increase for a typical residential sewer service customer in Lakewood Township, Ocean County utilizing 18,000 gallons of water in the winter quarter of \$1.94 per month or 3.21%; (b) a decrease to an average sewer service customer in Ocean City, Cape May County utilizing 20,000 gallons in the summer quarter and 44,000 gallons of water per year of (\$1.23) per month or (1.84%); and (c) an increase to an average sewer service customer in the Adelphia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.20 per month or 2.27%.

These PWAC and PSTAC rates are calculated as being effective April 1, 2017.

The Parties have agreed on a methodology for calculating the amount of interest to be applied to over-recoveries within the PWAC. This method is described as follows: Total PWAC True-up balance (Over)/Under-recovered (which is the adjusted total purchased water expense minus total PWAC revenues net of cost recoveries for the current month) of the current month, plus the total PWAC cumulative true-up balance (Over)/under recovery) of the prior month, minus the amortization of the PWAC true-up from the previous PWAC year of the current month. By way of example of this methodology, see Note 5, Schedule DMD-2, attached to this Stipulation. The Signatory Parties agree to review this methodology and adjust it as necessary and appropriate in future PWAC proceedings.

Having reviewed the Initial Decision and the Stipulation of Settlement, the Board <u>HEREBY FINDS</u> that the Signatory Parties have voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. The Board <u>FURTHER FINDS</u> the Initial Decision, which adopts the Stipulation, to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board <u>HEREBY ADOPTS</u> the Initial Decision and 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, subject to the following:

In accordance with the provisions of <u>N.J.A.C.</u> 14:9-7.3(c) and 14:9-8.3(c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, a PWAC true-up schedule in connection with this proceeding. Copies of the true-up schedule shall be served upon all parties to the present proceeding.

The Board <u>HEREBY DIRECTS</u> the Company to file tariff pages conforming to the terms and conditions of the Initial Decision, which adopts the Stipulation, and this Order within ten (10) days from the effective date of this Order.

The effective date of this Order is March 26, 2017 with rates to become effective on April 1, 2017.

DATED: 3/24/17

BOARD OF PUBLIC UTILITIES

COMMISSIONER

COMMISSIONER

UPENDRA J. CHIVUKULA

RICHARD S. MROZ PRESIDENT

JOSEPH L. FIORDALISO COMMISSIONER

DIANNÉ SOLOMON COMMISSIONER

ATTEST:

IRENE KIM ASBURY SECRETARY

CHEREBY CERTIFY that the within document is a true copy of the original in the first of the Board of Public Utilities

IN THE MATTER OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC.
FOR AUTHORIZATION TO CHANGE THE LEVEL OF ITS PURCHASED WATER
ADJUSTMENT CLAUSE AND PURCHASED WASTEWATER (SEWERAGE) TREATMENT
ADJUSTMENT CLAUSE
BPU DOCKET NO. WR16111065
OAL DOCKET NO. PUC 17239-2016N

BOARD ORDER SERVICE LIST

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Jay L. Kooper, Esq., Vice President, General Counsel & Secretary Middlesex Water Company, Inc. 1500 Ronson Road Iselin, New Jersey 08830-3020 ikooper@middlesexwater.com

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THE MIDDLESEX WATER ENTERPRISE

Middlesex Water Company • Pinelands Water & Wastewater Company • Southern Shores Water Company • Tidewater Lititides, Inc. • Tidewater Environmental Services, Inc.
Twin Lakes Utilities, Inc. • Utility Service Affiliates, Inc. • Utility Service Affiliates, Inc. • White Marsh Environmental Systems, Inc.

<u>Via Federal Express and E-Mail</u> March 2, 2017

Honorable Irene Jones, ALJ Office of Administrative Law 33 Washington Street Newark, NJ 07102

RE: IN THE MATTER OF THE PETITION OF NEW JERSEY AMERICAN WATER COMPANY, INC. FOR APPROVAL TO CHANGE THE LEVELS OF ITS PURCHASED WATER ADJUSTMENT CLAUSE AND PURCHASED WASTEWATER (SEWERAGE) TREATMENT ADJUSTMENT CLAUSE

BPU Docket No.: WR16111065
OAL Docket No.: PUC 17239-2016N

Dear Judge Jones:

Middlesex Water Company ("Middlesex"), an Intervenor in the above-referenced matter, has reviewed the proposed Stipulation of Settlement ("Stipulation") that has been executed by the signatory parties and forwarded to Your Honor today. Please be advised that Middlesex does not object to the Stipulation.

Please be further advised that pursuant to N.J.A.C. 14:9-7.6(c), Middlesex Water will in the near future submit a formal request to the New Jersey Board of Public Utilities for deferred accounting as a result of the change in the level of the Purchased Water Adjustment Clause adopted in the Stipulation.

Respectfully submitted,

Tiller Describer

Vice President, General Counsel & Secretary

JLK:rk Encl.

cc:

Attached Service List (via e-mail only)



INITIAL DECISION
SETTLEMENT

OAL DKT. NO. PUC 17239-16 AGENCY DKT. NO. WR16111065

I/M/O THE PETITION OF NEW JERSEY

AMERICAN WATER COMPANY TO CHANGE

THE LEVEL OF ITS PURCHASED WATER

ADJUSTMENT CLAUSE AND PURCHASED

SEWERAGE TREATMENT ADJUSTMENT CLAUSE

Stephen R. Bishop, Esq., Corporate Counsel for petitioner New Jersey American Water Company

Veronica Beke and Andrew Kuntz, Deputy Attorney Generals, for respondent,

("Staff") Board of Public Utilities (Christopher S. Porrino, Attorney General
of New Jersey, attorney)

Susan E. McClure, Assistant Deputy Public Advocate, for respondent Division of Rate Counsel, (Stefanie A. Brand, Esq., Director)

Record Closed: March 6, 2017 Decided: March 7, 2017

BEFORE IRENE JONES, ALJ:

On November 4, 2016, petitioner New Jersey American Water Company ("Petitioner") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking

approval of an increase in its Purchased Water Adjustment Clause ("PWAC") and its Purchased Sewerage Treatment Adjustment Clause (PSTAC) to recover increased purchased water costs and purchased wastewater treatment expense. Petitioner proposed to increase its rates by \$924,038 or 0.14% above current revenues.

On November 10, 2016, the Board transmitted the matter to the Office of Administrative Law ("OAL") for a hearing as a contested case pursuant to N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14F-1 to -13. On December 8, 2016, a prehearing conference was held and a prehearing order was issued on January 18, 2017. Two public hearings were held in the petitioner's service territory on January 31, 2017.

The petitioner filed, along with its petition, substantial accounting data and prefiled testimony. The parties engaged in extensive discovery. On February 16, and 17th, the parties held discovery and settlement conferences and agreed to settle the matter. The parties have prepared a Stipulation of Settlement, which is attached hereto.

I have reviewed the record and terms of the Stipulation of Settlement and FIND:

- 1. The parties have voluntarily agreed to the settlement as evidenced by the signatures of the parties or their representatives.
- 2. The settlement fully disposes of all issues in controversy and is consistent with law.

Therefore, it is **ORDERED** that the parties comply with the settlement terms and that these proceedings be and are hereby concluded.

I hereby FILE my initial decision with the BOARD OF PUBLIC UTILITIES for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES,** which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with <u>N.J.S.A.</u> 52:14B-10.

March 7, 2017	dreve Jones
DATE	IRENE JONES, ALJ
Date Received at Agency:	March 7, 2017
Date Mailed to Parties:	

STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF:
NEW JERSEY-AMERICAN WATER:
COMPANY, INC. FOR AUTHORIZATION TO:
CHANGE THE LEVEL OF ITS PURCHASED:
WATER ADJUSTMENT CLAUSE AND:
PURCHASED WASTEWATER (SEWERAGE):
TREATMENT ADJUSTMENT CLAUSE:

BPU DOCKET NO. WR16111065

OAL DOCKET NO. PUC 17239-2016N

STIPULATION OF SETTLEMENT

APPEARANCES:

Stephen R. Bishop, Esq., on behalf of New Jersey-American Water Company, Inc., Petitioner;

Andrew Kuntz and Veronica Beke, Deputy Attorneys General, on behalf of the Staff of the Board of Public Utilities (Christopher S. Porrino, Attorney General of New Jersey);

Susan McClure, Assistant Deputy Rate Counsel, on behalf of the Division of the Rate Counsel: and

Jay L. Kooper, Esq., on behalf of Middlesex Water Company, Intervenor

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

On November 4, 2016, New Jersey-American Water Company, Inc. ("Petitioner" or "Company"), a public utility of the State of New Jersey, filed a Petition with the Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:9-7.1 et seq. and such statutes, regulations and Board orders that may be deemed by the Board to be applicable, for approval to change the levels of its existing purchased water adjustment clause ("PWAC") charge and purchased wastewater (sewerage) treatment adjustment clause ("PSTAC") charges, with respect to increased purchased water expense and increased purchased wastewater treatment expense. The total amount originally requested was an increase of \$924,038 or 0.14% above total Company revenues of \$638,796,586. As a result of settlement discussions, the Signatory Parties

indicated below have agreed to a total overall stipulated decrease of \$737,263 or (0.12%) below total Company revenues of \$638,943,181.

Petitioner purchases water on a routine basis from eight separate entities and purchases wastewater treatment services from three separate entities, each of which adjusts its rates for service, and, in the case of wastewater treatment service providers, issues sewerage deficit/credit adjustments, at different times throughout the year. The eight water purveyors are: Passaic Valley Water Commission; Morris County Municipal Utilities Authority; Montclair Water Bureau; Shorelands Water Company; New Jersey Water Supply Authority; City of Wildwood; City of Newark; and Marlboro Township Municipal Utilities Authority. The three sewerage treatment purveyors are: Cape May County Municipal Utilities Authority for the Petitioner's Ocean City Sewer tariff group; Ocean County Utilities Authority for the Petitioner's Lakewood Sewer tariff group; and Howell Township for the Petitioner's Adelphia Sewer tariff group. Petitioner serves approximately 610,000 general-metered water customers and approximately 41,000 sewer customers in all or part of 188 municipalities in 18 of the State's 21 counties.

On April 2, 2007, the Board ordered that all purchased water costs and purchased wastewater treatment costs be removed from base rates and recovered through the PWAC and PSTAC as applicable. In the Matter of the Joint Petition of New Jersey American Water Company, Inc., Elizabethtown Water Company, and the Mount Holly Water Company for Approval of Increased Tariff Rates and Charges for Water and Sewer Services and other Tariff Revisions, BPU Dkt No. WR06030257 (April 2, 2007). The Board last adjusted Petitioner's base rates on September 11, 2015. In the Matter of New Jersey American Water Company for Approval of Increased Tariff Rates and Charges for Water and Sewer Service, Change in Depreciation Rates and Other Tariff Modifications, Order Adopting Initial Decision/Stipulation,

BPU Dkt No. WR15010035 (September 11, 2015). Petitioner's base rates do not include PWAC or PSTAC pass-through charges to customers.

In the Petition filed within the instant proceeding, Petitioner proposed to increase its PWAC rate upon PWAC Rate Schedule O-1 from \$0.4659 per thousand gallons of water to \$0.4722 per thousand gallons of water for Non-Exempt customers. Petitioner proposed to increase its PWAC rate from \$0.4018 per thousand gallons of water to \$0.4072 per thousand gallons for Exempt customers. It also proposed to address its PSTAC charges as follows:

- For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter usage (January, February and March meter readings), as reflected upon PSTAC Rate Schedule 2-B, would change from \$4.1625 per thousand gallons to \$4.2949 per thousand gallons.
- For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings), as reflected upon PSTAC Rate Schedule 1-B, would change from \$24.9644 per thousand gallons to \$25.7237 per thousand gallons.
- For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water, as reflected upon PSTAC Rate Schedule 3-B, would change from \$6.2674 per thousand gallons to \$6.1299 per thousand gallons.

The Board transmitted this matter to the Office of Administrative Law (the "OAL") as a contested case. A telephonic prehearing conference was held on December 8, 2016, with the Honorable Irene Jones, Administrative Law Judge, during which, among other things, Judge Jones directed that public hearings be held on this matter. The ALJ granted intervenor status to Middlesex Water Company ("Middlesex"), following its December 7, 2016 motion to intervene, which was not opposed by any party. Middlesex has been included on the service list, received all discovery, and participated in all conferences and meetings. Two public hearings were held in Petitioner's service area: in Ocean City on January 31, 2017 at 2:00 p.m. with one public

attendee and no statement on the record; and Howell Township on January 31, 2017 at 6:00 p.m. with no public attendees. No written comments were received.

The Division of the Rate Counsel ("Rate Counsel") and Staff of the Board ("Board Staff") served interrogatories on Petitioner, which were responded to in full by Petitioner. During the proceeding, Petitioner received updated information from the various water and wastewater service purveyors whose costs comprise the Petitioner's requested relief. This information was provided to all of the parties on a timely basis. Petitioner, Board Staff, Rate Counsel and Middlesex participated in discovery/settlement conferences on February 16, 2017, and on February 17, 2017, after the public hearings had been held. As a result of the Petitioner's updates, which are reflected in Schedules DMD-1 to DMD-16 and RRS-1 attached to this Agreement as Exhibit A, the discovery conducted and negotiations held, Petitioner, Board Staff, and Rate Counsel ("Signatory Parties") have been able to reach agreement on this matter, the provisions of which are set forth below.

SETTLEMENT AGREEMENT

- 1. The Signatory Parties recommend that the Board approve a change to Petitioner's PWAC rate on PWAC Rate Schedule O-1 from \$0.4659 per thousand gallons of water for Non-Exempt customers to \$0.4540 per thousand gallons of water for Non-Exempt customers and from \$0.4018 per thousand gallons of water for Exempt customers to \$0.3915 per thousand gallons of water for Exempt customers.
- 2. The Signatory Parties further recommend that the Board permit Petitioner to change its effective PSTAC charges as follows:
 - For Lakewood Township, Ocean County, the rate per thousand gallons of prior year's winter quarter as reflected within PSTAC Rate Schedule 2-B will change from \$4.1625 per thousand gallons to \$4.4859 per thousand gallons.

