



Agenda Date: 12/15/21

Agenda Item: 5C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF MIDDLESEX WATER)
COMPANY FOR APPROVAL OF AN INCREASE) ORDER ADOPTING INITIAL DECISION
IN ITS RATES FOR WATER SERVICE AND) APPROVING STIPULATION OF
OTHER TARIFF CHANGES) SETTLEMENT
)
) DOCKET NO. WR21050813
) OAL DOCKET NO. PUC 04690-2021S

Parties of Record:

Stephen B. Genzer, Esq., Saul Ewing Arnstein and Lehr, LLP, on behalf of Middlesex Water Company.

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

Michael J. Baker, Esq., Hoagland, Longo, Moran, Dunst & Doukas, LLP, on behalf of the Township of East Brunswick Water Utility.

Carol A. Berlen, Esq., Rainone Coughlin Minchello, LLC, on behalf of the Township of Marlboro and the Old Bridge Municipal Utilities Authority

BY THE BOARD:

On May 20, 2021, pursuant to N.J.S.A. 48:2-21, N.J.A.C.14:1-5.12, N.J.A.C. 14:1-5.11, and N.J.A.C. 14:9-10.4 et seq., Middlesex Water Company ("Middlesex," "Company" or "Petitioner") a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition seeking to increase base water rates in the amount of approximately \$31.3 million or 37.79%. Middlesex proposed that the increase become effective on February 22, 2022.¹

Middlesex is a corporation in the State of New Jersey with its principal offices located at 485C Route One South, Suite 400, Iselin, New Jersey, 08830, which serves approximately 62,000 retail water customers primarily in the eastern portion of Middlesex County, New Jersey. Middlesex's retail customers are located in an approximate 55-mile radius in Woodbridge Township, the City of South Amboy, the Boroughs of Metuchen and Carteret, portions of the Township of Edison and the Borough of South Plainfield in Middlesex County, and a portion of the Township of Clark in Union County.

¹By correspondence dated May 24, 2021, the Petitioner indicated that it would not implement rates on an interim basis prior to the effective date of the Board's Suspension Order resulting from the June 24, 2021 Agenda meeting.

Middlesex also provides wholesale water under contracts to the City of Rahway, the Townships of Edison and Marlboro, the Borough of Highland Park and the Old Bridge Municipal Utilities Authority. Middlesex also treats, stores and distributes pumping services to the Township of East Brunswick under contract. Additionally, the Company provides water service to approximately 300 customers in Cumberland County, New Jersey. This is referred to as Bayview.

According to the petition, the Company is filing for the recovery of prudently-incurred investments made to address aging drinking water infrastructure and a variety of other improvements to help ensure continued resiliency, reliability and overall quality of service since the last rate case.

Since its last base rate case, which concluded in March 2018 in Docket No. WR17101049, the Company indicates it has invested approximately \$267 million as part of its “Water for Tomorrow” capital improvement program which includes several large scale infrastructure projects, all of which have been completed.

Middlesex further states that it is engaged in the construction of the Western Transmission Main, a large diameter 4.5-mile transmission pipeline needed to provide critical backup water supply and system resiliency. Additionally, the Company completed the construction of a new ozone treatment facility at its Carl J. Olsen Water Treatment plant, where ozone will now be used as a primary disinfectant of byproducts and ensure compliance with increasing regulatory requirements.

Consistent with the requirements of the New Jersey Water Quality Accountability Act, the Company further completed the replacement of aging areas of Middlesex’s water distribution system using a risk-based approach, which included the replacement of mains, valves, service lines and meters under the Company’s RENEW program, now it’s in 26th year.

Moreover, the renovation and repurposing of the Company’s headquarters which was built in 1984, was completed to address operational and staffing needs and comply with environmental regulations.

The Company adds that other improvements include upgrades to its raw water intake station on the Delaware and Raritan Canal, as well as improvements related to supplementing emergency power generation and further mitigating environmental impacts related to the water treatment process.

By this Order, the Board considers the Initial Decision recommending adoption of the Stipulation of Settlement (“Stipulation”) executed by the Company, Board Staff, and the New Jersey Division of Rate Counsel (collectively, “Signatory Parties”), agreeing to an overall increase in revenues totaling \$27,713,843 representing a 33.63% increase over total present water sales revenues of \$82,396,603. The interveners filed letters stating that were not objecting to the Stipulation.

BACKGROUND/PROCEDURAL HISTORY

By Order dated June 24, 2021, the Board suspended the proposed rate increase until October 21, 2021 pending further action on this matter. The matter was subsequently transmitted to the Office of Administrative Law (“OAL”) as a contested case, and was assigned to Administrative Law Judge (“ALJ”) Jacob S. Gertsman for consideration and hearing.

On July 23, 2021, the East Brunswick Water Utility (“East Brunswick”) filed a motion to intervene, which was granted by ALJ Gertsman. Thereafter, on August 5, 2021, ALJ Gertsman issued a

pre-hearing order, identifying issues and scheduling the evidentiary hearings. In addition, , the Township of Marlboro (“Marlboro”) and Old Bridge Municipal Utilities Authority (“OBMUA”) filed a motions to intervene, which were granted by ALJ Gertsman on August 26, 2021.

Two (2) public hearings were held virtually at 4:30 p.m. and 5:30 p.m. on August 31, 2021 with ALJ Gertsman presiding. No members of the public appeared at the virtual public hearings and no written comments were received.

On November 3, 2021, Middlesex updated its petition to include 12 months of actual data. The requested rate increase was modified to approximately \$32.3 million.

By Order dated December 1, 2021, the Board further suspended the proposed rate increase to February 22, 2022.

ALJ Gertsman issued his Initial Decision recommending that the Board adopt the Stipulation.

STIPULATION

As a result of an analysis of the petition, pre-filed testimony and exhibits, numerous conferences, negotiations, responses to hundreds of information requests and follow-up requests, the Signatory Parties executed the Stipulation, in which the terms are summarized below.²

1. For the purposes of the agreement, the Company’s total rate base is agreed to be \$513,537,000 based on a 12-month test year ending September 30, 2021, adjusted for certain known and measurable changes.
2. Also, for the purposes of the agreement only, the Signatory Parties agree to a capital structure consisting of 46.83% long-term debt, 0.17% preferred stock, and 53.00% common equity with respective cost rates of 2.68%, 5.01%, and 9.60%. Based on this capital structure and cost rates, the Signatory Parties have therefore calculated an overall Rate of Return (“ROR”) of 6.35%. The table below shows how this ROR is obtained.

Capital Structure	Cost Rate	Weighted Cost Rate	
Long Term Debt	46.83%	2.68%	1.25%
Preferred Stock	0.17%	5.01%	0.01%
Common Equity	<u>53.00%</u>	9.60%	<u>5.09%</u>
	100.00%		6.35%

The Signatory Parties, therefore, propose a 6.35% ROR or Weighted Average Cost of Capital (“WACC”) be applied to rate base in order to resolve this case.

² Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusion in this Order.

3. The Signatory Parties agree that applying this 6.35% ROR to the rate base of \$513,537,000 results in a \$27,713,843 increase to the Company's present revenue requirement, which is \$82,396,603. The table below shows how the \$27,713,843 increase in revenue requirement can be obtained.

Rate Base	\$513,537,000
Rate of Return	<u>x6.35%</u>
Required Operating Income	\$32,609,600
Operating Income-Present Rates	<u>-13,687,780</u>
Deficiency	18,921,820
Revenue Conversion Factor	<u>x 1.46465</u>
Revenue Requirement Increase	\$ 27,713,843

The methodology for the revenue conversion factor did not change from the approved methodology used in the prior base rate case.