- For customers in Ocean City, Cape May County, the rate per thousand gallons of prior year's summer water quarter usage (July, August and September meter readings) as reflected upon PSTAC Rate Schedule 1-B, will change from \$24.9644 per thousand gallons to \$24.2286 per thousand gallons.
- For customers in the Adelphia section of Howell Township, Monmouth County, the rate per thousand gallons of water as reflected upon PSTAC Rate Schedule 3-B, will change from \$6.2674 per thousand gallons to \$6.5669 per thousand gallons.
- 3. The effective PWAC rate change would result in a decrease in the annual bill of an average residential customer utilizing 6,000 gallons per month as follows:

	Present <u>Per</u>	Proposed	Amount	Percentage
	<u>Month</u>	Per Month	Decrease	<u>Decrease</u>
SA-1	\$55.49	\$55.42	\$0.07	0.13%
SA-1B Pennsgrove	\$45.29	\$45.22	\$0.07	0.15%
SA-2 Manville, SA-1D	\$52.01	\$51.94	\$0.07	0.13%
SA-2, SA-3 & SA1A	\$54.62	\$54.54	\$0.08 .	0.15%
SA-3 Southampton	\$49.76	\$49.68	\$0.08	0.16%

- 4. The PSTAC rate changes will result in: an increase for a typical residential sewer service customer in Lakewood Township, Ocean County utilizing 18,000 gallons of water in the winter quarter, of \$1.94 per month or 3.21%; a decrease to an average sewer service customer in Ocean City, Cape May County utilizing 20,000 gallons in the summer quarter and 44,000 gallons of water per year, of \$1.23 per month or 1.84%; and an increase to an average sewer service customer in the Adelphia section of Howell Township, Monmouth County utilizing 48,000 gallons of water per year, of \$1.20 per month or 2.27%.
 - 5. These PWAC and PSTAC rates are calculated as being effective April 1, 2017.
- NJAWC plans to file its 2018 PWAC/PSTAC petition on or before November 15,
 2017.

- 7. Within this Stipulation, the Signatory Parties have agreed on a methodology for calculating the amount of interest to be applied to over-recoveries within the PWAC. This method is described as follows: Total PWAC True-up Balance (Over)/Under-recovered of the current month (which is the adjusted total purchased water expense minus total PWAC revenues net of cost recoveries for the current month), plus the total PWAC Cumulative True-Up Balance (Over)/Under-recovery) of the prior month, minus the amortization of the PWAC True-Up from the previous PWAC year of the current month. By way of example of this methodology, see Note 4, Schedule DMD-2 Updated, attached to this Stipulation. The Signatory Parties agree to review this methodology and adjust it as necessary and appropriate in future PWAC proceedings.
- 8. The PWAC/PSTAC rates established herein will decrease annual revenues by \$737,263 or 0.12%.
- 9. In accordance with the provisions of N.J.A.C. 14:9-7.3(c) and 14:9-8.3(c), the Petitioner shall file with the Board, not later than 45 days after the adjustment clauses have been in effect for one year, PWAC and PSTAC true-up schedules in connection with this proceeding. Copies of the true-up schedules will be served upon Board Staff and Rate Counsel.
- 10. This Stipulation shall be binding on the Signatory Parties to this proceeding upon approval hereof by the Board. This Stipulation shall bind the Signatory Parties in this matter only and shall not be considered precedential in any other proceeding involving the Signatory Parties hereto.
- 11. This Stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the Signatory Parties individually and jointly state that they would not have signed the Stipulation had any term been modified in any way. In the event that any modifications

whatsoever are made to this Stipulation, each of the Signatory Parties hereto is entitled to certain

procedures in the event of such occurrence.

12. If any modification is made to the terms of this Stipulation, the Signatory Parties must

be given the right to be placed in the position in which each Signatory Party was before this

Stipulation was executed. It is essential that each Signatory Party be given the option to modify

its own position, to accept the proposed change(s), or to resume the proceeding as if no

agreement had been reached.

13. The Signatory Parties believe that these procedures are fair to all concerned and,

therefore, they are made an integral and essential element of this Stipulation.

14. This Stipulation may be executed in as many counterparts as there are signatories to

this Stipulation, each of which counterpart shall be an original, but all of which shall constitute

one and the same instrument.

15. The Signatory Parties understand that Middlesex will file a letter with the OAL

indicating that it does not object to the Stipulation.

STEFANIE A. BRAND, DIRECTOR DIVISION OF THE RATE COUNSEL

Bv:

Susan McClure

Assistant Deputy Rate Counsel

Dated

7

NEW JERSEY-AMERICAN WATER COMPANY, INC.

Stephen R. Bishop

Stepken R. Bishop Corporate Counsel

Dated:

3/1/17

CHRISTOPHER S. PORRINO ATTORNEY GENERAL OF NEW JERSEY

Attorney for the Staff of the Board of Public Utilities

Andrew Kuntz

Deputy Attorney General

Dated: 2

EXHIBIT A

TO THE STIPULATION OF SETTLEMENT

I/M/O the Petition of New Jersey American Water Company, Inc. for Authorization to Change the Level of Its Purchased Water Adjustment Clause and Purchased Wastewater (sewerage) Treatment Adjustment Clause

BPU DOCKET NO. WR16111065

OAL DOCKET NO. PUC 17239-2016N

[Schedules DMD-1 to DMD-16 and RRS-1 are attached as separate documents and are collectively Exhibit A to the Stipulation of Settlement]

New Jersey American Water Company Statement of Actual Purchased Water Operating Expense - PWAC Water Service PWAC Year 4/1/16 - 3/31/17

New Jersey American Water Company BPU Docket No. WR16111065 Witness Responsible: Dante M. DeStefano Schedule DMD-1 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/3/1/2017

lo	Purchased Water	Apr-16	May-15	Jun-16	Jul-16	Aug-15	Sep-16	Oct-16	Nov-15	Dec-16	Jan-17	Feb-17	Mar-17	Total
Vendor/V	oucher													
Atlantic Co	ty Municipel Utility Authority	\$ 121,056	\$ 148,230	Š 124/187	\$ 130,227	5 129,151 9	191,135	5 284,953	\$ 220,591	\$ 225,680	s -	£ .	•	\$1,555,220
	Torham Park	,,	30	0	30	.125,751		, mar.	44	U	,	• •	92	31,000,E20
Township	of Maple Shade	ō	Ö	ă	Ď	ă	õ	ŏ	76	ň	5	ň	7	177
Morris Co	unty Municipal Utilities Authority	44,434	47,032	51,393	65,289	68,630	68,662	53,118	44,571	41,494	42,385	47,532	43,145	817,706
Montdair \	Water Buresu	. 0	28,259	70,786	38,796	43,445	à	40,831	45,230	n	12,200	B2,933	66,469	415,746
City of New	werk - Shaw/Selvage	à	27	24	24		161	58	58	ň	ŏ	138	55	564
	Water - Manasouan	ō	Ö	1,263,560	- 6	Ď	1,313,922	0	70	1,313,922	ŏ	0	1,313,922	5,205,326
NJWSA-	Overdrafts - Manasquan	ō	õ	5	ň	ā	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	23,067	191,813	1,010,042	ž	ő	1,510,522	214,900
	Power Component - Manasquan	4,356	19,375	· ā	27,312	27,066	13,370	21,690	21,010	588	20,221	42,473	11.643	188,101
Passaic V	alley Weter Commission - Water	,,.	721,367	556,177	2,034,508	بر برد	1,127,450	1,131,395	1,556,624	417,904	1.519.422	683,877		
	alley Water Comm - Power Component	ñ	57.406	31,947	4,047,00A	80,884	122,886	(, (a) (,aac) ()	143,786	417,304			769,034	10,517,764
Sea Isle C		•	31,400	31; 21 1	Ž	DO,009	122,000 D	-		ŭ	98,505	59,898	38,703	634,015
	leights Borough	·ū	ŭ	ŭ	Ü	Ū.	_	0	0	0	0	0	D	a
	s Weter Company		Q	ي د	77. 24.		0	0	0	0	0	Q	0	C
		31,518	34.567	98,226.	79,207	51,774	52,31†	41,752	33,375	31,419	32,801	32,526	\$1,653	490,928
7 City of Wil		0	0	9	Q	Ð	94,581	0	a	0	a	0	O	94,581
Pemberio		0	Ō.	Ç	Ď.	Ģ	.0	0	0	G	•	Ð	0	0
Other Ven		0	D	0	0	Q	0		ņ	., 0	0	Đ	Ð	-0
	Municipal Utilities Authority	33,031		65,103	31,565	39,973	\$1,041	\$7,098	33,034	31,965	33,066	33,079	30,190	419,544
	Wester - Register	1,009,616	977,558	1,009,618	977,586	1,009,616	1,009,618	977,506	1,009,615	977,506	1,009,516	1,009,816	930,218	11,907,839
	Water - Raritan - Credit (1)	Ų	0	0	(182,754)	0	0	O	0	٥	Đ	Ġ	Q.	(182,754
	Overdraft - Reriten	õ	Q	0	0	0	8	ņ	158,400	52,101	Q	0	100,000	310,501
	wark - Summit	2	2	g	0	0	0	٥	q	Đ	6,914	0	0	6,918
	sor Municipal Utility	- 0		0	0	0	0	0	Ø			Đ	- 0	
	ouchers (2)	51,244,012	\$2,033,850	\$3,211,019	\$3,202,190	\$1,450,539	\$4,045,180	\$2,591,585	\$3,437,141	53,092,659	\$2,762,729	\$1,992,072	\$3,335,123	\$32,398,097
, 														
Journal E														
	or Account 510100	3,220,573	722,078	(315,614)	(153,931)	1,618,254	(773,115)	114,192	(937,270)	(557,012)	(295,179)	(2,642,976)	Ð	٥
	ince of Account 510100 (Purch, Wir)	\$4,484,586	\$2,755,928	\$2,695,405	53,048,259	53,086,793	\$3,272,085	\$2,705,777	\$2,499,871	\$2,535,647	\$2,467,560	(\$850,904)	\$3,335,123	\$32,398,097
Adiustma														
Eliminati														
	Accruals for Account 510100	(\$3,220,573)	(\$722,078)	\$315,614	\$153,931	(\$1,618,254)	\$773,115	(\$114,192)	\$937,270	\$557,012	\$295,179	\$2,642,976	\$0	\$0
				•			•	(4,	4230,110	42,012,010	•••	40
3			•											
7														
3										-				
Total of Eli	iminations	(\$3,220,573)	(\$722,078)	5315,614	\$153,931	(\$1,618;254)	\$773,115	(\$114,192)	5937,270	\$557,012	5295,179	\$2,642,976	50	SO
1							4	1-1111		4,0,10	W.W. 1-0	92,072,210	- 30	
<u>Addition</u>														
No Additio		0	o	O	8	o.	0		'n	٥	O	0	o	
Total of Ac	ditions	50	\$0	80	\$0	. 50	\$0	şő.	30	. 50	<u> 50.</u>	50	50	0 50
Total Pow	chased Water Expense As Adjusted	\$1,244,012	\$2,033,850	67.044.6-5	#2 CD2 44*	A. 450 A.C.								
	mana man minute ve Unitable	31,249,012	92,033,550	53,211,019	\$3,202,190	\$1,450,539	\$4,045,180	\$2,5 P1,58 5	53,437,141	\$3,092,859	\$2,782,720	\$1,992,072	\$3,335,123	\$32,398,097

Total Purchased Water Expense As Adjusted

\$1,244.012 \$2,033.850 \$3,211.019 \$3,202,190 \$1,450.839 \$4,046,180 \$2,591.585 \$3,437,141 \$3,092.859 \$2,782,729 \$1,992.072 \$3,347 (1) Reflects credit against prior period debt service payments

49 (2) Purchased Water expense reflects actuals axcept for estimates utilized for February 2017 through March 2017 activity. The estimated activity is based on a 3-year average usage of year ended 3/31/14, 3/31/15, and 3/31/16 for that invoiced month, multiplied by the applicable effective rate.

New Jersey American Water Company Statement of Actual Purchased Water Volumes (1000 Gallons) Associated with Actual Purchased Water Expense - PWAC Water Service PWAC Year 4/1/16 - 3/31/17 (1)

New Jersey American Water Company BPU Docket No. WR16111065 Witness Responsible: Dante M. DeStafano Schedule DMD-1a Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017 Page 1

Line	•												· ·	
No.	Purchased Water	Apr-16	May-16	Jun-16	Jui-18	Aug-16	Sep-18	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
1								•						10101
2														
3	Vendor/Vendor_(1,000 gellons)													
	Atlantic City Municipal Utility Authority	33,701	41,861	34,641	36,455	36 132	54 745	~ 76,914	63,590	65,118	0	0	0	443,157
	Borough of Florham Park	0	0	0	13	0	0,1,40	10,014	27	50,115	ŏ	ŏ	E4	443, 131 04
6	Township of Maple Shade	Ō	ō	Ď	Õ	ň	ň	ň		ň	ň	ň		34
7	Morris County Municipal Utilities Authority	17 156	18,159	19,843	25,208	26,498	26,518	20,509	17,209	16,021	16,365	17,650	16.021	237,157
	Moniciair Water Bureau	0	6,187	13,407	7.314	8,148	מיטוסב	7,679	8.468	10,021	10,303	17,030	13,996	
9	City of Newark - Shaw/Selvage	Ŏ	7	8	6	21.10	47.	15	15	ŏ	0	17,843	15,990	83,192 154
10	NJWSA - Water - Manasquan	0	Ó	1,140,625	ā	ŏ	1,140,625	'n	, ,	1,140,625	ŏ	~3	1,140,625	
	NJWSA - Overdrafts - Menasquan	ō	ā	Ď	ă	ň	1,140,020	ň	ň	1,140,020	ŏ	. 0	1,140,023	4,562,500
12	Passaic Valley Water Commission - Water	Ó	287,560	221,710	811,050	ň	449,440	451,010	620,520	166,590	605,690	259.633	291,963	4,165,166
13	Sea Isle City	ō	0	0	0	ŏ	0	701,010	020,020	,00,000	000,000	235.033	231,303 0	4,100,100
14	Seaside Heights	Ō	0	ñ	ă	ň	ň	ň	ň	ň	Ö	ű	0	v
15	Shorelands Water Company	12,555	13,841	14,722	. 29,993	18,027	18,158	15.582	13,256	12,445	12,979	13,005	12.662	407.004
16	City of Wildwood	0	0	0	0	n io,az,	35,030	10,000	75,250	12,770	12,979	13,005	12,002	187,224
17	Pemberion Borough	0	ō	Ď	ō	ň	0	ŏ	ă	ň	Ů	Ň	Č	35,030
	Other Vendors	Ó	ō	ŏ	ō	ñ	ŏ	ň	ŏ	ň	ň	ŏ	0	Ž
	Mariboro Municipal Utilities Authority	7,750	Õ	15,275	7,500	9,338	11,869	8.689	7,750	7,500	7,750	7,761	7.083	98,265
20	NJWSA - Water - Raritan	3,924,600	3,797,881	3,924,600	3,798,000	3,924,600	3.924.600	3,796,000	3,924,600	3,798,000	3,924,600	3,924,600	3,544,800	46,208,881
21	NJWSA- Water - Raritan Legislative Grant	90,210	87,300	90,210	87,300	90,210	90,210	87,300	90,210	87,300	90,210	90.210	81,480	1,062,150
22	NJWSA - Overdraft - Ranten	0	0	. 0	0	0	0,2.12	0.00	521,739	171,610	30,210	30,210 n	343,702	1,037,051
23	City of Newark - Summit	1	1	Ó	ŏ	ñ	ň	ň	-21,700	., 1,010	2,598	ŏ	0-10,102	
	East Windsor Municipal Utility	9	Ó	ŏ	õ	ň	n	ň	ň	ŭ	2,530	,		2,600
	Total Volume Asecc. with PW Expense as Adjusted (1)	4,085,973	4,252,797	5,475,039	4:802.839	4,112,953	5,751,242	4,465,698	5.267.384	5,465,209	4,660,192	4.330,895	E 450 404	50 400 004
				., 0,000	11-141-04	76 - 724 000	41.01.745	·*,·*20,020	6,561,567	J,70J,209	7,444, 36	7,300,000	5,452,401	58,122,621

<sup>26
27 (1)</sup> Purchased Weter usage reflects actuels except for estimates utilized for February 2017 through Merch 2017 activity The estimated activity is based on a 3-year average usage of year ended 3/31/14, 3/31/15, and 3/31/16 for that invoiced month 29
30
31

New Jersey American Water Company Statement of PWAC True Up Schedule - Revenue and Operating Expense - PWAC Water Service PWAC Year 4/1/16 - 3/31/17

New Jersey American Water Company BPU Docket No. WR16111965 Witness Responsible: Dante M. DeStefano Schedule DMD-2 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2015 - 3/31/2017 Page 1

Line	Note	(1)												
No.	Purchased Water Nar-1	16 Apr-16	M2y-18	Jun-16	Jul-16	A119-16	Sep-15	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
1 2	Total Billed PWAC Revenue (non-expt. & exempt) (2)	\$2,631,769	\$2,784,276	\$3,505,857	\$4,136,310	\$3,952,770	\$4,375,472	\$3,521,611	\$2,962,927	\$2,862,024	\$2,826,469	\$2,491,481	FD C44 40F	#00 CCF HD0
	Less: Exempl PWAC Revenue (from in 49)	80,702	35.695	86.870	89.487	81,449	103,564	85.516	80,786	85,003	89,194	95,651	\$2,614,425 \$1,985	\$30,665,389 1.065,502
	Non-Exempt PWAC Revenue	\$2,551,067	52,698,581	\$3,418,957	\$4,045,823	53.861,321	\$4,271,808	\$3,436,095	52,882,141	\$2,767,021	\$2,737,275	52,395,830	\$2,532,440	\$37,589,387
5	, <u></u>		44,444,441	40,710,801	94,040,060	44,441,121,1	27,271,000	22,90,000	32,002,241	32,107,021	32,737,273	25,383,630	32,332,444	331,369,361
6	GRFT tax rate (3)	13,76%	13.76%	13.75%	13,76%	13,76%	13,76%	13.76%	13:78%	13,76%	13.76%	13:76%	13,76%	13.78%
	PWAC Non-exempt. Rev. net of GRFT(In.4*(100% -In 6)	\$2,200,040	\$2,327,255	\$2,848,534	\$3,489,960	53,330,003	\$3,684,007	\$2,963,260	\$2,485,558	\$2,366,279	\$2,360,626	\$2,066,164	\$2,183,976	\$32,425,712
8	Add Back: Exempt PWAC Revenue (In. 3)	80.702	55,695	86.870	89,487	91,449	103,664	85,516	80.786	95.003	89.194	95,651	81,985	1,066,002
	PWAC Revenue net of GRFT	\$2,280,742	\$2,412,951	\$3,035,404	\$3,579,467	\$3,421,452	\$3,787,571	43,048,805	52,568,344	\$2,481,282	\$2,449,820	52,161,815	\$2,265,961	533,491,714
10									- •					
	Less: Uncollectible & BPU/ Div. Rate Counsel Exp. Factor (3)	0,9928		0,9928	0.9928		0.9928	0.9928	0.9928	0.9928		0,9828	0.9928	0.9928
	PWAC Rev. net of GRFT, Uncoll, BPU/DRC exp (in.9*11)	52,254,321	S2,395,57 0	\$3,013,549	S3,553,895	\$3,396,818	\$3,750,400	53,026,854	\$2,547,666	52,453,417	\$2,432,181	\$2,146,250	\$2,249,646	\$33,250,575
13								•						
	Less: PWAC True-up Under-recovery of \$152,762													
15	from PWAC Year 4/15-3/16 divided by 12 mos. (1)	12,681	12,678	12,676	12,878	12,878	12,876	12,876	12,878	12,878	12,878	12,678	12,878	154,539
16	-													
	Total PWAC Revenues net of Cost recoveries detailed above	\$2,251,440	\$2,382,700	\$3,000,671	\$3,540,617	\$3,383,940	\$3,747,522	\$3,013,976	\$2,534,988	\$2,450,539	\$2,419,303	\$2,133,372	\$2,236,768	\$33,096,036
18 19	T.d. D					_								
20	Total Purchased Water Exp. as Adjusted -(per Sch. DMD-1, in 46)	1,2 44 ,012	2,033,850	3,211,019	3,202,190	1,450,539	4,045,180	2,591,585	3,437,141	3,092,659	2,762,729	1,992,072	3,335,123	32,398,098
	T-4-1 (5040 V 11- 0-1													
21	Total PWAC True-Up Selance	404 007 107		*****										
22	(Over-Recovered) / Under-Recovered (in. 21-19)	(\$1,007,427)	(\$348,850)	\$210,348	(\$338,627)	(\$1,933,401)	\$297,65 6	(\$422,391)	\$902,153	\$642,120	5343.426	(5141,300)	\$1,086,355	(5597,938)
23														
	Interest Colculation													
	Total PWAC Cumulative True-up Balance	4 500 4000 000												
26 27	(Over-Recov) / Under-Recov (4) \$154	<u>4,539 </u>	(\$1,227,497)	(\$1,030,028)	(\$1,381,533)	(\$3,327,612)	(\$3,043,032)	(\$3,478,302)	(\$2,589,027)	(\$1,959,785)	(\$1,829,236)	(\$1,783,415)	(\$697,938)	
	Average of the Current & Prior months Cumulative	10FF e4F	4 - 4 - 4 - 4	** *** ***										
29	True-up Balances (Over roc.) / Under roc.	(355,615)	(1,046,633)	(1,128,762)	(1,205,780)	(2,354,672)	(3,165,422)	(3,260,667)	(3,033,664)	(2,274,406)	(1,794,511)	(1,706,326)	(1,240,676)	
30	tractip belances (Over rec.) rustices rec.											•		
	Overall ROR Per Docket BPUKWR15010035 (5)	7.5496%	7.5496%	7.5496%	7.5496%	7.5495%	7 5 4500	7 7 40.001	7 540001					
	Monthly Overall Rate of Return	0.83%		0.53%	0.63%	7.5450% D.83%	7.5496%	7.5495%	7.5496%	7.5496%	7.5496%	7.5496%	7.5496%	
	Interest on True-up Balances - (Over) / Under	(\$2,240)		(\$7.11.1)	(\$7,596)	(\$14.834)	0.63% (\$20,066)	0.63% \$20,5421	0.63%	0.63%	0.63%	0.63%	0.63%	
34	The state of the s	(46.270)	(30,335)	(37,11.1)	(37,330)	(314,034)	(320,000)	[\$20,542]	(\$19,112)	(\$14,329)	(\$11,305)	(\$10,750)	(\$7,816)	(\$142,297)
	Total PWAC (Over-Recov.) / Under-Recov. including interest												-	
36													_	(\$840,235)
	Exempt (from GRFT) Customers Actual Water Salus (1004 gala); (6)													
	Cogen (Bayway) OIW	79.310	86,999	25.552								•		
	Agus NJ Water Co. — SFR-CD	79,310 21,390	20,700	85,568 21,390	85,901 20,700	93,597	126,696	6 5,192	70,406	78,877	107,596	109,875	101,843	1,122,859
	Lawrenceville Water Co - SFR-SOS	16,399	15,579	21,390 16,214	20,700 15,751	21,390	21,390	20,700	21,390	20,700	21,390	21,379	19,539	252,057
	Middlesex Water Co - SFR SOS	83,751	90,000	93,030	90,362	15,644 95,966	16,446 93,467	15,913	16,037	16,558	0	0	0	145,541
	Roxiticus Water Co — SFR Reg. GMS	00,751	-0,000 A	93,030	80,302	90,900	93,40/ N	90,028 0	93,227	120,310	93,000	106,803	82,663	1,132,608
	Total Exempt Customer Actual Water Sales	200,850	213,278	216,202	222,714	227,597	257,999	212,833	201,050	236,445	221,986	024.057	0	0.050.550
44		,	, _ , _			,001		£ 12,033	20 t-000	230,440	441,800	238,057	204;045	2,653,065
45	Exempt PWAC Rate per 1000 gale (7)	S0.4018	50,4018	\$0.4018	\$0,4018	30,4018	50,4018	\$0,4018	50,4018	en 4045	#B:4612	FÓ 4045		
	Exempt PWAC Revenue	\$80,702	\$85,695	586.870	589,487	591,449	5103.664	\$85,516	\$80,786	\$0,4018 \$95,003	\$0,4018 \$89,194	\$0.4016	\$0.4018	SD,4918
47			-40,603		343,701	421,440	3133,004	OI C.COR.	390,786	390,003	309,194	\$95,651	\$81,985	51,066,002

48 Notes: (1) March 2016 represents Total PWAC True-up balance per Schedule DMD-2a.

^{48 (2)} Billed PWAC water revenues are based on actuals, except astimates utilized for February 2017 through March 2017. Estimates are based on prior year, same month revenues, adjusted by the rate change effective 04/01/16 per Docket #WR15111289.

50 (3) NJAWC Authorized GRFT rate is 13 76% per Docket #WR15010035. Uncollectible rate utilized herein is per Settlement, BPU Docket #WR15111289 and BPU/Rate Counsel expense factor per Actual Assessment Rates.

^{50 (4)} Line 22 of the current month plus line 26 of the prior month less line 15 of the current month.

^{51 (5)} The ROR utilized for 04/01/16-3/31/17,based on BPU Docket #WR15010035

^{52 (8)} Water sales for all entities were based upon actual monthly water sales, except estimates utilized for February 2017 through March 2017. Estimates are based on a 3-year average of 2014, 2015, and 2016 usage for the same month 53 (7) For Settlement - exempt rate reflects \$0.4018 effective 4/1/16 per BPU Docket #WR 15111289.

⁵⁴ 55

New Jersey American Water Company Statement of PWAC True Up Schedule - Revenue and Operating Expense - PWAC Water Service PWAC Year 4/1/15 - 3/31/18

New Jersey American Water Company BPU Docket No. WR15111289 Witness Responsible: Danle M. Doctefano

Schedule DMD-2, Actuals through 3/31/16 PWAC Filing Year: 4/1/2015 - 3/31/2016 Page 1