4. The Signatory Parties therefore agree that the \$27,713,843 increase to the Company's revenue requirement represents a level of revenue necessary to help ensure that the Company will continue to provide safe, adequate, and proper water service to its customers. See: Exhibit A of the Stipulation (Proof of Revenues).
5. The \$27,713,843 increase to the Company's revenue requirement will be implemented in two phases. See Exhibit A – Phase I and Exhibit A – Phase II of the Stipulation. The initial Phase I increase is intended to be effective January 1, 2022, upon a Board Order approving the Stipulation. The Phase II increase is intended to be effective January 1, 2023.
6. The Company has submitted its proposed tariff pages, annexed to the Stipulation as Exhibit B ("Tariff"), pursuant to N.J.A.C. 14:3-1.3, and the Signatory Parties agree that those rate schedules implement the terms of the Stipulation. The proposed tariff pages reflect an increase of approximately 40.06% for General Metered Service [Rate Schedule No. 1]. The tariffs also reflect the following changes:
- (a) no increase in the Private Fire Service fixed rate [Rate Schedule No. 2].
 - (b) the Public Fire Service rate [Rate Schedule No. 3] has been revised to reflect that hydrant charges have been increased 5.61% while inch foot charges have not been changed, resulting in an overall increase of 4.0%.
 - (c) the Service Under Contract rate [Rate Schedule No. 5] has been increased 20.92%.
 - (d) the Special Contract Service rate [Rate Schedule No. 6] has been increased 31.32%.
 - (e) the Transmission Service South River Basin rate [Rate Schedule No. 7] has been increased 77.40%. Rate Schedule No 7 encompasses the South River Basin. Under the terms of the Stipulation as detailed in Exhibit A of the Stipulation ("Proof of Revenues") rates for the OBMUA will increase by 35.57% over present rates and Marlboro will increase by 40.24% over present rates.

- (f) (f) the Transmission Service Northeast Sector [Rate Schedule No. 8] has been increased approximately 116.77%. Rate Schedule No 8 encompasses the entire the entire Northeast Sector. Under the terms of this Stipulation of Settlement as detailed in Exhibit A (Proof of Revenues) rates for the city of Rahway will increase by 43.45% over present rates.

The Signatory Parties therefore recommend the proposed tariff pages, including rate schedules reflecting prudent and reasonable rates and charges, be approved in their entirety.

7. While agreeing for purposes of the Stipulation to certain cost of service allocation results as evidenced in the proposed tariff pages and proof of revenues exhibits attached to the Stipulation, the Signatory Parties have not agreed upon any specific allocation methodology in the resolution of the various rate design issues raised in this proceeding.
8. The Signatory Parties request that the Purchased Water Adjustment Clause ("PWAC") base consumption and base costs data annexed to the Stipulation as Exhibit C (PWAC Settlement) be adopted and the findings required by N.J.A.C. 14:9-7.1 et seq. related to the Company's PWAC be entered.
9. The Company agrees that its request to approve a new Distribution System Improvement Charge ("DSIC") Foundational Filing as part of this base rate case docket is hereby withdrawn.
10. The Company agrees to schedule mutually convenient meetings with OBMUA, Marlboro and East Brunswick on an approximately quarterly basis to discuss, explore and try to address issues of concern to OBMUA, Marlboro and East Brunswick and Middlesex.
11. The Company recognizes a change in the accounting for post-test year additions, which will be reviewed in the Company's next rate base case.
12. The Company agrees that post-test year additions associated with the Raw Water Pumping Station generator project includes the test of the performance of the ozone generators equipment the Company is going to perform within its system and acknowledges that they shall be removed from the rate base.

ALJ Gertsman issued his Initial Decision recommending that the Board adopt the Stipulation.

DISCUSSION AND FINDINGS

The Board is mindful of the impact any rate increase has on its customers. However, the Board has been given broad authority in the general supervision, regulation of and control over public utilities. N.J.S.A. 48:2-13. The Legislature has delegated its power over the activities of public utilities and has vested the Board with broad discretion in the exercise of that authority. See, e.g., In re Public Service Elec. and Gas Company's Rate Unbundling, Stranded Costs and Restructuring Filings, 167 N.J. 377 (2001). In exercising its authority to set just and reasonable rates as mandated by N.J.S.A. 48:2-21, the Board carries out a legislative function which requires the use of its expertise in a manner that is sufficiently flexible to be responsive to changing conditions, and which balances complex and competing interests. Ibid. In reaching this decision,

the Board must balance the needs of the ratepayer to receive safe, adequate, and proper service at reasonable rates, while allowing the utility the opportunity to earn a fair rate of return. See, e.g., FPC v. Hope Natural Gas, 320 U.S. 591, 64 S. Ct. 281, 88 L. Ed. 333 (1944); N.J.S.A. 48:2-21 and N.J.S.A. 48:3-1. Therefore, having reviewed the record in this matter, including ALJ Gertsman's Initial Decision and the Stipulation, the Board **FINDS** 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. Based on the foregoing, the Board **FINDS** the Initial Decision, which adopts the Stipulation, to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** 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:

- a. The tariff sheets attached to the Stipulation containing rates and charges conforming to the Stipulation and designed to produce the additional revenues to which the Parties have stipulated herein are; and
- b. The stipulated increase and the tariff design allocations for each customer classification are **HEREBY ACCEPTED**.

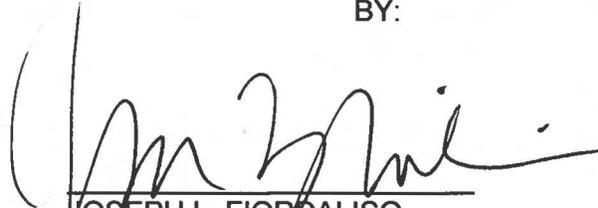
Based upon the forgoing, the Board **HEREBY APPROVES** an overall increase in revenues in the amount of \$27,713,843 representing an 33.63% increase. For example, an average residential customer using 2,000 cubic feet of water per quarter, the overall increase would be implemented over two (2) years as follows: for Phase I, the quarterly bill would increase by \$40.91, from \$138.95 to \$179.86; and for Phase II, the quarterly bill would increase by \$13.65, from \$179.86 to \$193.51 per quarter.

The Board **HEREBY ORDERS** the Company to submit complete revised tariffs conforming to the terms and conditions of the Stipulation and this Order within five (5) days from the date of this Order.

This Order shall be effective on December 22, 2021, with rates to go into effect on January 1, 2022 and January 1, 2023.

DATED: December 15, 2021

BOARD OF PUBLIC UTILITIES
BY:



JOSEPH L. FIORDALISO
PRESIDENT



MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER



ROBERT M. GORDON
COMMISSIONER

ATTEST: 

AIDA CAMACHO-WELCH
SECRETARY

IN THE MATTER OF MIDDLESEX WATER COMPANY FOR APPROVAL OF AN INCREASE
IN ITS RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES
BPU DOCKET NO. WR21050813 & OAL DOCKET NO. PUC 04690-21