<u></u>	Purchased Water	Note (1) Már-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-18	Mar-16	Total
	PWAC Revenue (non-expt. & exempt) (2) t PWAC Revenue (from in: 49)		\$2,757,520 69,936	\$2,858,552 83,302	\$3,420,385 79,822	\$3,582,183 78,092	\$3,848,481 83,538	\$3,909,986 75,129	\$3,430,798 79,919	\$2,609,837 72,436	\$2,655,721 86,097	\$2,492,195 78,789	\$2,325,227 84.026	\$2,439,968 82,310	\$36,330,85 972,39
и-Exempt	PWAC Revenue		\$2,667,565	\$2,775,250		\$3,504,091	\$3,764,943	\$3,833,857	\$3,350,879	\$2,537,401	\$2,569,624	\$2,415,406	\$2,241,201	\$2,357,658	\$35,358,46
RFT text radi			13.76%	13 76%	13.76%	13.76%	13.76%	13,76%	13 76%	13.76%	13.76%	13.76%	. 13 76%	13 76%	13.76
	empt Rev. net of GRFT(in 4 *(100% -in 8) compt PWAC Revenue (in 3)		\$2,300,525 89,935	\$2,393,375 63,302	\$2,850,905 79,822	\$3,021,928 78,092	\$3,245,887 83,538	\$3,306,318	\$2,889,798		52,216,044	\$2,083,045	51,932,812	52,033,244	130,493,13
	nue net of GRFT		\$2,390,460	\$2,478,57.7	\$2,950,727	\$3,100,020		78,129 \$3,382,447	79,819 \$2,969,717	72,438 \$2,260,690	86,697 \$2,302,141	76,789 \$2,159,835	84,026 \$2,016,838	82,310 \$2,115,554	972,39 \$31,465,53
es: Uncolle	ctibles & BPU/ Div Rate Counsel Exp Factor (3)		0.9926	0.9926	.0.9926	0.9926	0.9926	0.9926	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0.98
	net of GRFT, Uncolf ,BPU/DRC exp (in 6'11)		\$2,372,771	\$2,458,350	\$2,938,818	\$3,077,060	\$3,305,780		\$2,947,444	\$2,243,735			\$2,001,712	\$2,099,687	\$31,231,30
	True-up Over-recovery of (\$1,836,056)														
from PWA	C Year 4/14-3/15 divided by 12 mos. (1)		(153,032)	(153,034)	(153,034)	(153,034)	(153,034)	(153,034)	(153,034)	(153,034)	(153,034)	(153,034)	(153,034)	(153,034)	(1,836,40
ss: PWAC	Filing Cost Authorized (4)		286	282	282	282	262	282	282	282	282	282	282	282	3,386
Hali PWAC	Revenues not of Cost recoveries detailed above	•	\$2,525,517	\$2,611,102	\$3,091,570	\$3,229,832	\$3,450,532	\$3,510,169	\$3,100,196	\$2,396,487	\$2,437,627	\$2,296,388	\$2,154,464	\$2,252,439	\$33,064,323
iei Purcha	sed Water Exp. as Adjusted -(per Sch. DMD-1, in 4	46)	1,825,791	2,126,338	3,054,303	1,871,987	2,435,301	3,865,602	2,910,589	2,948,730	4,775,753	1,438,992	1,955,398	4,226,747	33,435,531
	True-Up Belance														
-Met-Meco	vered) / Under-Recovered (in. 21-19)		(9699,727)	(\$484,764)	(\$37.267)	(\$1,357,845)	(\$1,023,231)	\$355,433	(\$189.607)	\$552,243	\$2,338,126	(\$857,396)	(\$199,066)	\$1,974,308	\$371,20
erest Calc															
	Cumulativa True-up Balance cov) / Under-Recov (5)	(\$1,836,406)	(\$2,383,101)	(\$2,714,831)	(\$2,599,084)	(\$3,803,574)	(\$4,674,071)	(\$4,165,604)	(\$4,202,178)	(\$3,496,901)	(\$1,005,741)	(\$1,710,103)	(\$1,756,135)	\$371,207	
erage of th	e Current & Prior months Cumulative		(2,109,754)	(2,548,986)	(2,656,947)	(3 201 469)	(4,238,973)	// 41D 836\	/# 102 POS	/2 6/0 E3/0	/2 DE4 2041	/4 9E7 0901	(1,733,119)	Atron and	
	alances (Over rec) / Under rec		(-1,1,-1)	(=10.0,000)	(2,000,011)	(4,501,400)	(+,200,410)	(4,410,000)	(4,100,001)	(0,045,500)	(2,201,321)	(1,501,522)	(1,133,119)	(692,464)	
	Par Docket BPURMR11070480 (6)		B 0398%	8 0396%	8 0398%	8 0398%	8 0396%								
	Per Docket BPU#A/R15010035 (8) Table of Return							7.8784%	7.5496%	7 5496%	7 5496%	7 5496%	7 5495%	7 5496%	
	ac runs of resum us-up Balances - (Over) / Under		0.67% (\$14,135)	0.67% (\$17.078)	(517,802)	(521,450)	(\$28,401)	Q.66% (\$29,171)	0.8316	(\$24,252)	0.63% (\$14.183)	0,63% (\$8,555)	(\$10,919)	2.63%	(2040.000
	• • •			1010,000,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1,150	1000,101/	(444, () 1)	(30,000)	(424,232)	(\$14.160)	(30,333)	(210.313)	(\$4,363)	(\$216,668
MI PWAC	(Over-Recov) / Under-Recov. Including Interes	•													\$154,539
	n GRFT) Customers Actual Water Sales (1000 e	min); (7)								•					
gen (Bayw	wy) CHW wy Co SFR-CD		107,566	94,843	78,245	73,265	88,069	75,810	77,755	61,837	75,615	72,930	87,337	93,085	986,375
	Water Co - SFR-808		21,390 16,588	20,700 15, 98 1	21,390 15,536	21,700 15,536	21,390 16,190	21,390 16,160	20,700 15,665	21,390 16,220	20,700	21,390	21,390	20,010	253,540
	ater Co SFR SO6		93.732	90,000	96,213	96,213	95,608	87,306	97,244	93,000	16,430 116,327	16,558 93,892	17,002 98,340	15,678 90,521	193,745 1,148,396
	Mr Co — SFR Reg. GMS		560	515	1,475	1,510	1,510	2.345	1,755	715	520	93,692 D	30,340	90,521	1,140,390
tal Exemp	t Customer Actual Water Sales		239,827	222,139	212,859	208,244	222,767	203,011	213,119	193,152	229,592	204,770	224,069	219,464	2,593,061
	C Rale per 1000 gale (8)		50,3750	\$0,3750	50:3750	\$0.3750	\$0.3750	\$0,3750	\$0,3750	\$0,3750	\$0,3750	\$0,3750	50,3750	\$0,3750	30,3750
tempt PYW	C Revenue		\$89,935	583,302	\$79,822	578,092	\$63.536	575,129	379.819	\$72,436	\$86,097	\$76,789	\$84,026	\$82,310	5972.395
) Billed PV) GRFT ta) Amount p) Une 24 d) The ROF) Water sa	tarch 2015 represents Total PWAC Tros-up by VAC welfer revenues are based on actuals. lie and Uncollectible BPURITATE Counset expenses to the counset expenses to the Counset of the Counset of the Counset from t	nie factor utilize VAR 1411 1278, onth leas line 18 ad upon the RO othiv water sale	d herein is per Schedule DMD of the current R per Board O	i-12 - Per Setil month rder in the Bai	डामार्थे					ased on BPU (Docket#WR15	i010035			
) GRFT ta) Amount p) Une 24 c) The ROF) Water sa	le and Uncollectible/BPURRate Counset expen per the 2015 PWAC Rate Filing BPU Occtet # of the current month plus line 28 of the prior mo I williand for the period 4/1/15 - 9/20/15 is bess I williand for the period 4/1/15 - 9/20/15 is bess	vnet 1411 1248, onth less line 16 od upan the IRC othiv water sale	Schedule DMD of the current R per Board O	i-12 - Per Setil month rder in the Bai	डामार्थे					ased on BPU (Docket#WR15	6010035			

CONFIDENTIAL: FOR SETTLEMENT PURPOSES ONLY, NOT FOR EVIDENTIARY USE.

New Jersey American Water Company Statement of Pro Forms PWAC PWAC Year 4/1/2017-3/31/2018

New Jersey American Water Company BPU Docket No. WR16111065

Schedule DMD-3 Updated through 1/31/17 - SETTLEMENT

PWAC Filing Year: 4/1/2016 - 3/31/2017 Witness Responsible: Dante M. DeStefano Page 1

	CALCULATION of PWAC Rates for Year 4/	1/2017-3/31/2018 Withou	t Compression (regular c	alc.)
	(1)			(Z)
	Pro forma Purchased Water Exp PWAC Year 4/01/17-3/31/18	(Cahal DDC 4)		Regular Calc.
	PWAC True-up from PWAC Year 4/01/16-3/31/17 (Schedule D	(SCIU. NNS-1)		\$32,877,36
	THAO THE OF HOME PARCETON TO 1710-3/31/17 (SCHEDURE D	MU-2)		(840,23
	sub-total (lines 2+3)			\$32,037,12
				\$32,031,12
	Gross-up factor for Uncollect. Exp. & Actual 2016 BPU / Div. Ra	te Counsel Assessments (1	n	0.992
	•	,	· —	0.002
ŧ	PWAC for Recovery 4/1/17-3/31/18 pre-GRFT (line 6 / 8)			\$32,269,46
	, , , , , , , , , , , , , , , , , , , ,	•		***************************************
	Total Projected Water Sales subject to PWAC (1000 gallons) (like	ne 51) (3)		82,428,104
1			_	
	PWAC Exempt Rate per 1000 gallons (line 10 / 12)			\$0.391
•				¥ <u></u> 1,
;	PWAC Non-Exempt Rate per 1000 gals. (line 14 / grossed uj	for GRFT @ 13.76%) (2)	•	\$0.4540
				<u> </u>
,				
1	Pricing			
	Exempt Sales			
	Projected Exempt Water Sales subject to PWAC (1000 gallons)	(line 50) (3)		2,655,139
	PWAC Exempt Rate per 1000 gallons (line 14)	(33) (2)		\$ 0,391
ļ	PWAC Exempt Revenue			\$1,039,487
;	·			\$1,000,100
i	Non-Exempt Sales	,		
	Non-Exempt PWAC recovery pre-GRFT (line 10 - 24)			\$31,229,98°
	Non-Exempt PWAC recovery grossed-up for GRFT (line 27 / (100% - 13 76%\\	_	\$36,212,872
	, , , , , , , , , , , , , , , , , , ,	10070 107,0107,7		430,212,012
	Projected Non-exempt Water Sales subject to PWAC (1000 ga	lions) (line 50) (3)		70 770 001
	PWAC Non-Exempt Rate per 1000 gallons (line 16)			79,772,965 \$0,4540
	PWAC Non-Exempt Revenue			\$36,216,926
	·			400,210,820
	Total PWAC Revenue (in. 24 + 32)			\$37,256,413
			-	,,,
	Notes:			·
	(1) Uncollectible rate @ 0.48% per 3-year average of 2012-201	4 uncollectible rates and Ac	tual Assessment Rates	
	@ 0.242144% (combined) (BPU = 0.193247% for 2016, Ra	te Counsel = 0.048897%		
	for 2016). Gross-up factor (100% - (0.48% + 0.242144%)) (2) NJAWC Authorized GRFT rate is 13.76% per Docket #WR15	or 99,28%.		
	(4) PSAYTO AUDIORZEG GREL Fate is 13,76% per Docket #AR15	010035		
	(3) Projected water galagian are an avenue of actually			
	(3) Projected water sales are an average of calendar years 2014	i, 2015 and 2016 actual wat	er usage.	
	(3) Projected water sales are an average of calendar years 2014 Exer		er usage. Total	

New Jersey American Water Company Statement of Pro Forma Purchased Water Expense PWAC Year 4/1/2017-3/31/2018

New Jersey American Water Company BPU Docket No. WR16111065 Witness Responsible: Robert R. Schaefer

Schedule RRS-1 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017

Page 1

Purchased Water Vendor	Actual PWAC Year 4/1/16-3/31/17 Purchases (MGY)	Armual Contract Minimum (MGY)	Pro Forma Purchases (MGY)		Pro Forma Rate per MG		Pro Forma PWAC Year 4/1/2017-3/31/2018 Expense
Passaic Valley Water Commission (PVWC): PVWC - power component	(2) 4,165.166	3,777.750	(4) 4,214.222	(1a)	(5) \$2,666 .94	(1) (2)	(6) \$11,239,077 \$652,456
Morris County Municipal Utilities Authority	237.157	220.000	237.157		\$2,719.93	(3)	\$645,050
Montclair Water Bureau	83.192	65.000	86.932	(1a)	\$5,224.52	(4)	\$ 454,178
New Jersey Water Supply Authority (NJWSA)							
Manasquan:	4.562.500						
Contract @ Initial rate	•	2,943.725	2,943,725		\$1,058.66	(5)	\$3,116,404
Contract @ Delayed rate		1,618.775	1,618,775		\$1,162.83		\$1,882,360
Power component		1,01=0	7,0	•	~ ,,	(2)	\$209,612
Overdraft service	0.000		42,724			(5b)	\$123,718
Raritan:						(44)	4120,110
Contract	46,208.88	46,209.00	46,209.00		\$287.92	(6)	\$13,304,495
Legislative grant	1,062.15	1,062,15	1,062.15		\$0.00	ι-,	\$0
Overdraft service	1,037.05	.,	730,87		40.00	(6a)	\$219,312
Retroactive Debt Service	•		,,-,			(6b)	\$200,301
Credit against Retroactive Debt Serv. Pymts			•			(6c)	(\$190,717)
Atlantic City Municpal Utilities Authority:							
Base rate	180.000	180.000	180,000		\$0.00	(7)	\$0
Excess rate	263.157	372.822	372.822		\$0.00	(7)	\$0
Shorelands Water Company:							
Union Beach connections:	175.864						
Sale for Resale rate		162.500	149.609		\$2,248.50	(8)	\$336,396
Backup bulk sales rate			12.891		\$4,099.00	(8)	\$ 52,840
Fixed chg:2 - 4" meter (per mo.)					\$300.00	(8)	\$7,200
Fixed chg:2 - 6" meter (per mo.)					\$600.00	(8)	\$14,400
Union Beach Deficiency bill					4	(9)	\$61,353
Holmdel connection:						(-,	401,000
Backup bulk sales rate	11.360		10.585	(1a)	\$4,099.00	(8)	\$43,388
Fixed chg:1 - 6" meter (per mo)		77			\$600.00	(8)	\$7,200
Marlboro Township MUA	98.265	91.250	93.956	(1a)	\$4,293.46	(10)	\$403,394
City of Wildwood	35.030	35.000	35.165	(1a)	\$2,700.00	(11)	\$94,946
			58,000.583				\$32,877,363

New Jersey American Water Company Statement of Pro Forma Purchased Water Expense PWAC Year 4/1/2017-3/31/2018

New Jersey American Water Company BPU Docket No. WR16111065 Witness Responsible: Robert R. Schaefer

Schedule RRS-1 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017 Page 2

RRS-1 Notes:

- (1) Prorated Rate 9 months of rate effective 1/1/17 \$2,634.01 and 3 months increase by 5% effective 1/1/18 per letter dated 12/22/16.
- (1a) 3 year average of usage for the 12 months ended 3/31/15, 3/31/16 and 3/31/17. See Note 1, DMD-1a for explantation for year ended 3/31/17.
- (2) 3 year average of power costs for the 12 months ended 3/31/15, 3/31/16 and 3/31/17. See Note 1, DMD-1a for explantation for year ended 3/31/17.
- (3) Prorated rate effective 1/1/17 rate of \$2,693 for 9 months, plus 3 months of estimated rate effective 1/1/18, estimating 4% increase to 2017 rate.
- (4) Rates as applicable per Montclair Water Bureau Ordinance and agreement dated 6/16/15.
- (5) Prorated rate 3 months of actual rate Eff. 7/1/16-6/30/17 \$1,104.58 per mg and 9 mos. of 7/1/17-6/30/18 estimated rate increase, \$1,043.35 per mg, per NJWSA Basis and Background Statement.
- (5a) Prorated rate 3 months of actual rate Eff. 7/1/16-6/30/17 \$1,238.04 per mg and 9 mos, of 7/1/17-6/30/18 estimated rate increase, \$1,137.76 per mg, per NJWSA Basis and Background Statement.
- (5b) Estimated overdraft service charge based upon average of 12 months ended 3/31/15, 3/31/16 and 3/31/17 actual monthly and annual overdraft charges. See Note 2, DMD-1 for explantation for year ended 3/31/17.
- (6) Per settlement average of as-filed rate and RCR-15 updated rate (\$260.59 vs. \$315.25).
- (6a) Estimated overdraft service charge based upon 3 year average for the periods ended 3/31/15, 3/31/16 and 3/31/17 actual monthly and annual overdraft charges. See Note 2, DMD-1 for explantation for year ended 3/31/16.
- (6b) Actual annual retroactive debt service charge effective January 2008.
- (6c) Estimated prior period credit against the debt service charge is based upon a 3 year average of these credits for the 12 months ended 3/2015, 3/2016 and 3/2017.
- (7) Contract expired on November 20, 2016 and was not renewed.
- (8) Present rates Effective 3/18/15.
- (9) Estimated Union Beach deficiency bill based upon a 3-year average of the dollars associated with the deficiency in PWAC Years ended 3/31/15, 3/31/16 and 3/31/17.
- (10) Prorated rate reflects the average of the 12 monthly projected rates during PWAC Yr. 4/1/17 3/31/18. The rate incorporates MWC (Middlesex) and MTMUA components. The MWC rate component was based on the current actual rate eff. 8/29/2015 of \$2,927.84 per mg.
 - The MTMUA component was prorated based on 11 months of the current contractual rate of \$1,360.89 and 1 month of a contractual 2% rate incr. effective 3/1/18 of \$1,388.11. The MTMUA rate increase is effective on the anniversary of the Water Service Effective Date of 3/1/09.
- (11) Present rates Effective 1/1/2016.

New Jersey American Water Company Statement of Lakewood Sewer Service Actual Purchased Wastewater Treatment Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/16 - 3/31/17

New Jersey American Water Company BPU Docket No. WR16111965 Wknese Responsible: Dante M. DeStefano

Schedule DMD-4 Updeted through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017

ine No. Purchased Wastewater Trealment	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mac-17	Total
1 2													
3 Lakewood Sewer Service													
5 Journal Entries													
8 Entries/Accruais (1)	\$452,900	3452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$778,433	\$452,900	\$5,758,333
7 Total Bai. Purch. Wastewater Treatment	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$452,900	\$778,433	\$452,900	\$5,756,333
8 9 Adjustments 10 Additions/Vouchers 11 Ocean County Utilities Authority (OCUA) Vouchers (2) 12 OCUA - 2016 Deficiency Charge Voucher (2) 13	\$0	\$1,358,700	\$0	\$0	\$1,358,700	\$0	\$0	\$1,358,700	\$0	\$0	\$1,358,700 323,533	\$0	\$5,434,800 323,53
5 Total of Additions	50	\$1,358,700	50	\$0 ⁻	\$1,358,700	\$0	50	\$1,358,700	\$0	\$0	51,682,233	50	\$5,758,33
16 17 18 <u>Eliminatione</u> 19 Eliminate Accruals for Account 20	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$776,433)	(\$452,900)	(\$5,758,333
21 Total of Eliminations	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452.900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(\$452,900)	(5778,433)	(\$452,900)	(\$5,758,333
22							1	12	(+	(0.00,00,00	(2115,425)	10.102,000)	100,000,000
23 Total Purch. Wasteweter Treat. Exp. As Adjusted	\$0	\$1,358,700	50	SO	\$1,358,700	50	50	\$1,358,700	\$0	SO	\$1,682,233	\$0	\$5,758,333
24					*						* · · · · · · · · · · · · · · · · · · ·		, , , , , , , , , , , , , , , , ,

<sup>24
25
26</sup> Notes
27 (1) Journal Entries/accruals are based on actuals
28 (2) February 2017 invoice per letter dated February 3, 2017 from the OCUA

New Jersey American Wider Company Statement of Lakewood Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/16 - 3/39/17

New Jersey American Water Company BPU Doctot No. WR16111665 Witness Responsible: Dunie M. DeStefano

Schedule DMD-5 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017 Page 1

\$338,264

Purchased Wastewater Treatment	Note (1) Mar-18	Apr-16	May-18	Jun-16	Jul-16	Aug-15	Sep-16	Oct-16	Nove16	Dec-16	Jan-17	Feb-17	Mac-17	Total
akswood Bewer Service														
ichal Billed PSTAC Revenue (2) GRFT tax rate (N/A) (3)		\$429,574 0 0%	\$457,654 0.0%	\$481,055 0.0%	\$464,389 0.0%	\$479,409 0.0%	\$466,424 0.0%	\$465,544 0.0%	\$463,509 0.0%	\$465,667 0.0%	\$496,693 0.0%	\$466,731 0.0%	\$466,731 0.0%	\$5,583,380 0.0%
illed PSTAC Revenues net of GRFT	_	\$429,574	\$457,654	\$461,055	\$464,399	\$479,409	\$466,424	\$465,544	\$483,509	1465,667	\$496,693	\$466,731	\$465,731	\$5,583,360
ess: Uncollectibles & BPU/Div Rate Counsel Exp Factor (3)		0.9928	0.9928	0.9926	D 9928	0.9928	0 9928	0.9928	0.9928	0 9928	0 9928	0.9928	0.9928	0.9928
STAC Rev net of GRFT, Uncolt, BPU/DRC exp (line 6'8)		\$426,481	5454,359	\$457,735	\$461,045	\$475,957	\$453,066	\$462,192	\$460,172	\$462,314	\$493,117	\$463,371	\$463,371	\$5,543,180
ess; PSTAC True-up Under-ractivery of \$123,111 from PSTAC Year 4/15-3/17 divided by 12 mos (1)		10,262	10,259	10,259	10,259	10,259	10,259	10,259	10,259	10,25 9	10,259	10,259	10,259	123,111
otal PSTAC Revenue net of Cost recoveries detailed above	_	\$416,219	\$444,100	\$447,476	\$450,785	\$465,696	\$452,807	\$451,933	\$449,913	\$452,055	\$482,858	\$453,112	\$453,112	\$5,420,069
otal Purch Westewater Treat. Exp. As Adjusted - (per Schedule DMD-4, in 23)		O	1,358,700	0	0	1,358,700	0	٥	1,356,700	0	0	1,682,233	o	5,758,333
ots) PSTAC True-up Balance Over-Recovered) / Under-Recovered (in. 19 - 17)	_	(\$416,219)	3914,600	(\$447.47B).	(\$450.786)	\$893,002	(\$452,807)	(5451,933).	\$906.787	(\$452,055)	(\$482,858)	\$1,229,121	(6453,312)	\$338,264
nterest Calculation									,					•
otal PSTAC Cumulative True-up Balanca (Over-Recov) / Under-Recov (4)	\$123,111	(\$303,370)	\$600,971	5143,236	(\$317,809)	\$564,934	\$101,868	(\$360,324)	\$538,204	\$75,690	(\$417,227)	\$801, <u>6</u> 35	\$338,264	
verage of the Current & Prior months Currelative True-up Belances		(90,130)	148,800	372,103	(87,287)	123,562	333,401	(129,22ff)	86,940	307,047	(170,669)	192,204	569,949	
veral ROR Per Docket BPUMMR15010035 (6) onthly Overall Refe of Refern	_	7.5496% 0.63%	7 5496% 0,63%	7.5496% 0.63%	7 5498% 0.63%	7.5496% 0.83%	7 5496% 0.63%	7 5496% 0.63%	7.5496% 0.53%	7 5496% 0.63%	7 5496% 0.83%	7 5496% 0.53%	7 5496% 0.63%	
nerest on True-up Balances - (Over) / Under		(5588)	\$937	\$2,344	(\$550)	5778	\$2,100	(5814)	\$560	\$1,934	(\$1,075)	\$1,211	\$3,591	310.448

38 Total PSTAC (Over-Recov.) / Under-Recov. including Interest

36 (9 the Para Universe Council Para Universe Council Para Universe Para

New Jersey American Water Company Statement of Lakewood Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/15 - 3/3/1/16

New Jersey American Water Company BPU Doctor No. WR15111289 Witness Responsible: Dante M. DeStafano

Schedule DMD-5a PSTAC Filing Year: 4/1/2016 - 3/31/2017

Purchased Wastewater Treatment	Note (1) Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
Lakewood Sewer Service	-	- · · - · · · -	. -											
Total Billed PSTAC Revenue (2) GRFT tax rate (N/A) (3)		\$421,524 0.0%	\$418,651 0.0%	\$420,577 0.0%	\$419, 94 5 -0.0%	\$414,842 0.0%	\$419,564 0.0%	\$437,340 0.0%	\$424,672 .0.0%	\$422,837 0.0%	\$458,769 0.0%	\$399,074 0.0%	\$375,982 . 0.0%	\$5,033,77
Billed PSTAC Revenues net of GRFT	**	\$421,524	\$418,651	\$420,577	\$418,945	\$414,842	\$419,564	\$437,340	5424,672	\$422,837	\$458,769	5399,074	\$375,882	0.0 \$5,033,77
Less: Uncollectibles & BPU/Div Rate Counsel Exp Factor (0.9926	0.9926	0.9926	0.9926	0:9926	0.9926	0.9925	0,9925	0.9925	8,9925	0.9925	0.9925	0.992
PSTAC Revinet of GRFT, Uncoll, BPU/DRC exp (line 618))	5418,405	\$415,553	\$417,485	\$416,837	\$411,772	\$416,459	\$434,060	\$421,487	\$419,666	\$455,328	\$395,081	\$373,162	\$4,996,27
Less: PSTAC True-up Over-recovery of (\$286,275) from PSTAC Year 4/15-3/18 divided by 12 mos (1)		(23,859)	(23,856)	(23,856)	(23,856)	(23,856)	(23,856)	(23,556)	(23,856)	(23,656)	(23,856)	(23,856)	(23,656)	(286,275
Total PSTAC Revenue net of Cost recoveries detailed above	• -	\$442,264	\$439,409	\$441,321	\$440,693	\$435,628	\$440,315	\$457,916	\$445,343	\$443,522	\$479,184	\$419,937	\$397,018	\$5,282,550
Total Purch. Wastewater Treat. Exp. As Adjusted - (per Schedule DND-4, in 23)		0	1,324,733	0	0	1,324,733	0	0	1,324,733	o	0	1,442,163	0	5,416,36
Total PSTAC True-up Balance	_													
(Over-Recovered) / Under-Recovered (in, 19 - 17)	-	(\$442.264)	5885.324	(\$441.321)	(\$440 693)	\$889,105	(\$440,315)	(\$457,916)	\$879,390	(\$442,522)	(\$479,184)	\$1,022,226	(\$307,018)	\$133,81
Interest Culculation Total PSTAC Cumulative True-up Balance (Over-Recov) / Under-Recov (4)	(\$286,275)	(\$704,680)	\$204,500	(\$212,965)	(\$629,802)	\$263,158	(\$133,301)	(\$567,361)	\$335,88 5	(\$83,781)	(\$539,109)	\$506,973	\$133,811	
Average of the Current & Prior months Cumulative True-up Balances		(495,477)	(250,090)	(4,233)	(421,384)	(173,322)	74,929	(350,331)	(115,736)	126,052	(311,445)	(15,068)	320,392	
Overall ROR Per Docket BPU#WR11970460 (5) Overall ROR Per Docket BPU#WR15010035 (5)		8 0398%	8 0396%	8 0398%	8 0398%	8 0398%	7.8764%	7 5498%	7 5496%	7 5496%	7 5496%	7 5496%	7 5496%	
Monthly Overall Rate of Return	_	0.67%	0,67%	0.67%	0.87%	0.67%	0,55%	0.83%	0.63%	0,63%	0.53%	0.83%	0.63%	
Interest on True-up Balances - (Over) / Under		(\$3.320)	(\$1,676)	(\$28)	(52,823)	(\$1,161)	5495	(\$2,207)	(\$729)	\$794	(\$1,962)	(5101)	\$2,018	(\$10,700

19 109 PS 1AC (UMER-HELDOV.) FUNDER-HELDOV.) SCHURING INSPERS.

19 40 Notes:
41 (1) March 2015 represents the Total PSTAC True-up balance for Lakewood Sawer per Schedule DMD-Sa per settlement, BPU Docket #WR14111278

42 (2) Blifted PSTAC revenues are based on actuals

43 (3) The GRFT rate (not applicable to wastewater treatment costs) and the Uncollectible/BPU/Rate Council expense factor utilized herein is per Schedule DMD-11 - Per Settlement, BPU Docket #WR14111278, updated on 9/21/15 per Docket #WR15010035

44 (4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month

45 (5) The ROR utilized for the period 4/1/15 - 9/20/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR11070480 For 9/21/15-3/31/16, ROR is based on BPU Docket #WR15010035

New Jersey American Water Company Statement of Adelphia Sewer Service Actual Purchased Wastewater Treatment Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/16 - 3/31/17

New Jersey American Water Company BPU Docket No. WR15111065 Witness Responsible: Dante M. DeStefano

Schedule DMD-6 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2015 - 3/31/2017