SERVICE LIST

<p>Middlesex Water Company Stephen B. Genzer, Esq. Saul Ewing, Arnstein & Lehr, LLP One Riverfront Plaza, Suite 1520 1037 Raymond Blvd, Newark, NJ 07102-5426 stephen.genzer@saul.com</p> <p>Jay L. Kooper Esq. Vice President and General Secretary Middlesex Water Company 485C Route One South, Suite 400 Iselin, NJ 08830 jkooper@middlesexwater.com</p> <p>Township of Marlboro and Old Bridge Municipal Utilities Authority Rainone, Coughlin Minchello, LLC 535 U.S. Hwy. One South, Suite 440 Iselin, NJ 08830 Iselin, NJ 08830</p> <p>Carol A. Berlen, Esq. cberlen@njrcmlaw.com</p> <p>Louis Rainone, Esq. lrainone@njrcmlaw.com</p> <p>East Brunswick Township Michael J. Baker, Esq. Hoagland, Longo, Moran, Dunst & Doukas, LLP 40 Paterson Street, PO Box 480 New Brunswick, NJ 08903 mbaker@hoaglandlongo.com</p> <p>Department of Law and Public Safety Division of Law Public Utilities Section 25 Market Street, Post Office Box 112 Trenton, NJ 08625</p> <p>Pamela Owen, DAG, Assistant Section Chief pamela.owen@law.njoag.gov</p>	<p>Division of Rate Counsel 140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625-0003</p> <p>Brian Lipman, Director blipman@rpa.nj.gov</p> <p>Susan McClure, Esq., Assistant Deputy Rate Counsel smcclure@rpa.nj.gov</p> <p>Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350</p> <p>Aida Camacho, Welch, Secretary board.secretary@bpu.nj.gov</p> <p><u>Division of Water</u></p> <p>Michael Kammer, Director mike.kammer@bpu.nj.gov</p> <p>Yanina Lepore, Principal Engineer yanina.lepore@bpu.nj.gov</p> <p>Kofi Ocansey, Administrative Analyst kofi.ocansey@bpu.nj.gov</p> <p><u>Counsel's Office</u></p> <p>Suzanne Patnaude, Esq., Senior Counsel suzanne.patnaude@bpu.nj.gov</p>
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<p>Meliha Arnautovic, DAG meliha.arnautovic@law.njoag.gov</p> <p>Terel Klein, DAG Terel.Klein@law.njoag.gov</p> <p>Brandon Simmons, DAG brandon.simmons@law.njoag.gov</p> <p>Steven Chaplar, DAG steven.chaplar@law.njoag.gov</p>	
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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES
OFFICE OF ADMINISTRATIVE LAW**

IN THE MATTER OF MIDDLESEX	:	STIPULATION OF SETTLEMENT
WATER COMPANY FOR APPROVAL	:	
OF AN INCREASE IN ITS RATES	:	OAL DOCKET NO. PUC 04690-2021S
FOR WATER SERVICE AND OTHER	:	BPU DOCKET NO. WR21050813
TARIFF CHANGES	:	
	:	

APPEARANCES:

Stephen B. Genzer, Esq., Saul Ewing LLP, and Jay L. Kooper, Esq., on behalf of Middlesex Water Company, Petitioner

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

Susan McClure, Esq., Managing Attorney, Water and Wastewater, Chirstine Juarez, Esq., Assistant Deputy Rate Counsel, and Emily Smithman, Esq., Assistant Deputy Rate Counsel on behalf of the Division of Rate Counsel (Brian O. Lipman, Director)

Louis N. Rainone, Esq. and Carol A. Berlen, Esq., Rainone Coughlin & Minchello, LLC, on behalf of the Old Bridge Municipal Utilities Authority and Marlboro Township

Michael J. Baker, Esq., Hoagland, Longo, Moran, Dunst & Doukas, LLP on behalf of the Township of East Brunswick Water Utility

TO THE HONORABLE JACOB S. GERTSMAN, ALJ:

This Stipulation of Settlement resolves all issues raised in BPU Docket No. WR21050813 in which Middlesex Water Company (“Middlesex” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking to increase its rates for water service and other tariff changes. The Signatory Parties to this Stipulation of Settlement are Middlesex, the New Jersey Division of Rate Counsel (“Rate Counsel”), and the Staff of the Board (“Staff”) (collectively “Signatory Parties”). Also participating in this proceeding are the following entities who filed Motions To Intervene, which were unopposed by the Company: the Old Bridge Municipal Utilities Authority (“OBMUA”), Marlboro Township (“Marlboro”) and

the Township of East Brunswick Water Utility (“East Brunswick”) (collectively “Intervenors”) (together, the Signatory Parties and the Intervenors shall be designated as “Parties”). The Parties expect that the Intervenors will each submit letters confirming that they do not object to the terms of the Stipulation of Settlement.

As a result of an analysis of the petition, pre-filed testimony and exhibits, numerous conferences, negotiations, responses to hundreds of information requests and follow-up requests, and following public hearings held in the service territory, the Signatory Parties execute this agreement to resolve the issues in dispute in this matter.

The Signatory Parties hereto AGREE and STIPULATE that:

On May 20, 2021, Middlesex Water Company, a public utility corporation of the State of New Jersey, pursuant to N.J.S.A. 48:2-21, and N.J.A.C. 14:1-5.11, 14:1-5.12, 14:9-7.1 et seq. and N.J.A.C. 14:9-10.1 et seq., filed a petition to increase rates for water service, to make other tariff changes, and to update the base consumption and base costs established in the Company’s prior base rate proceeding¹ and utilized when setting the Company’s Purchased Water Adjustment Clause (“PWAC”) under N.J.A.C. 14:9-7.1 et seq.

First, the Company requested a rate increase of approximately \$31.3 million or 37.79% above the adjusted annual level of present rate revenues for the test year ending September 30, 2021. Second, the Company requested the authority to make other tariff changes to become effective on the date on which the new rates became effective unless the Board decided to act earlier on any of the proposed changes. Third, the Company requested the authorization to

¹ The Company’s prior base rate case in BPU Docket No. WR17101049 concluded by Order of the Board filed March 26, 2018 with rates effective April 1, 2018.

reinstitute a Distribution System Improvement Charge (“DSIC”) through a new Foundational Filing to include future planned DSIC-eligible projects.²

The Board transmitted the matter to the Office of Administrative Law (“OAL”) for hearing as a contested case and Administrative Law Judge Jacob S. Gertsman (“ALJ Gertsman”) was assigned to the base rate proceeding. On June 24, 2021, the Board issued an Order suspending the proposed rate increase until October 21, 2021.³ A telephone pre-hearing conference was held on July 7, 2021. A pre-hearing order, identifying issues and scheduling the evidentiary hearing was circulated on August 5, 2021. After proper notice, two public hearings were held virtually at 4:30 p.m. and 5:30 p.m. on August 31, 2021 with ALJ Gertsman presiding. No members of the public appeared at the public hearing and no written comments were received. It is the Parties’ understanding that the Board intends to issue at its December 1, 2021 agenda meeting, a second Order further suspending the proposed rate increase until February 22, 2022 unless the Board, prior to that date, makes a determination disposing of the petition.

The Company has provided a number of updates to its original filing, including updated information regarding numerous aspects of the Company’s financial condition, operations, and capital investment.

Settlement Terms

Numerous settlement discussions were held among the Parties, and this process resulted in the following stipulations among the Signatory Parties:

² The Company’s last DSIC Foundational Filing was approved by the Board on August 20, 2014 in BPU Docket No. WR14050508. The DSIC rate was thereafter reset to zero in August 2015 at the conclusion of the Company’s last base rate case in BPU Docket No. WR15030391.

³ See In the Matter of Middlesex Water Company for Approval of an Increase in its Rates for Water Service and Other Tariff Changes, BPU Dkt No. WR21050813 (June 24, 2021).

1. For the purposes of this agreement, the Company’s total rate base is agreed to be \$513,537,000 based on a 12-month test year ending September 30, 2021, adjusted for certain known and measurable changes.

2. Also for the purposes of this agreement only, the Signatory Parties agree to a capital structure consisting of 46.83% long-term debt, 0.17% preferred stock, and 53.00% common equity with respective cost rates of 2.68%, 5.01%, and 9.60%. Based on this capital structure and cost rates, the Signatory Parties have therefore calculated an overall Rate of Return (“ROR”) of 6.35%. The table below shows how this ROR is obtained.

	Capital Structure	Cost Rate	Weighted Cost Rate
Long Term Debt	46.83%	2.68%	1.25%
Preferred Stock	0.17%	5.01%	0.01%
Common Equity	53.00%	9.60%	5.09%
	100.00%		6.35%

The Signatory Parties, therefore, propose a 6.35% ROR or Weighted Average Cost of Capital (“WACC”) be applied to rate base in order to resolve this case.