No. Purchased Wastewater Treatment Apr-16 May-16 Jun-18 Jul-18 Aug-18 Sep-18 Oct-16 Nov-16 Dec-18 Jan-17 Feb-17 Mar-17 Total Addelphia Sewer Service Accrusis (2) \$86,374 \$8	Line														
Accrusis (2) \$86,374 \$	No.	Purchased Wastewater Treatment	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-18	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
Accrusis (2) \$86,374 \$	1														
Accrusis (2) \$86,374 \$	2	Added to proceed the second													
586,374 \$86,37	3	WORNDUM SAMEL SELVICE													
586,374 \$86,37	5	Accruals (2)	\$86 374	586 374	\$86 374	585 374	\$86 374	596 374	486 374	CGE 374	506 374	6 00 974	FDC 974	ene ora	P4: 406 466
Additionar/Ouchers 10 Additionar/Ouchers 11 Howell Twp - Vouchers Paid in PSTAC Year(1) \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$1,036,492 \$14,840 \$14,840 \$14,840 \$14,840 \$14,840 \$14,840 \$14,840 \$14,840 \$14,840 \$14,840 \$14,840 \$1,051,332 \$10 \$10 \$1,051,332 \$10 \$10 \$1,051,332 \$10 \$10 \$1,051,332 \$10 \$1															
10 Additions/Youchers 11 Howell Twp - Vouchers Paid in PSTAC Year(1) \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$1,036,492 14,840 14,840 15	7		444,4		905,017	.400,017	400,014		409,014	700,004	300,374	300,314	300,374	300,3/4	\$1,030,432
10 Additions/Vouchers 11 Howell Twp - Vouchers Paid In PSTAC Year(1) 12 Howell - Adjustment (3) 13 14,840 14,840 14,840 15 15 16 16 17 Eliminations 18 Eliminations 19 10 \$86,374) (\$86,37	8														
11 Howell Twp - Vouchers Paid in PSTAC Year(1) \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$1,036,492 \$14,840	9	Adjustments								4					
11 Howell Twp - Vouchers Paid in PSTAC Year(1) \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$1,036,492 \$14,840	10	Additions/Vouchers													
12 Howelf - Adjustment (3) 13 14,840 15 16 17 Eliminations 18 Eliminations 19 (\$86,374) (\$86,374	11	Howell Twp - Vouchers Paid in PSTAC Year(1)	\$259,123	\$0	\$0	\$259,123	\$0	\$0	\$259,123	SO.	\$0	\$259 123	en	•0	\$1 036 402
13 Total of Additions \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$14,840 \$1,051,332 \$16 \$17 Eliminations \$18 Eliminations \$18 Eliminations \$19 \$19 \$10 \$	12	Howell - Adjustment (3)				·	•••	-	,,	~ 2	•••	4200,120	•••		
15 16 17 Eliminations 18 Eliminations 18 Eliminations 19 19 19 19 19 19 19 1														17,040	14,010
15 16 17 Eliminations 18 Eliminations 18 Eliminations (\$86,374) (\$86,3		Total of Additions	\$259,123	\$0	\$0	\$259,123	50	50	\$259,123	.50	20	\$259,123	\$0	\$14,840	\$1:051.332
18 Eliminations (\$86,374)										•					
18 Eliminate Accruals for Account (\$86,374) (\$		IIII - 1													
19 Total of Eliminations (\$86.374) (
20 Total of Eliminations (\$88.374) (\$86.374) (ENTHINANC ACCTUBIS FOR ACCOUNT.	(\$85,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$85,374)	(\$86,374)	(586,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$1,036,492)
21 Total Purch. Wastewater Treat. Exp. As Adjusted \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$0 \$259,123 \$0 \$1,051,332		Total of Climinations	(FDE 974)	WOR'DY A		1000 077 11					····				<u> </u>
	21	IVIN VI ENINGUIS	(300.374)	(350,374)	(\$86,374)	(586,374)	(\$86,374)	(586,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$86,374)	(\$1,036,492)
	22	Total Purch Wastewater Treat Evn As Adjusted	\$250 4 22	EA	50	6060 403			5050 400						
		The state of the s	35,163	30	30	3203,123	\$0	- 50	5259,123	20	50:	5269,123	\$0	S14,840	:\$1,051,332

24 25 Notes:

^{26 (1)} The 1/2017 quarterly payment of \$259,123 is estimated based upon 2016's payments. The actual quarterly payment will be updated in March 2017, see Note 3 27 (2) Journal Entries/accruals are based on actuals 28 (3) Estimated true-up payment, in March 2017, is based on the actuals update through January 31, 2017.

New Jersey American Weter Company
Statement of Adelphia Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service
PSTAC Year 4/1/6 - 3/3/1/7

Average of the Current & Prior months Curruletive True-up Balances Overall ROR Per Docket BPL/WWR 15010035 (5) Monthly Overall Rule of Relum Relative True	Average of the Current & Prior months Cumulative True-up Balances Overalt ROOR Per Docket BPUWAR 15010035 (5)	Average of the Current & Prior months Cumulative True-up Balances	Average of the Current & Prior months Cumulative		Internat Calculation Total PSTAC Currulative True-up Belance Over-Recov) / Under-Recov (4)	(Over-Recovered) / Under-Recovered (in. 17 - 15)	Total PSTAC True-up Balance	Total Purch Whateverter Treat Exp As Adjusted - (per Schedule DMD-8, in 22)	15 Total PSTAC Revenue net of Cost recoveries detailed above 16	2 Less: PSTAC True-up Under-recovery of \$17,765 3 from PSTAC Year 4/15-3/16 divided by 12 mas (1)	Fairth nev bend GRET, Orcan, DEGICKE exp (une c.e.)	Lass: Uncolectible & BPU/Div Rate Counsel Exp. Factor (3)	CHICA POLACIAN ENGINEER RELOCKET	Total Billed PSTAC Revenue (2) GRFT tax rate (N/A) (3)	Adelphia Sever Service	No. Purchused Wastewater Treatment	New Jerasy Awarican Water Company BPU Dochet No. WR16111985 Wimesa Rasponsible: Denie M. DeSwinno
					\$17,765		1		\$		9					Note (1) Marc-16	
20/06	1 Co. 0	7 5498%		107,848	\$197,931	\$161,651		259,123	77,472	1,485	3/6,53/	0 9928	\$78,530	\$79,530 0.0%		Apr-16	
5	200	7 5496%	٠	154,930	\$111,930	(SM,521)		5	84,521	1,480	\$36,001	0.9928	\$36,625	\$86,625 0.0%		May-16	
3420	Wean.	7 5496%		66,728	\$21,527	(\$38,823)		•	50,923	1,480	\$90,403	0.9828	391,059	\$91,059 0.0%		Jun-16	
3608	V.037	7 5496%		96,620	\$171,713	5151,568		259,123	107,457	1,480	\$100,907	0 9928	\$109,727	\$109,727 0.0%		Jul-16	
2000	0,63%	7 5496%		126,965	\$82,217	(588.016)		a	85,016	1,480	96FERS	0 9928	590,145	\$90,145 0.0%		Aug-16	
\$187	0.63%	7 5496%		20,674	(\$22,868)	(\$103,505)		٥	103,605	1,480	\$105,085	0.9928	\$105,847	\$105,847 0.0%		9 ₽ ₩	
\$383	9.63%	7 5486%		62,417	\$147,702	\$172,050		259,123	87,073	1,480	588,553	0.9928	589, 195	\$89,195 0.0%		Oct-18	
5673	0.53%	7 5496%		106,758	\$65,815	(380,457)		•	80,407	1,480	\$81,807	0.9928	582,481	\$82,481 0.0%		Nov-16	
\$167	0.63%	7 5496%		26,450	(\$12,914)	(377,249)		•	77,249	1,480	\$78,729	0.9928	\$79,300	\$79,300 0.0%		Dec.4	
24.6 24.6	0.63%	7.5486%		71,348	\$155,611	\$170,005		259,123	89,118	1,480	885,065	0.9828	\$91,265	\$91,255 0.0%		Jun-47	Schedule D
\$705	0.63%	7.5496%		111,943	\$68,2 7 6	(385.855)		5	85,855	1,480	\$97,335	0 9928	287, 568	\$87,968 0.0%		Fab-17	ND-7 Updated :
\$202	0.63%	7 5496%		32,028	(\$4,219)	(\$71,015)		14,840	85,855	1,480	\$47,335	0 9928	\$87,968	\$87,988 0.0%		Mur-17	Schedule DMD-7 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017 Page 1
\$6,260						(\$4.219)		1,051,332	1,065,551	17,765	31,073,316	0 9928	\$1,081,100	\$1,061,100 0.0%		Total	idalad Shrough 1/31/17 - SETTLEMENT PWAC Fling Year: 4/1/2016 - 3/3/1/2017 Page 1

38
39 Notes:
30 Notes:
40 (1) March 2016 represents the Total PSTAC True-up balance for Adelphia Sever per Schedule DMD-7a
41 (2) Billed PSTAC revenues are based on actuals, except administ utilized for February 2017 Brough March 2017
41 (2) Billed PSTAC revenues are based on actuals, except administ utilized for February 2017 Brough March 2017
42 (3) The GNRT rate (not applicable to weakleweder treatment coats) and the Uncollectable/PSURFale Council expenses factor utilized herein to per Schedule DMD-11,
43 (4) Line 23 of the current month plus fine 27 of the prior month less the 12 of the current month
44 (5) The ROR utilized for the period 4/1/16 - 3/31/17, based on BPU Docket #N#T15010035

New Jersey American Water Company Statement of Adelphia Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/15 - 3/31/18

New Jersey American Water Company BPU Docket No. WR15111286 Witness Responsible: Dente M. DeStatano

Schedule DND-7a PSTAC Filing Year: 4/1/2016 - 3/31/2017 Page 1

ne a.	Purchased Wastewater Treatment	Note (1) Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	3ep-15	Oct-15	Nov-15	Dec-16	Jan-16	Feb-16	Mar-16	Total
	delotile Source Service														
	otel Billed PSTAC Revenue (2) RFT lax raie (N/A) (3)		\$78,227 0.0%	\$77,785 0.0%	\$92,510 0.0%	\$88,471 0.0%	\$96,185 0.0%	\$88,242 0.0%	\$81,528 0.0%	\$82,651 0.0%	\$70,577 0.0%	\$87,601 0.0%	\$75,588 0.0%	\$67,034 0.0%	\$986,399 0.01
8	ited PSTAC Revenues not of GRFT		\$78,227	\$77,785	\$92,510	\$88,471	\$96,185	388,242	\$61,528	562,651	\$70,577	\$87,501	\$75,588	367,034	5986,39
	ss: Uncollectibles & BPU/Div Rate Counsel Exp. Factor (0 9926	0 9926	0.9926	0.9928	0 9826	0 9926	0.9925	0 9925	0.9925	0.9925	0 9925	0 9925	0.992
PS	STAC Rev net of GRFT, Uncoll , BPU/DRC exp (line 6°8)) _	\$77,848	\$77,209	\$91,825	\$87,816	395,473	\$87,589	\$80,917	\$82,031	\$79,048	\$86,944	\$75,021	366,531	\$979,05
Le	ss: PSTAC True-up Over-recovery of (\$3,296) from PSTAC Year 4/14-3/15 divided by 12 mos (1)		(273)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(3,29
To	tal PSTAC Revenue net of Cost recoveries detailed above		77,921	77,484	92,100	88,091	95,748	87,864	81,192	52,306	70,323	87,219	75,298	66,906	982,350
To	otal Purch Westewater Treat Exp As Adjusted - (per Schedule DMD-6, in 22)		246,997	D	0	246,997	0	٥	245,997	0	0	246,997	0	12,126	1,000,11
To (O	vial PSTAC True-up Balance iver-Recovered / Under-Recovered (in. 17 - 15)	_	5189.076	(\$77.484)	(\$97.100)	\$158.908	(595,748)	(\$87:564)	\$165,805	(\$82,206)	(\$70,323)	\$159,778	(575,296)	(000,422)	\$17,76
		-	0.100.10	(4.11,747)	Ç4441007	014-0,4140	(003,740)	(00),007	2100,000	(442,204)	(870,823)	3133,774	(5/5,296)	(354,000)	317,70
	ierest Calculation Iai PSTAC Cumulative True-up Balanca									•					
	(Over-Recov) / Under-Recov (4)	(\$3,298)	\$166,051	\$88,842	(\$2,983)	\$156,199	\$60,728	(\$25,864)	\$139,217	\$57,186	(\$12,862)	\$147,191	\$72,170	\$17,765	
	rerage of the Current & Prior months Cumulative True-up Balances		81,377	127,447	42,930	76,606	108,462	16,931	56,177	98,201	22,162	67,164	109,681	44,987	
O	rerall ROR Per Docket BPU#WR11070460 (5) rerall ROR Per Docket BPU#WR15010035 (5)		8 0398%	8 0395%	8 0398%	\$ 0398%	8 0396%	7 8784%	7 5496%	7.5498%	7 5496%	7 5496%	7.5496%	7 5496%	
	ontiny Overell Rate of Return	_	0.67%	0.67%	0.67%	0.67%	0.67%	0.68%	0.53%	0,63%	0.53%	063%	0.63%	0.83%	
i lus	erest on True-up Balances - (Over) / Under	_	\$545	\$854	\$288	5513	5727	\$112	\$354	\$619	S14D	\$423	5691	5283	\$5,549

36 Total PSTAC (Over-Recov.) / Under-Recov. including Interest

\$17,745

³⁶ Total PSTAC (CNM-Racov.) / Under-Racov. Inchesing inscreen.

37 36
38 Notes:
40 (1) March 2015 represents the Total PSTAC True-up belance for Adelphia Sewer per Schedule DMD-7a per settlement, BPU Docket #WR14111278
41 (2) Billied PSTAC revenues are based on actuals
42 (3) The GRFT rate (not applicable to washweither treatment costs) and the Uncollectible/BPU/Rate Council expense factor utilized herein is per Schedule DMD-11 - Per Settlement, BPU Docket #WR14111278, updated on 9/21/15 per Docket #WR15010035
43 (4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month
44 (5) The ROR utilized for the period 4/1/15 - 9/20/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR11070460 For 9/21/16-3/31/16, ROR is based on BPU Docket #WR15010035

New Jersey American Water Company Statement of Ocean City Sewer Service Actual Purchased Wastewater Treatment Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/16 - 3/31/17

New Jersey American Water Company BPU Decket No. WR16111065 Witness Responsible: Dente M. DeStefano

Schedule DMD-8 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2018 - 3/31/2017 Page 1

Line	Furchased Wastowaler Treatment	Apr-16	May-16	Jun-16	√ Jul-16	Aug-15	Sep-16	Oct-16	Nov-16	D 48	lan 47	Fab 47	Mandia	T-4-1
		3151-10	may-10	- ARIL 14	. 355-10	VOA.12	30,10	0.01-10	MO4-18	Dec-16	Jan-17	Feb-17	Mar-17	Total
2	Ocean City Sewer Service													
3	•					•								
4	Accruels	\$701,599	50-	\$701,699	\$1,403,388	\$701. 899	\$701,699	\$701,599	\$701, 899	\$701,699	\$710,871	\$710.871	5710.871	58,447,90
5	Total Sel, Purch. Wastewater Treatment	5701,699	\$0	\$701,599	51,403,398	\$701,699	\$701,699	5701,599	\$701,699	\$701,699	\$710,671	\$710,871	\$710.871	\$8,447,90
6					<u> </u>	#1 H 1,013	41411000	2,01,033	3101,003	3101,000	#1 ID,U/ 1	47 10,07 1	37 10,07 1	30,441,36
7									•					
΄.	Bullion de la companya de la company													
	Adustriants												•	
	<u>Additions/Vouchers</u>													
10	Cape May County Municipal Utilities Authority - Vouchers	\$0	\$0	\$0	\$2,105,097	\$2,105,097	\$0	\$0	\$0	\$0	\$2,105,097	\$0	\$2,132,614	\$8,447,90
11	CMCMUA - 2016 Deficiency Charge Voucher (1)	-	•-	• -	*	,,	•	. •••	••		42,100,001	•0	(244,744)	
	Total of Additions	50	SO.	\$0	\$2,105,097	\$2,105,097	- co	***			*****			(244,74
13			90	30	32, 103,097	32,100,097	\$0	50		\$0	\$2,105,097	\$0	\$1,867,870	\$8,203,16
13														
74		·												
	Eliminations													
16	Eliminate Accruals for Account	(\$701,699)	\$0	(\$701,699)	(\$1,403,398)	(\$701.699)	(\$701,699)	(\$701,699)	(\$701,699)	(\$701,899)	(\$710,671)	(\$710.871)	(\$710,871)	(\$8,447.90)
17	Total of Elimination	(\$701,609)	50	(\$701,690)	(\$1,403,398)	(\$701,699)	(\$701,899)	(\$701,099)	(\$701,699)					
18		(4101,002)		(4701,030)	(41,700,00)	(8) (1,083)	(ard (2033)	(3701,038)	(860,1074)	(\$701,699)	(\$710,871)	(\$710,871)	(\$7:10,871)	(\$8,447,90
	Total Breach Westernates Total Fun Se Adjusted													
	Total Purch, Wastewater Treat, Exp. As Adjusted	50	\$0	\$0	52 .105,097	\$2,105,097	50	ŞQ:	50	SO	\$2,105,097	50	\$1,887,670	\$8,203,161
20										*****				

20
21
22
23 Notes:
24 (1) March 2017 Deficiency Charge estimated as (\$244,744), per CMCMUA letter, and 2017 rate per Rate Report 25

New Jersey American Water Company Statement of Ocean City Sewer Service PSTAC True Up Schedule - Revenue and Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/16 - 3/3/1/17

New Jersey American Water Company BPU Doctot No. WR16111065 Witness Responsible: Dente M. DeStefano Schedule DMD-9 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017 Page 1

Furthesed Westewater Treatment	Mote (1) Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-18	Oct-15	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
Ocean City Sever Service														
Total Billed PSTAC Revenue (2)		\$715,098	\$695,997	\$695,029	\$695,182	\$740,549	\$715,842	\$732,420	\$641,582	\$795,296	\$735,506	\$696,344	\$695.344	\$8,558,21
GRFT taox ratio (N/A) (3)	_	0.0%	00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	00
Billed PSTAC Revenues net of GRIFT		\$715,098	\$695,997	\$695,029	\$698,182	\$740,649	\$715,842	\$732,420	\$641,582	\$795,296	\$735,508	\$696,344	\$696,344	\$8,558,28
Less: Uncollectibles & BPL/Div Rate Counsel Exp Factor (3)	_	0 9928	0 9928	0.9928	0.9928	0 9928	0 9928	0.9928	0.9928	0,9926	0.9928	0 9928	0.9928	9 992
PSTAC Rev net of GRFT, Uncolf , BPU/DRC exp (line 6*8)	_	\$709,949	\$690,986	\$690,025	\$693,155	5735,316	\$710,688	\$727,147	5636,963	\$789,570	5730,210	\$691,330	\$691,330	\$8,495,66
Lase: PSTAC True-up Over-recovery of (\$71,275) from PSTAC Year 4/15-3/16 divided by 12 mps (1)		(5,935)	(5,940)	(5,940)	(5,940)	(5,940)	(5,940)	(5,940)	(5,940)	(5,940)	(5,940)	(5,940)	(5,940)	(71,27
Total PSTAC Revenue not of Cost recoverise detailed above	-	716,884	696,926	895,985	699,095	741,258	715,628	733,087	642,903	795,510	736,150	697,270	697,270	E,567,94
Total Purch: Wasteweter Treat. Exp. As Adjusted - (per Schedule DMD-8, In: 19)		Ó	Q	0	2,105,097	2,105,097	0	0	0	0	2,105,097	0	1,887,870	8,203,18
Total PSTAC True-up Balance		•												
(Over-Recovered) / Under-Recovered (in, 17 - 15)	_	(5715,884)	(\$696,926)	(\$695,965)	\$1,406,002	\$1,363,841	(\$715,628)	(\$733,067)	(\$642,903)	(\$795,510)	51,360,947	(\$697,2 70)	\$1,190,600	(\$364,78
interest Galculation														
Total PSTAC Cumulative True-up Balanca (Over-Recov.) / Under-Recov. (4)	(\$71,275)	(\$781,224)	(\$1,472,210)	(\$2,162,235)	(\$750,293)	\$619,488	(\$91,200)	(\$618,347)	(\$1,455,310)	(\$2,244,880)	(\$869,993)	(\$1,561,323)	(\$364,784)	
Average of the Current & Prior months Cumulative True-up Balances		(428,250)	(1,126,717)	(1,817,223)	(1,456,264)	(65,403)	264,144	(454,774)	(1,136,829)	(1,850,095)	(1,557,437)	(1,215,658)	(963,054)	
Overall ROR Per Docket 8PU#WR15010035 (5)		7 5496%	7 5498%	7 5496%	7 5496%	7 5496%	7.5496%	7 5498%	7 5496%	7.5496%	7 5496%	7 5496%	7 5496%	
Monthly Overalt Rate of Return		0.53%	0.63%	D.63%	0.63%	0.53%	0.63%	0.63%	0.63%	D.63%	0.63%	0.63%	0.63%	
nieresi on True-up Balances - (Over) / Under	_	(52,685)	(\$7,096)	(\$11,449)	(59,174)	(\$412)	51,664	(\$2,865)	(57,162)	(\$11,856)	(59.812)	(37,659)	(\$6,067)	(\$74,37
, , , , , , , , , , , , , , , , , , ,	-	(40.550)	(01,050)	(311,444)	(33,174)	(4712)	31,000	(90,993)	(31,302)	(311,050)	(39,612)	(37,639)	(56,067)	(57

(\$439,159)

Tomar 15 (AC (Over-resourcy) transcrives and a second control of the Council of t

New Jersey American Water Company Statement of Ocean City Sewer Service PSTAC True Up Schedule - Reveruse and Operating Expense - PSTAC Sewer Service PSTAC Year 4/1/15 - 3/31/16

New Jersey American Water Company BPU Docket No. WR15111289 Witness Responsible: Danie M. DeStefano

Schedule DMD-Se PSTAC Filing Year: 4/1/2016 - 3/31/2017 Page 1

(\$71,275)

ne o.	Purchased Westewater Treatment	Note (1) Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Total
<u>Oc</u>	ears City Sewer Service														
Tel	tri Billed PSTAC Revenue (2)		\$696.813	\$708,438	\$715,001	\$754,293 ·	\$700,588	\$690,783	\$724,312	\$686,595	\$687,711	\$729,988	\$722.835	\$717.938	\$8,537,27
GR	FT tex rate (N/A) (3)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.09
Bill	hed PSTAC Revenues net of GRFT	_	\$690,813	\$708,438	\$715,001	\$754,293	\$700,588	\$690,783	\$724,312	\$686,595	\$687,711	\$729,968	\$722,835	\$717,938	\$8,537,275
Les	ss: Uncollectibles & BPU/Div Rate Counsel Exp. Factor (3)		0,9926	0.9926	0,9926	0.9926	0.9926	0.9926	0.9925	0.9925	0.9925	0.9925	0.9925	0.9925	0 9926
PS	TAC Rev net of GRFT, Uncoli , BPU/DRC exp (fine 6'8)	_	5693,642	\$703,196	\$709,710	\$748,711	\$695,404	5665,671	\$716,880	\$681,446	\$682,653	5724,493	\$717,414	\$712,553	\$8,473,673
	ss: PSTAC True-up Under-recovery of \$138,629 from PSTAC Year 4/14-3/15 divided by 12 mos (1)		11,557	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	11,552	138,629
Tot	al PSTAC Revenue net of Cost recoveries detailed above	-	682,066	691,644	698,158	737,159	663,652	674,119	707,328	669,894	671,001	712,941	705,862	701,001	B,335,045
Tot	tel Purch Westeweter Treet Exp As Adjusted - (per Schedule DMD-8, In 19)		C	2,098,354	0	0	2,098,364	Ô	0	O	2,098,364	O	0	1,987,468	8,282,559
	at PSTAC True-up Balance														
	rer-Recovered) / Under-Recovered (in. 17 - 15)		(3662,005)	\$1,408,720	(\$698,156)	(\$737,159)	\$1,414,512	(\$674,119)	(\$707,325)	(3669,894)	\$1,427,363	(5712,941)	(\$705,802)	\$1,286,467	(552,48
Tot	erest Calculation at PSTAC Cumulative True-up Balance														
	(Over-Recov) / Under-Recov (4)	\$138,829	(\$555,014)	\$840,154	\$130,444	(\$618,267)	\$784,693	\$99,022	(\$619,858)	(\$1,301,304)	\$114,507	(\$609,966)	(\$1,327,400)	(\$52,485)	
	rage of the Current & Prior months Cumulative True-up Balances		(208,193)	142,570	485,299	(243,911)	83,213	441,858	(260,418)	(960,581)	(593,399)	(247,740)	(968,693)	(689,943)	
Ov	nrall ROR Per Docket BPU#WR11070460 (5) nrall ROR Per Docket BPU#WR15010035 (5)		8 0395%	8 0398%	8 0398%	8 0398%	8 0398%	7 8764%	7 5498%	7 5496%	7.5496%	7 5495%	7.5496%	7 5496%	
	nthly Overall Rate of Return	_	0.67%	0.67%	0.67%	0.67%	0.87%	0.66%	0,63%	0.63%	0,63%	0.63%	0.63%	0.63%	
inte	rest on True-up Balences - (Over) / Under		(\$1,395)	\$955	\$3,252	(\$1,634)	\$558	\$2.916	(\$1,541)	(\$6,052)	(53,738)	(\$1,561)	(\$6,103)	(\$4,347)	(\$18,790

34
35
36 Total PSTAC (Over-Recov.) / Under-Recov. Including Interest
37
38 Notes:
39 (1) March 2015 represents the Total PSTAC True-up balance for Ocean City Sewer per Schedule DMD-9x per settlement, BPU Docket #WR14111278
40 (2) Billed PSTAC reverues are based on actuals
41 (3) The GRFT rate (onld applicable to westewater treatment costs) and the Uncollectible/BPU/Rate Council expense factor utilized berein is per Schedule DMD-11 - Per Settlement, BPU Docket #WR14111278, updated on 9/21/15 per Docket #WR15010035
42 (4) Line 23 of the current month plus line 27 of the prior month less line 12 of the current month
43 (5) The ROR utilized for the period 4/1/15 - 9/20/15 is based upon the ROR per Board Order in the Base Rate Case BPU Docket #WR11070460 For 9/21/15-3/31/18, ROR is based on BPU Docket #WR15010035

New Jersey American Water Company Summary Statement of Pro Forma Purchased Wastewater Treatment Expense PSTAC Year 4/1/2017-3/31/2018

New Jersey American Water Company BPU Docket No. WR16111065 Witness Responsible: Dante M. DeStefano

42 43

44

45

46

(3) Estimate equal to 3-year average of 2014, 2015 and 2016 deficiency charge

(4) Reflects the 2017 proposed per the CMCMUA Rate Setting Report effective 1/1/2017

(4a) Reflects 3-year average of increases in total expenses for 2015, 2016, and 2017. (5) Estimating deficiency charge reflecting 3-year average of 2014, 2015, and 2016.

Schedule DMD-10 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017

Page 1

Projected Projected Pro Forma Calendar Year Increase Calendar Year **PSTAC Year** Line 2017 Effective 2018 4/1/17-3/31/18 No. Sewer Service Tariff Area / Vendor Annual Charge 1/1/2018 Annual Charge Expense (1) (4) (5) Adelphia Sewer Service 1 Howell Township 2 \$1,095,853 (1) 2.36% (1a) \$1,121,715 Annual Charge: 3 @ 9/12ths 821,890 @ 3/12ths 5 280,429 6 Pro forma Annual Cost PSTAC Yr. 4/1/2017-3/31/2018 \$1,102,319 9 Total Pro forma Costs PSTAC Yr. 4/1/2017-3/31/2018 \$1,102,319 10 11 Lakewood Sewer Service Ocean County Utilities Authority 12 \$5,434,800 (2) 2.25% (24) \$5,557,264 13 14 Annual Charge: 15 @ 9/12ths 4,076,100 @ 3/12ths 16 1,389,316 17 Pro forma Annual Cost PSTAC Yr. 4/1/2017-3/31/2018 \$5,465,416 18 OCUA's 2017 Estimated True-Up Deficiency Chg. 188,849 (3) 19 20 21 Total Pro forma Costs PSTAC Yr. 4/1/2017-3/31/201E \$5,654,265 22 23 Ocean City Sewer Service Cape May County Municipal Utilities Authority 24 8,530,454 (4) 1.01% (4e) \$8,616,327 25 Annual Charge: 26 @ 9/12ths 5.397.841 27 @ 3/12ths 2,154,082 28 Pro forma Annual Cost PSTAC Yr. 4/1/2017-3/31/2018 \$8,551,923 29 CMCUA's 2017 Estimated True-Up Deficiency Chg. (61,295) (6) 30 31 Total Pro forma Costs PSTAC Yr. 4/1/2017-3/31/2018 32 \$8,490,628 33 34 35 36 Total PSTAC Costs for PSTAC Year 4/1/2017-3/31/2018 \$15,247,211 37 38 Notes: 39 (1) Estimate equal to the actuals updated through January 31, 2017. 40 (1a) Reflects 3-year average of increases in total expenses for 2015, 2016, and 2017. (2) Reflects the Preliminary Estimate of 2017 Annual Charge per letter dated November 14, 2016 from the OCUA. 41 (2a) Reflects 3-year average of increases in total expenses for 2015, 2016, and 2017.