3. The Signatory Parties agree that applying this 6.35% ROR to the rate base of \$513,537,000 results in a \$27,713,843 increase to the Company’s present revenue requirement, which is \$82,396,603. The table below shows how the \$27,713,843 increase in revenue requirement can be obtained.

Rate Base	\$513,537,000
Rate of Return	<u>x 6.35%</u>
Required Operating Income	\$32,609,600
Operating Income-Present Rates	<u>-13,687,780</u>
Deficiency	18,921,820
Revenue Conversion Factor	<u>x 1.46465</u>
Revenue Requirement Increase	\$ 27,713,843

The methodology for the revenue conversion factor did not change from the approved methodology used in the prior base rate case.

4. The Signatory Parties therefore agree that the \$27,713,843 increase to the Company's revenue requirement represents a level of revenue necessary to help ensure that the Company will continue to provide safe, adequate, and proper water service to its customers. See Exhibit A (Proof of Revenues).

5. The \$27,713,843 increase to the Company's revenue requirement will be implemented in two phases. See Exhibit A – Phase I and Exhibit A – Phase II. The initial Phase I increase is intended to be effective January 1, 2022 upon a Board Order approving this Stipulation of Settlement. The Phase II increase is intended to be effective January 1, 2023.

6. The Company has submitted its proposed tariff pages, annexed hereto as Exhibit B (Tariff), pursuant to N.J.A.C. 14:3-1.3, and the Signatory Parties agree that those rate schedules implement the terms of this Stipulation of Settlement. The proposed tariff pages reflect an increase of approximately 40.06% for General Metered Service [Rate Schedule No. 1]. The tariffs also reflect the following changes:

- (a) no increase in the Private Fire Service fixed rate [Rate Schedule No. 2];
- (b) the Public Fire Service rate [Rate Schedule No. 3] has been revised to reflect that hydrant charges have been increased 5.61% while inch foot charges have not been changed, resulting in an overall increase of 4.0%;
- (c) the Service Under Contract rate [Rate Schedule No. 5] has been increased 20.92%;

- (d) the Special Contract Service rate [Rate Schedule No. 6] has been increased 31.32%;
- (e) the Transmission Service South River Basin rate [Rate Schedule No. 7] has been increased 77.40%. Rate Schedule No. 7 encompasses the South River Basin. Under the terms of this Stipulation of Settlement, as detailed in Exhibit A (Proof of Revenues), rates for the OBMUA will increase by 35.57% over present rates and Marlboro will increase by 40.24% over present rates; and
- (f) the Transmission Service Northeast Sector [Rate Schedule No. 8] has been increased approximately 116.77%. Rate Schedule No. 8 encompasses the entire Northeast Sector. Under the terms of this Stipulation of Settlement, as detailed in Exhibit A (Proof of Revenues), rates for the City of Rahway will increase by 43.45% over present rates.

The Signatory Parties therefore recommend the proposed tariff pages, including rate schedules reflecting prudent and reasonable rates and charges, be approved in their entirety.

7. While agreeing for purposes of this Stipulation of Settlement to certain cost of service allocation results as evidenced in the proposed tariff pages and proof of revenues exhibits attached to this Stipulation of Settlement, the Parties hereto have not agreed upon any specific allocation methodology in the resolution of the various rate design issues raised in this proceeding.

8. The Signatory Parties request that the Purchased Water Adjustment Clause (PWAC) base consumption and base costs data annexed hereto as Exhibit C (PWAC Settlement) be adopted and the findings required by N.J.A.C. 14:9-7.1 et seq. related to the Company's PWAC be entered.

9. The Company agrees that its request to approve a new DSIC Foundational Filing as part of this base rate case docket is hereby withdrawn.

10. The Company agrees to schedule mutually convenient meetings with OBMUA, Marlboro and East Brunswick on an approximately quarterly basis to discuss, explore and try to address issues of concern to OBMUA, Marlboro, East Brunswick and Middlesex.

11. The Company recognizes a change in the accounting for post-test-year additions which will be reviewed in the Company's next base rate case.

12. The Company agrees that post-test-year additions associated with the Raw Water Pumping Station generator project includes the test of the performance of the ozone generators equipment the Company is going to perform within its system, and acknowledges that they shall be removed from the rate base.⁴

13. This Stipulation of Settlement is the product of extensive negotiations by the Signatory Parties, and it is an express condition of the settlement embodied by this Stipulation of Settlement that it be presented to the Board in its entirety without modification or condition. It is also the intent of the Signatory Parties to this Stipulation of Settlement that this settlement, once accepted and approved by the Board, shall govern all issues specified and agreed to herein. The Signatory Parties to this Stipulation of Settlement specifically agree that if adopted in its entirety by the Board, no appeal shall be taken by them from the order adopting same as to those issues upon which the Signatory Parties have stipulated herein. The Signatory Parties agree that the within Stipulation reflects mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation of Settlement as a whole, since the Signatory Parties hereto expressly and jointly state that they would not have signed this Stipulation had any terms been modified in any way. In the event any particular

⁴ The Company requested recognition of \$125,000 of post-test year additions. See Exhibit P-2 update, dated July 28, 2021. The Company asserted that the scope of these post-test year additions included the test of the performance of the ozone generator equipment within its system. However the Parties agree that the \$125,000 post-test year additions represents routine and recurring projects that are not major in nature and consequence, and therefore should not be recognized in rates.

aspect of this Stipulation is not accepted and approved by the Board, then any Signatory Party hereto materially affected thereby shall not be bound to proceed under this Stipulation of Settlement. The Signatory Parties further agree that the purpose of this Stipulation of Settlement is to achieve fair and reasonable customer rates, and that it will avoid protracted and costly litigation of specific issues and that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Signatory Parties shall be prohibited from or prejudiced in arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter.

14. This Stipulation of Settlement may be executed in as many counterparts as there are signatories of this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

MIDDLESEX WATER COMPANY

Nov. 29, 2021
Date:

By: Jay L. Kooper
Jay L. Kooper, Esq.
Vice President, General Counsel & Secretary

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

Date:

By: _____
Terel Klein
Deputy Attorney General

aspect of this Stipulation is not accepted and approved by the Board, then any Signatory Party hereto materially affected thereby shall not be bound to proceed under this Stipulation of Settlement. The Signatory Parties further agree that the purpose of this Stipulation of Settlement is to achieve fair and reasonable customer rates, and that it will avoid protracted and costly litigation of specific issues and that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Signatory Parties shall be prohibited from or prejudiced in arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter.

14. This Stipulation of Settlement may be executed in as many counterparts as there are signatories of this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

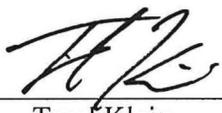
MIDDLESEX WATER COMPANY

Date:

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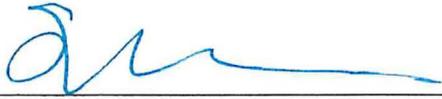
ANDREW BRUCK
ACTING ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey
Board of Public Utilities

November 29, 2021
Date:

By:  _____
Terel Klein
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.
DIRECTOR - RATE COUNSEL

11/29/21
Date:

By: 
Susan McClure, Esq.
Managing Attorney, Water and Wastewater

MIDDLESEX WATER COMPANY
BPU DOCKET NO. WR21050813

EXHIBIT A

	EXISTING RATES	PHASE ONE		
		SETTLEMENT PROPOSED RATES	DIFFERENCE	% CHANGE
RESIDENTIAL	\$35,237,771	\$45,603,362	\$10,365,590	29.42%
COMMERCIAL	14,138,236	18,487,824	4,349,588	30.76%
INDUSTRIAL	<u>8,038,582</u>	<u>10,560,737</u>	<u>2,522,155</u>	31.38%
SUBTOTAL	57,414,589	74,651,923	17,237,333	30.02%
PRIVATE FIRE SERVICE	6,306,337	6,306,337	0	0.00%
PUBLIC FIRE SERVICE	<u>4,968,849</u>	<u>5,167,585</u>	<u>198,736</u>	4.00%
SUBTOTAL	11,275,186	11,473,922	198,736	1.76%
EDISON / HIGHLAND PARK	2,409,746	2,795,531	385,785	16.01%
EAST BRUNSWICK	3,753,399	4,640,111	886,712	23.62%
OLD BRIDGE MUA	2,762,785	3,440,394	677,609	24.53%
MARLBORO TOWNSHIP	3,951,599	5,028,099	1,076,500	27.24%
RAHWAY	<u>598,496</u>	<u>793,528</u>	<u>195,032</u>	32.59%
SUBTOTAL	13,476,026	16,697,664	3,221,638	23.91%
SALES REVENUE	82,165,802	102,823,508	20,657,707	25.14%
MISCELLANEOUS	127,971	127,971	0	
BAYVIEW	102,849	102,849	0	
ROUNDING	<u>(19)</u>	<u>0</u>	<u>19</u>	
GRAND TOTAL	<u>\$ 82,396,603</u>	<u>\$ 103,054,328</u>	<u>\$ 20,657,726</u>	25.07%

EXHIBIT A

MIDDLESEX WATER COMPANY
BPU DOCKET NO. WR21050813

										PHASE ONE					
										EXISTING		SETTLEMENT PROPOSED			%
										MONTHLY	QTRLY	MONTHLY	QTRLY	REVENUE	
RESIDENTIAL	MONTHLY	QTRLY	MONTHLY	QTRLY	REVENUE	MONTHLY	QTRLY	REVENUE							
BILLS	BILLS	BILLS	RATE	RATE		RATE	RATE				INCREASE				
5/8"	185,892		\$ 47.25	\$ 8,783,397		\$ 57.36	\$ 10,662,765				21.40%				
3/4"	31,964		70.89	2,265,928		86.04	2,750,183				21.37%				
1"	6,012		118.14	710,258		143.40	862,121				21.38%				
1 1/2"	736		236.25	173,880		286.80	211,085				21.40%				
2"	292		378.00	110,376		458.88	133,993				21.40%				
				12,043,839			14,620,146								
USAGE (CCF)	505,835,703		0.0458527	23,193,933		0.0612515	30,983,215				33.58%				
				\$35,237,771			\$ 45,603,362				29.42%				
										EXISTING		SETTLEMENT PROPOSED			
COMMERCIAL	MONTHLY	QTRLY	MONTHLY	QTRLY	REVENUE	MONTHLY	QTRLY	REVENUE							
BILLS	BILLS	BILLS	RATE	RATE		RATE	RATE				INCREASE				
5/8"	3,252		\$ 15.75	\$ 51,219		\$ 19.12	\$ 62,178				21.40%				
3/4"	2,076		23.63	49,056		28.68	59,540				21.37%				
1"	2,904		39.38	114,360		47.80	138,811				21.38%				
1 1/2"	3,912		78.75	308,070		95.60	373,987				21.40%				
2"	11,556		126.00	1,456,056		152.96	1,767,606				21.40%				
3"	2,796		236.25	660,555		286.80	801,893				21.40%				
4"	696		393.75	274,050		477.99	332,681				21.39%				
6"	60		787.50	47,250		955.99	57,359				21.40%				
8"	144		1,260.00	181,440		1,529.58	220,260				21.40%				
10"	48		1,811.25	86,940		2,198.77	105,541				21.40%				
12"	12		3,386.25	40,635		4,110.74	49,329				21.40%				
				3,269,630			3,969,185								
USAGE (CCF)	237,033,052		0.0458527	10,868,605		0.0612515	14,518,639				33.58%				
				\$14,138,236			\$ 18,487,824				30.76%				
										EXISTING		SETTLEMENT PROPOSED			
INDUSTRIAL	MONTHLY	QTRLY	MONTHLY	QTRLY	REVENUE	MONTHLY	QTRLY	REVENUE							
BILLS	BILLS	BILLS	RATE	RATE		RATE	RATE				INCREASE				
5/8"	0		\$15.75	\$ -		\$ 19.12	\$ -				21.40%				
3/4"	24		23.63	567		28.68	688				21.37%				
1"	96		39.38	3,780		47.80	4,589				21.38%				
1 1/2"	264		78.75	20,790		95.60	25,238				21.40%				
2"	444		126.00	55,944		152.96	67,914				21.40%				
3"	468		236.25	110,565		286.80	134,222				21.40%				
4"	948		393.75	373,275		477.99	453,135				21.39%				
6"	612		787.50	481,950		955.99	585,066				21.40%				
8"	204		1,260.00	257,040		1,529.58	312,034				21.40%				
10"	84		1,811.25	152,145		2,198.77	184,697				21.40%				
				1,456,056			1,767,584								
USAGE (CCF)	143,558,085		0.0458527	6,582,526		0.0612515	8,793,154				33.58%				
				\$ 8,038,582			\$ 10,560,737				31.38%				
				\$57,414,589			\$ 74,651,923				30.02%				
										EXISTING		SETTLEMENT PROPOSED			
PRIVATE FIRE WITH HOSE	MONTHLY	QTRLY	MONTHLY	QTRLY	REVENUE	MONTHLY	QTRLY	REVENUE							
WITH HOSE	BILLS	BILLS	RATE	RATE		RATE	RATE				INCREASE				
1"	0		\$ -	\$ -		\$ -	\$ -								
2"	12	8	75.25	225.75	2,709	71.82	215.46	2,586			-4.56%				
3"	0	0	165.52	496.56	0	157.98	473.94	-							
4"	120	32	276.31	828.93	59,683	263.72	791.16	56,964			-4.56%				
6"	936	4	565.43	1,696.29	536,028	539.66	1,618.98	511,598			-4.56%				
8"	1,464	0	809.59	2,428.77	1,185,240	772.71	2,318.13	1,131,247			-4.56%				
10"	504	0	1,298.61	3,895.83	654,499	1,239.45	3,718.35	624,683			-4.56%				
				2,438,159			2,327,077								
PRIVATE FIRE WITHOUT HOSE	MONTHLY	QTRLY	MONTHLY	QTRLY	REVENUE	MONTHLY	QTRLY	REVENUE							
WITHOUT HOSE	BILLS	BILLS	RATE	RATE		RATE	RATE				INCREASE				
1"	12	44	\$ 25.10	\$ 75.30	\$ 3,614	\$ 23.96	\$ 71.88	\$ 3,450			-4.54%				
2"	324	92	62.07	186.21	37,242	59.25	177.75	35,550			-4.54%				
3"	396	28	124.29	372.87	59,659	118.63	355.89	56,942			-4.55%				
4"	2,724	156	206.23	618.69	658,286	196.83	590.49	628,281			-4.56%				
6"	2,136	192	419.14	1,257.42	1,136,708	400.05	1,200.15	1,084,936			-4.55%				
8"	1,752	8	599.27	1,797.81	1,064,304	571.97	1,715.91	1,015,819			-4.56%				
10"	144	0	959.59	2,878.77	138,181	915.88	2,747.64	131,887			-4.56%				
12"	12	0	1,418.20	4,254.60	17,018	1,353.59	4,060.77	16,243			-4.56%				
	10,536	564		3,115,012			2,973,108								
				5,553,171			5,300,233				-4.55%				
USAGE (CCF)	16,425,776		0.0458527	753,166		0.0612515	1,006,104				33.58%				
				\$ 6,306,337			\$ 6,306,337				0.00%				
PUBLIC FIRE	INCH FEET	HYDRANTS	RATE	HYD. CHG	REVENUE	RATE	HYD. CHG	REVENUE							
	35,141,067	4,775	\$0.040560	\$ 742.10	\$ 4,968,849	\$0.040560	\$ 783.72	\$ 5,167,585			4.00%				
WHOLESALE 1	E. Brunswick	2,422,908	\$ 1,549.13		\$ 3,753,399	\$ 1,915.10		\$ 4,640,111			23.62%				
WHOLESALE 2	Edison/Hld Pk	1,025,424	\$ 2,350.00		\$ 2,409,746	\$ 2,726.22		\$ 2,795,531			16.01%				
WHOLESALE 3	Rahway	194,802	\$ 2,350.00	\$ 722.33	\$ 598,496	\$ 2,726.22	\$ 1,347.29	\$ 793,528			32.59%				
WHOLESALE 4	Old Bridge	870,717	\$ 2,350.00	\$ 823.00	\$ 2,762,785	\$ 2,726.22	\$ 1,225.00	\$ 3,440,394			24.53%				
	Marlboro	1,106,307	\$ 2,350.00		\$ 2,599,821	\$ 2,726.22		\$ 3,016,036			16.01%				
	Marlboro	1,642,500		\$ 823.00	\$ 1,351,778		\$ 1,225.00	\$ 2,012,063			48.85%				
		7,262,658			\$13,476,026			\$ 16,697,664			23.91%				
SALES REVENUE					\$82,165,802			\$ 102,823,508			25.14%				
MISCELLANEOUS					127,971			127,971							
BAYVIEW					102,849			102,849							
ROUNDING					(19)			0							
TOTAL REVENUE REQUIREMENT					\$82,396,603			\$ 103,054,328			25.07%				