New Jersey American Water Company Statement of Pro Forms PSTAC PSTAC Year 4/1/2017-3/31/2018

New Jersey American Water Company BPU Docket No. WR15111065 Witness Responsible: Dante M. DeStefano Schedule DMD-11 Updated through 1/31/17 - SETTLEMENT PWAC Filing Yeer: 4/1/2016 - 3/31/2017

	(1)	(2)
1-	ktwood Seyer Service	Regular Calc.
	o Forma Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2017-3/31/2018 (Schedule DMD-10)	\$5,654,265
2 PS	TAC True-up from PSTAC Year 4/01/15-3/31/16 (Schedule DMD-5)	338,264
3 5	ub-total (lines 1 + 2)	\$5,992,529
4 Gr	oss-up factor for Uncollectibles Exp. & Actual 2016 BPU / Div Rate Counsel Assessments (1)	0.9928
5 PS	TAC for Recovery 4/1/2017-3/31/2018 (line 3 / 4)	\$6,035,968
в То	tal Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)	1,345,532
7	PSTAC per 1000 gallons (line 5 / 6) (3)	\$4.4859
	leightia Sewer Service Di Forma Purchased Wastawatar Treatment Expense - PSTAC Year 4/01/2017-3/31/2018 (Schedule DMD-10)	\$1,102,319
	TAC True-up from PSTAC Year 4/01/15-3/31/16 (Schedule DMD-7)	(4,219)
O \$1	ub-total (lines 8 + 9)	\$1,096,100
ıı Gr	oss-up factor for Uncollectibles Exp. & Actual 2016 BPU / Div. Rate Counsel Assessments (1)	0.9928
12 PS	TAC for Recovery 4/1/2017-3/31/2018 (line 10 / 11)	\$1,106,084
13 To	tal Projected Sewer Service Sates subject to PSTAC (1000 gallons) (2)	168,430
14	PSTAC per 1000 gallons (line 12/13) (3)	\$ <u>6 5669</u>
	een City Sewer Service DForme Purchased Wastewater Treatment Expense - PSTAC Year 4/01/2017-3/31/2018 (Schedule DMD-10)	FG 400 600
	TAC True-up from PSTAC Year 4/01/15-3/31/16 (Schedule DMD-9)	\$8,490,628
	Ab-total (ines 15 + 16)	(439,159)
		\$8,051,469
	Dis-up factor for Uncollectibles Exp. & Actual 2016 BPU / Div. Rate Counsel Assessments (1)	0.9928
e PS	TAC for Recovery 4/1/2017-3/31/2018 (line 17 / 18)	\$8,109,860
o Tol	al Projected Sewer Service Sales subject to PSTAC (1000 gallons) (2)	334,722
Ħ	PSTAC per 1000 gellons (line 19 / 20) (3)	\$24 2286

Notes:

(1) Uncollectible rate @ 0.48% per 3-year average of 2012-2014 uncollectible rates and Actual Assessment Rates
@ 0.242144% (combined) (BPU = 0.193247% for 2016, Rate Counsel = 0.048897%
for 2016) Gross-up factor (100% - (0.48% + 0.242144%)) or 99.28%

(2) See Schedule DMO-11, page 2 for explanation of Projected Sewer Sales.

(3) Gross-up for GRIFT not applicable - wastewater treatment costs are deductible from Gross Receipts when computing GRIFT

New Jersey American Water Company Pro Forma PSTAC-Supporting Sewer Service Sales Worksheet PSTAC Year 4/1/2017-3/31/2018

New Jersey American Water Company BPU Docket No. WR16111065 Witness Responsible: Dante M. DeStefano Schedule DMD-11 Updated through 1/31/17 - SETTLEMENT PWAC Filing Year: 4/1/2016 - 3/31/2017 Page 2

Pro forma Lakewood Sewer Service Sales:	
Total Sales Lakewood	1,345,532 (1) 1,345,532
Pro forma Adelphia Sewer Service Sales:	
Total Sales Adelphia Pro forma Ocean City Sewer Service Sales:	168,430 (2) 168,430
Total Sales Ocean City	334,722 (3) 334,722

Notes:

- (1) Source: Average of customers' 2014, 2015 & 2016 actual wastewater consumption during the winter quarter, annualized. Also included is a usage adjustment to account for Lakewood minimum usage charges, which began 1/1/2011 as approved in Docket #WR10040260. This usage adjustment is consistent with that exhibited in SIR-14, Workpaper 5S, page 2 of 10 in Docket #WR15010035.
- (2) Source: Average of customers' 2014, 2015 & 2016 actual wastewater consumption.
- (3) Source: Average of 2014, 2015 and 2016 actual summer wastewater consumption.

New Jersey American Water Company PWAC/PSTAC Filing Year 4/1/2016-3/31/2017 BPU Docket # WR161065 Calculation of Revenue Increase

TOTAL REVENUES (Base + PWAC/PSTAC)

Base Rate Revenues per BPU ORDER Doc. #WR15010035 note (3) Water - Exh. P-2, Schd.5, Pg.1, Col.10, In. 11	<u>Water</u> \$558,126,620	Sewer	<u>Total</u> \$558,126,620
Sewer:- Exh. P-2, Schd 5, Pg 4, Col. 10			,
Adelphia Sewer - In. 6		1,223,663	1,223,663
Lakewood Sewer - In. 7		6,942,698	6,942,698
Ocean City Sewer - In. 8		5,246,236	5,246,236
Other Sewer Service not subject to PSTAC - Ins. 9-11 & 20		5,167,445	5,167,445
Total Base Rate Revenues per BPU ORDER	\$558,126,620	518,580,042	\$576,706,662
DSIC Rate Revenues per BPU Order Doc #WR15060724	\$8,990,931		\$ 8,990,931
Total DSIC Rate Revenues per BPU Order	\$567,117,551	\$18,580,042	\$585,697,593
Pro Forma PWAC/PSTAC Present Rate Revenues per Current Filing			
PWAC per Schedule DMD-3, Col.2, (ln 23 * \$0.4018) + (ln 31 * \$0.4659) note (1)	620 422 050		#0B 000 000
PSTAC per Schedule DMD-11 (ref. cols and lines below) note (2):	\$38,233,059		\$38,233,059
Adelphia Sewer - Col. 2, In 14 * \$6,2674		1,055,618	4 OFF C40
Lakewood Sewer - Col. 2, In 7 * \$4.1625		5,600,777	1,055,618
Ocean City Sewer - Col. 2, In 21 * \$24.9644		8,356,134	5,600,777 8,356,134
Total Pro Forma PWAC/PSTAC Revenue Increase	\$38,233,059	\$15,012,529	\$53,245,588
		4 (014 12,020	400,210,000
Total Present Rate Revenues (Base + DSIC + PWAC/PTSAC) per above	•		
Water	\$605,350,610		\$605,350,610
Adelphia Sewer		2,279,281	2.279.281
Lakewood Sewer		12,543,475	12,543,475
Ocean City Sewer		13,602,370	13,602,370
Other Sewer Service not subject to PSTAC		5,167,445	5,167,445
Total Present Rate Revenues	\$605,350,610	\$33,592,571	\$638,943,181
Pro Forma PWAC/PSTAC Proposesd Revenue Increase per Current Filing			
PWAC	(\$976,646)		(\$976,646)
PSTAC Adelphia Sewer	(\$010,040)	50,446	50,446
PSTAC Lakewood Sewer		435,211	435,211
PSTAC Ocean City Sewer		(246,274)	(246,274)
Total Pro Forma PWAC/PSTAC Revenue Increase	(\$976,646)	\$239,383	(\$737,263)
			(6/ 5/ ,000)
Pro Forma PWAC/PSTAC Proposed Rev.Incr.% over current Total Present Rev.		•	
PWAC	-0.16%		-0.16%
PSTAC Adelphia Sewer	-0.1076	2 210	-0.76% 2.21%
PSTAC Lakewood Sewer		, 2.21% 3.47%	2.21% 3.47%
PSTAC Ocean City Sewer		-1.81%	
Total Pro Forma PWAC/PSTAC Revenue Increase %	-0.16%	0.71%	-1.81% -0.12%
· · · · · · · · · · · · · · · · · · ·	-0.1079	U.1 170	-U. 1276

Notes:(1) Present Rates on an Uncompressed basis per Schedule DMD-3 - Per Settlement, WR15111289. Usage per DMD-3, lines 22 and 30.

⁽²⁾ Present Rates on an Uncompressed basis per Schedule DMD-11 - Per Settlement, WR15111289. Usage per DMD-11.

⁽³⁾ Approx. \$58 mil. Of Base Revenues are not subject to PWAC (Fire Service, Uninter. Manasquan Serv., and Other Operating Revenues)

New Jersey American Water Company PWAC & PSTAC Rate Filing - Bill Comparisons Usage in Gallons, Usage Rates in 1800 gallons Proposed Rates are Compressed Rates

PWAC			Pr	meeni Rates	1		
		Base Raies E	n. 9/21/15	PWAC Eff. 4/1/18	OSIC ER. 12/1/16	Present	Present
	Monthly	Mon Fix Serv.	Usage	Usage	Monthly	Monthly	Annual
Service Area	Usage	Cthg., 5/8	Chg Rate	Cho Rate	Chg. 5/8	BK	321
SA1 - STATEWIDE	6,006	\$13.60	\$6,1998	\$0.4859	\$1.90	\$55 49	\$665.68
SA2 & SA3 & SA1s	6,000	13,80	6,0533	0,4659	1 90	54 62	655 44
Manville, SA-1d	6,000	13 60	5 6185	0 4659	190	52 01	624.12
Southempton	6,000	13 60	5 2433	0.4659	1 90	49 76	597 12
SA-1b Pennsgrove	6.000	13.60	4.4988	0.4659	1.90	45 29	543,48

PSTAC		,	Present Ra	rtess.		
		Base Rates	E% 9/21/15	PSTAC E7. 4/1/16	Present	Present
	Monthly	Mon Fix Serv.	Usege	Usage	Monthly	Armuai
Adelphia Sewer	Usaga	Chq.5/8"	Chg Raie	Chy Rate	BN	DAK
Rates		\$5,69	\$5,5060	\$6 2674		
Monthly Bill Calculation.	4,000	\$5.60	\$22.02	\$25.07	\$52.74	\$633.36

PSTAC				Present R	ates		
		_	Base R	eles Eff. 9/21/35	PSTAC Eff.	4/1/16	
		•	Sawar	Minimum		Present	Present
	Angual	Summer Citr.	Usage	Service	Service	Monthly	Anguel
Ocean City Sewer	Usage	Usage	Charge (1)	Charge (2)	Charge (2)	田州	Bill
Rafes			\$1 8696	\$11 1038	524 9644	3	
Annual Bill Calculation	44,000	20,000	\$92.27	\$222.08	\$499.29	\$86 97	\$603,64

Notes: (1) Applicable to each monitr's current usage (2) Applicable to prior year's summer quarter usage

\$0	6621
-----	------

PSTAC	PSTAC		Present Rates			
		Base Rates I	Eff. 9/21/15	PSTAC Eff. 4/1/18	Present	Present
	Monthly	Mon.Fix Serv.	Usage	Usage	Monthly	Annual
Lakewood Sever	Usaga	Chg. 5/8"	Chg Rate	Chg Rate	Bill	Bill
Rates		\$15.08	\$3 4102	\$4 1625		
Monthly Bill Calculation	6,000	\$15.06	520.46	\$24,98	\$60.50	\$726.00

	Present Rate		Proposed	1	
Base Retes	EW. 9/21/15	OSIC Eff. 12/1/16	PWAC (1)	Proposed	Proposed
Mon Fix Serv. Chg. 5/6	Usage Chg Rate	Monthly Chg. 5/8	Usage Chg Rain	Monthly Bill	Annual Bill
\$13.60	36,1998	\$1 90	\$0 4540	\$55.42	\$665.04
13 60	6 0533	190	0 4540	54 54	654 48
13 60	5 6 1 8 5	1.90	0 4540	51 94	623 28
13.60	5 2433	190	0 4540	49 68	596 16
13 60	4.4988	1 90	0.4540	45.22	542.64

Present	Rates	Proposed		
Bean Raiss	ER. 9/21/15	PSTAC	Proposed	Preposed
Mon.Fix Serv. Chg. 5/6	Usage Chg Rate	Usage Chy Rale	Monthly Bill	Annual Bit
\$5,69	\$5,5060	\$6.5669		
\$6,60	\$22.02	\$26.27	\$52.98	\$647.76

Preser	i Rates	Proposed		
Base Rates	ER. 9/21/15	PSTAC		
Sever Usage Charge (1)	Minimum Service Charge (2)	Minimum Service Charge (2)	Freposed Monthly Bill	Proposed Annual Bill
\$1.9698 \$82.27	\$11-1036 \$222,04	\$24 2286 \$484.57	\$65,74	\$788.92

Present	Rates	Proposed		
Dese Rates E	Fr. 9/21/15	PSTAC	Proposed	Proposed
Mon.Fox Serv. Chg. 5/8	Usage Chq Rain	Usage Chq Rale	Monthly BK	Annual Bill
\$15.06 \$15.06	\$3,4102 \$20,46	\$4.4859 \$26.92	\$62.44	5749 28

5/6" Customer					
	Incre	256			
Monthly	Monthly%	Annual	<u>%</u>		
(\$0 07)	-0 13%	(\$0.84)	-0 139		
(0.08)	-0 15%	(0,98)	-0 159		
(0.07)	-0 13%	(0 84)	-0.139		
(0.06)	-0.16%	(0 96)	-0 169		
(0.07)	-0.15%	(0.84)	-Q.159		

	349 (1	BUTTER	
	Incr	nase	
Monthly	Monthly%	Annual	%
\$1.20	2.27%	\$14.40	2,27%

ſ		Incr	P436	
L	Monthly	Monthly%	Annual	%
1	Æ4 221	4 849	(844 70)	4 = 48/

5/6" Cuetomer

	5/8" Ct	istomer	
	Inco	023c	-
Monthly	Monthly%	Annual	%
S1 94	3 21%	\$23 28	3 21%

⁽¹⁾ Exempt PWAC rate of \$0 3915 per 1000 gations



1025 Laurel Oak Road Voorhees, NJ 08043 stephen.bishop@amwater.com P 856.309.4589 F 856.782.2481

March 3, 2017

Via E-Mail and Overnight Delivery

Hon. Irene Jones, ALJ
Office of Administrative Law
33 Washington Street
Newark, NJ 07102

Re:

I/M/O the Petition of New Jersey American Water Company, Inc. to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater (Sewerage) Treatment Adjustment Clause OAL DOCKET NO. PUC 17239-2016N

Dear Judge Jones:

Attached to this letter is a signed stipulation, representing the parties' settlement of the above-captioned matter. It is our understanding that Middlesex Water Company has already submitted a letter indicating it has no objection to this matter proceeding by way of the attached settlement. The parties wish to have this matter before the Board of Public Utilities for approval at its March 24, 2017 meeting and as such all documents need to be finalized by March 9, 2017:

Thank you for your attention to and handling of this matter. Please do not hesitate to contact me should you have any questions.

Respectfully submitted.

Very truly yours,

Stephén R. Bishop Corporate Counsel

SRB:dlc

CC:

Service list (via e-mail)

I/M/O the Petition of New Jersey American Water Company, Inc. to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater (Sewerage) Treatment Adjustment Clause BPU Docket No. WR16111065 OAL Docket No. PUC PUC 17239-2016N

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