MIDDLESEX WATER COMPANY
BPU DOCKET NO. WR21050813

	EXISTING RATES	PHASE TWO			TOTAL PERCENTAGE INCREASE
		SETTLEMENT PROPOSED RATES	DIFFERENCE	% CHANGE	
RESIDENTIAL	\$35,237,771	\$49,063,185	\$3,459,823	7.59%	39.23%
COMMERCIAL	14,138,236	19,946,176	1,458,352	7.89%	41.08%
INDUSTRIAL	<u>8,038,582</u>	<u>11,407,831</u>	<u>847,094</u>	8.02%	41.91%
SUBTOTAL	57,414,589	80,417,192	5,765,269	7.72%	40.06%
PRIVATE FIRE SERVICE	6,306,337	6,306,337	0	0.00%	0.00%
PUBLIC FIRE SERVICE	<u>4,968,849</u>	<u>5,167,585</u>	<u>0</u>	0.00%	4.00%
SUBTOTAL	11,275,186	11,473,922	0	0.00%	1.76%
EDISON / HIGHLAND PARK	2,409,746	2,913,794	118,262	4.23%	20.92%
EAST BRUNSWICK	3,753,399	4,929,043	288,932	6.23%	31.32%
OLD BRIDGE MUA	2,762,785	3,745,433	305,038	8.87%	35.57%
MARLBORO TOWNSHIP	3,951,599	5,541,677	513,578	10.21%	40.24%
RAHWAY	<u>598,496</u>	<u>858,566</u>	<u>65,039</u>	8.20%	43.45%
SUBTOTAL	13,476,026	17,988,512	1,290,849	7.73%	33.49%
SALES REVENUE	82,165,802	109,879,626	7,056,118	6.86%	33.73%
MISCELLANEOUS	127,971	127,971	0		
BAYVIEW	102,849	102,849	0		
ROUNDING	<u>(19)</u>	<u>0</u>	<u>0</u>		
GRAND TOTAL	<u>\$ 82,396,603</u>	<u>\$ 110,110,446</u>	<u>\$ 7,056,118</u>	6.85%	33.63%

MIDDLESEX WATER COMPANY
BPU DOCKET NO. WR21050813

		PHASE TWO							TOTAL	
		EXISTING			SETTLEMENT PROPOSED			PERCENTAGE INCREASE	PERCENTAGE INCREASE	
RESIDENTIAL	MONTHLY BILLS	QTRLY BILLS	MONTHLY RATE	QTRLY RATE	REVENUE	MONTHLY RATE	QTRLY RATE	REVENUE		
	5/8"	165,892	\$ 47.25	\$ 151,219	\$ 8,783,397	\$ 20.20	\$ 65,690	\$ 11,265,055	5.65%	28.25%
	3/4"	31,964	70.89	49,056	2,265,928	30.32	62,944	2,907,445	5.72%	28.31%
	1"	6,012	118.14	114,360	710,258	50.52	146,710	911,179	5.69%	28.29%
	1 1/2"	736	236.25	308,070	173,880	101.02	395,190	223,052	5.67%	28.28%
	2"	292	378.00	110,376	110,376	161.64	1,867,912	141,597	5.67%	28.29%
				12,043,839			15,448,328			
USAGE (CCF)		505,835,703	0.0458527	23,193,933	23,193,933	0.0664541	33,614,856	33,614,856	8.49%	44.93%
				<u>\$35,237,771</u>			<u>\$ 49,063,185</u>		7.59%	39.23%
COMMERCIAL	MONTHLY BILLS	QTRLY BILLS	MONTHLY RATE	QTRLY RATE	REVENUE	MONTHLY RATE	QTRLY RATE	REVENUE		
	5/8"	3,252	\$ 15.75	\$ 51,219	\$ 8,783,397	\$ 20.20	\$ 65,690	\$ 11,265,055	5.65%	28.25%
	3/4"	2,076	23.63	49,056	49,056	30.32	62,944	2,907,445	5.72%	28.31%
	1"	2,904	39.38	114,360	114,360	50.52	146,710	911,179	5.69%	28.29%
	1 1/2"	3,912	78.75	308,070	308,070	101.02	395,190	223,052	5.67%	28.28%
	2"	11,556	126.00	1,456,056	1,456,056	161.64	1,867,912	1,867,912	5.67%	28.29%
	3"	2,796	236.25	660,555	660,555	303.06	847,356	847,356	5.67%	28.28%
	4"	696	393.75	274,050	274,050	505.10	351,550	351,550	5.67%	28.28%
	6"	60	787.50	47,250	47,250	1,010.19	60,611	60,611	5.67%	28.28%
	8"	144	1,260.00	181,440	181,440	1,616.29	232,746	232,746	5.67%	28.28%
	10"	48	1,811.25	86,940	86,940	2,323.41	111,524	111,524	5.67%	28.28%
	12"	12	3,386.25	40,635	40,635	4,343.75	52,125	52,125	5.67%	28.28%
				3,269,630	3,269,630		4,194,358	4,194,358		
USAGE (CCF)		237,033,052	0.0458527	10,868,605	10,868,605	0.0664541	15,751,818	15,751,818	8.49%	44.93%
				<u>\$14,138,236</u>			<u>\$ 19,946,176</u>		7.89%	41.08%
INDUSTRIAL	MONTHLY BILLS	QTRLY BILLS	MONTHLY RATE	QTRLY RATE	REVENUE	MONTHLY RATE	QTRLY RATE	REVENUE		
	5/8"	0	\$15.75	\$ 51,219	\$ 8,783,397	\$ 20.20	\$ 65,690	\$ 11,265,055	5.65%	28.25%
	3/4"	24	23.63	49,056	49,056	30.32	62,944	2,907,445	5.72%	28.31%
	1"	96	39.38	114,360	114,360	50.52	146,710	911,179	5.69%	28.29%
	1 1/2"	264	78.75	308,070	308,070	101.02	395,190	223,052	5.67%	28.28%
	2"	444	126.00	1,456,056	1,456,056	161.64	1,867,912	1,867,912	5.67%	28.29%
	3"	468	236.25	660,555	660,555	303.06	847,356	847,356	5.67%	28.28%
	4"	948	393.75	274,050	274,050	505.10	351,550	351,550	5.67%	28.28%
	6"	612	787.50	47,250	47,250	1,010.19	60,611	60,611	5.67%	28.28%
	8"	204	1,260.00	181,440	181,440	1,616.29	232,746	232,746	5.67%	28.28%
	10"	84	1,811.25	86,940	86,940	2,323.41	111,524	111,524	5.67%	28.28%
				152,145	152,145	2,323.41	195,166	195,166	5.67%	28.28%
				1,456,056	1,456,056		1,867,808	1,867,808		
USAGE (CCF)		143,558,085	0.0458527	6,582,526	6,582,526	0.0664541	9,540,023	9,540,023	8.49%	44.93%
				<u>\$ 8,038,582</u>			<u>\$ 11,407,831</u>		8.02%	41.91%
GENERAL METERED SERVICE		886,426,840		<u>\$57,414,589</u>			<u>\$ 80,417,192</u>		7.72%	40.06%
PRIVATE FIRE WITH HOSE	MONTHLY BILLS	QTRLY BILLS	MONTHLY RATE	QTRLY RATE	REVENUE	MONTHLY RATE	QTRLY RATE	REVENUE		
	1"	0	\$ -	\$ -	\$ -	\$ 20.20	\$ -	\$ -		
	2"	12	75.25	225.75	2,709	70.66	211.98	2,544	-1.62%	-6.10%
	3"	0	165.52	496.56	0	155.43	466.29	-		
	4"	120	276.31	828.93	59,683	259.47	778.41	56,046	-1.61%	-6.09%
	6"	936	565.43	1,696.29	536,028	530.97	1,592.91	503,360	-1.61%	-6.09%
	8"	1,464	809.59	2,428.77	1,185,240	760.26	2,280.78	1,113,021	-1.61%	-6.09%
	10"	504	1,298.61	3,895.83	654,499	1,219.48	3,658.44	614,618	-1.61%	-6.09%
				2,438,159	2,438,159		2,289,587	2,289,587		
PRIVATE FIRE WITHOUT HOSE	MONTHLY BILLS	QTRLY BILLS	MONTHLY RATE	QTRLY RATE	REVENUE	MONTHLY RATE	QTRLY RATE	REVENUE		
	1"	12	\$ 25.10	\$ 75.30	\$ 3,614	\$ 23.57	\$ 70.71	\$ 3,394	-1.63%	-6.10%
	2"	324	62.07	186.21	37,242	58.29	174.87	34,974	-1.62%	-6.09%
	3"	396	124.29	372.87	59,659	116.72	350.16	56,026	-1.61%	-6.09%
	4"	2,724	206.23	618.69	658,286	193.66	580.98	618,163	-1.61%	-6.10%
	6"	2,136	419.14	1,257.42	1,136,708	393.60	1,180.80	1,067,443	-1.61%	-6.09%
	8"	1,752	599.27	1,797.81	1,064,304	562.75	1,688.25	999,444	-1.61%	-6.09%
	10"	144	959.59	2,878.77	138,181	901.12	2,703.36	129,761	-1.61%	-6.09%
	12"	12	1,418.20	4,254.60	17,018	1,331.78	3,995.34	15,981	-1.61%	-6.09%
		10,536		3,115,012	3,115,012		2,925,186	2,925,186		
				5,553,171	5,553,171		5,214,777	5,214,777	-1.61%	-6.09%
USAGE (CCF)		16,425,776	0.0458527	753,166	753,166	0.0664541	1,091,560	1,091,560	8.49%	44.93%
				<u>\$ 6,306,337</u>			<u>\$ 6,306,337</u>		0.00%	0.00%
PUBLIC FIRE	INCH FEET	HYDRANTS	RATE	HYD. CHG	REVENUE	RATE	HYD. CHG	REVENUE		
	35,141,067	4,775	\$0.040560	\$ 742.10	\$ 4,968,849	\$0.040560	\$ 783.72	\$ 5,167,585	0.00%	4.00%
WHOLESALE 1	E. Brunswick	USAGE (MG)	BASE RATE	TRANSMISSION RATE	REVENUE	BASE RATE	TRANSMISSION RATE	REVENUE		
		2,422,908	\$ 1,549.13		\$ 3,753,399	\$ 2,034.35		\$ 4,929,043	6.23%	31.32%
WHOLESALE 2	Edison/Hld Pk	USAGE (MG)	BASE RATE	TRANSMISSION RATE	REVENUE	BASE RATE	TRANSMISSION RATE	REVENUE		
		1,025,424	\$ 2,350.00		\$ 2,409,746	\$ 2,841.55		\$ 2,913,794	4.23%	20.92%
WHOLESALE 3	Rahway	USAGE (MG)	BASE RATE	TRANSMISSION RATE	REVENUE	BASE RATE	TRANSMISSION RATE	REVENUE		
		194,802	\$ 2,350.00	\$ 722.33	\$ 598,496	\$ 2,841.55	\$ 1,565.83	\$ 858,566	8.20%	43.45%
WHOLESALE 4	Old Bridge	USAGE (MG)	BASE RATE	TRANSMISSION RATE	REVENUE	BASE RATE	TRANSMISSION RATE	REVENUE		
		870,717	\$ 2,350.00	\$ 823.00	\$ 2,762,785	\$ 2,841.55	\$ 1,460.00	\$ 3,745,433	8.87%	35.57%
	Marlboro	1,106,307	\$ 2,350.00		\$ 2,599,821	\$ 2,841.55		\$ 3,143,627	4.23%	20.92%
	Marlboro	1,642,500		\$ 823.00	\$ 1,351,778		\$ 1,460.00	\$ 2,398,050	19.18%	77.40%
		7,262,658			<u>\$13,476,026</u>			<u>\$ 17,988,512</u>	7.73%	33.49%
SALES REVENUE					\$82,165,802			\$109,879,626	6.86%	33.73%
MISCELLANEOUS					127,971			127,971		
BAYVIEW					102,849			102,849		
ROUNDING					(19)			(19)		
TOTAL REVENUE REQUIREMENT					<u>\$82,396,603</u>			<u>\$110,110,446</u>	6.85%	33.63%

MIDDLESEX WATER COMPANY

TARIFF

for

WATER SERVICE

Applicable in

ALL TERRITORY SUPPLIED BY THE COMPANY

IN CUMBERLAND, MIDDLESEX, MONMOUTH AND UNION COUNTIES

Date of Issue: May 20, 2021

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

Effective for service
Rendered on and after:

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey dated _____, in Docket No. WR21050813.

MIDDLESEX WATER COMPANY

Sixth Revised Sheet No. 14

Cancelling

Fifth Revised Sheet No. 14

B.P.U. No. 1 - WATER

 STANDARD TERMS AND CONDITIONS
4. SERVICE PIPES

4.1 The service pipe from the distribution main to the curb line, including the curb stop, meter pit and meter will be furnished, installed and maintained by the Company at its expense, except as otherwise provided in this Tariff.

4.2 Only employees or other persons authorized by the Company will be permitted to make connections to the mains, access meter pits, operate curb stops and remove, service, or repair meters of the Company.

4.3 The Company will control the size of the opening to be made in the distribution main and the size of the service pipe to be installed.

4.4 No service pipe will be installed until the connecting pipe has been installed and staked by the Customer within 24" of the curb or edge of pavement; or where the connecting pipe is installed in the same trench with sewer pipe, gas pipe, electric conduit or any other facility.

4.5 A curb stop and meter pit will be installed by the Company at or near the premises, in such a manner as to permit the attachment of the customer's connecting pipe up to and including 2" diameter pipe. The curb stop or meter pit is available for turning on and shutting off the supply of water in emergencies or for purposes of repair. Only Company employees or persons duly authorized to do so by the Company are permitted to operate the curb stop or meter pit.

4.6 No premises shall be supplied by more than one service pipe, unless agreed upon by the Company.

4.7 Where two or more customers, within a single, contiguous structure, are supplied through a single service pipe, the piping of the exterior meter enclosure shall provide a separate lock valve ahead of the inlet to each customer's meter.

4.8 (Reserved for Future Use)

 Date of Issue: May 20, 2021

 Effective for service
 Rendered on and after:

 Issued by: Dennis W. Doll, President
 485C Route 1 South
 Suite 400
 Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

MIDDLESEX WATER COMPANY

Fifth Revised Sheet No. 15

B.P.U. No. 1 - WATER

Cancelling

Fourth Revised Sheet No. 15

STANDARD TERMS AND CONDITIONS4. SERVICE PIPES (Continued)

4.9 Any change requested by the customer in the location or configuration of the existing service pipe, if approved by the Company, shall be made at the expense of the customer including the necessary modifications to comply with the Company's cross connection control and exterior meter enclosure requirements.

4.10 Where a service pipe is for temporary use, the customer shall bear the entire expense of making and removing the connection, subject to a refund whenever service is established on a permanent basis.

4.11 Where a service pipe is available for a customer's premises, the customer may obtain a larger size service without charge, provided such service is established on a permanent basis. Any subsequent request for a reduction in the size of the meter shall be subject to Company approval and the payment by the customer of the cost of installing the larger size service.

4.12 Where a large size service pipe has been installed at the request of a customer, for premises not previously supplied, any subsequent request for a reduction in the size of the meter shall be subject to Company approval and the payment by the customer of the difference between the cost of installing the service pipe and the cost of installing a service line that is usually installed with the new sized meter.

4.13 Charges and costs, if any, associated with special road opening and restoration requirements imposed by the governing agency shall be reimbursed by the customer (or prospective customer) requesting said work resulting in the need to open a roadway under moratorium.. This includes fines or charges in excess of normal road opening permit fees, costs for restoration work required, and any other costs incurred by the Company for this work. The burden of obtaining the approval of the governing agency for this road opening, and any costs related to this approval shall be the responsibility of the customer (or prospective customer).

4.14 Charges for service pipe installation that are excessive shall be paid by the Customer. The cost of a service pipe installation shall be considered excessive if the cost of the installation exceeds two (2) times the average cost of the same diameter service of the previous 12 month calendar year. The Customer shall reimburse the Company for the difference between the actual installation costs and the amount used to determine if the costs is excessive.

Date of Issue: May 20, 2021

Effective for service
Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

MIDDLESEX WATER COMPANY

Seventh Revised Sheet No. 22

Cancelling

Sixth Revised Sheet No. 22

B.P.U. No. 1 - WATER

STANDARD TERMS AND CONDITIONS

7. CUSTOMERS' PREMISES (Continued)

7.8 Physical connections, such as cross connections, either permanent or temporary, between pipes on a customer's premises supplied by the Company and any unapproved source of supply, including but not limited to private wells, are strictly prohibited.

7.9 In any premises where an NJDEP approved auxiliary water source is permitted, the pipes carrying water from the mains of the Company are required to be marked in some distinctive manner for ready identification.

7.10 No device or connection shall be permitted between pipes or fixtures carrying water from the mains of the Company and any portion of the plumbing system of the premises or any other piping system on the premises in cases where the system is not designed to prevent backflow or back-siphonage in accordance with the Company's Cross Connection Control Plan.

7.11 If a premise is to remain unoccupied for an indefinite period, customers are advised to have the interior plumbing drained, especially during cold weather, to avoid damage to pipes and fixtures. When requested, the Company will suspend service to unoccupied premises temporarily by shutting off the water at the curb and removing the meter.

7.12 Whenever leakage occurs on pipes and facilities owned by the customer, the customer shall make the necessary repairs without delay. If the customer fails to make said repairs, the Company reserves the right to discontinue the supply until such time as the leak is repaired. A reconnection charge will apply should the Company take action to physically discontinue water service.

7.13 All costs associated with periodic testing of an approved backflow prevention device and reporting of said test results shall be the responsibility of the Customer. The reporting format and mechanism for reporting test results shall be determined by the Company.

Date of Issue: May 20, 2021

Effective for service
Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

RATE SCHEDULE NO. 1
GENERAL WATER SERVICE - GS

APPLICABILITY:

Applicable to the use of water supplied through meters in the entire territory served by the Company.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATE:

General Water Service

Consumption Charges
 Rate per Thousand
Cubic Feet
 \$61.3263

Facilities Charge

<u>Size of Meter</u>	<u>Per Quarter</u>	<u>Per Month</u>
5/8"	\$ 57.36	\$ 19.12
3/4"	86.04	28.68
1"	143.40	47.80
1-1/2"	286.80	95.60
2"	458.88	152.96
3"	860.40	286.80
4"	1,433.97	477.99
6"	2,867.97	955.99
8"	4,588.74	1,529.58
10"	6,596.31	2,198.77
12"	12,332.22	4,110.74

Billing shall be based on the facilities charge plus consumption charges (shown above) for each period.

Date of Issue: May 20, 2021

Effective for Service

Rendered on and After:

Issued by: Dennis W. Doll, President
 485C Route 1 South
 Suite 400
 Iselin, New Jersey 08830-3020

January 1, 2022

The State of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which establishes a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates.

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

MIDDLESEX WATER COMPANY

Fourteenth Revised Sheet No. 33A

B.P.U. No. 1 - WATER

Cancelling

Thirteenth Revised Sheet No. 33A

RATE SCHEDULE NO. 1 (Continued)

GENERAL WATER SERVICE – GS

PURCHASED WATER ADJUSTMENT CLAUSE (PWAC) CHARGES

A charge of \$ 0.00 per thousand cubic feet will be made to recover the increased purchased water costs.

Date of Issue: May 20, 2021

Effective for service

Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

RATE SCHEDULE NO. 2
PRIVATE FIRE SERVICE - PFS

APPLICABILITY:

Applicable to customers throughout entire territory for private fire protection service. Excludes residential customers with a service line of 2" or less, any residential health care facility and any rooming or boarding house (NJSA 48:19-18).

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATE:

Sprinkler connections with hose or hydrants connected to them on private property where such sprinkler connections and hydrants are independently metered and used for fire service only.

<u>Size of Meter</u>	<u>Charge per Quarter</u>	<u>Charge per Month</u>
2"	\$ 215.46	\$ 71.82
3"	473.94	157.98
4"	791.16	263.72
6"	1,618.98	539.66
8"	2,318.13	772.71
10"	3,718.35	1,239.45
12"	5,498.22	1,832.74

Sprinkler connections without hose or hydrants connected to them on private property where such sprinkler connections are independently metered and used for fire service only.

<u>Size of Meter</u>	<u>Charge per Quarter</u>	<u>Charge per Month</u>
1"	\$ 71.88	\$ 23.96
2"	177.75	59.25
3"	355.89	118.63
4"	590.49	196.83
6"	1,200.15	400.05
8"	1,715.91	571.97
10"	2,747.64	915.88
12"	4,060.77	1,353.59

Consumption Charges

In accordance with Paragraph 10.4 of the "Standard Terms and Conditions", water for any use other than fire protection shall be charged at the General Water Service Rate for Consumption Charges (as shown on Sheet No. 32).

Date of Issue: May 20, 2021

Effective for service
Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South, Suite 400
Iselin, New Jersey 08830-3020

January 1, 2022

MIDDLESEX WATER COMPANY

Twenty-seventh Revised Sheet No. 36

B.P.U. No. 1 - WATER

Canceling

Twenty-sixth Revised Sheet No. 36

RATE SCHEDULE NO. 3

MUNICIPAL SERVICE - MSAPPLICABILITY:

Applicable to municipalities and fire districts of municipalities throughout the territory served by the Company.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATE:A. ANNUAL FIRE PROTECTION CHARGES:Inch Foot Charge

Yearly charge of \$0.04056 per inch foot of distribution and transmission mains serving the municipality or fire district.

Hydrant Charge

Yearly charge of \$783.72 for each hydrant.

The amount of the bill will be the total of the Inch Foot Charge and the Hydrant Charge.

B. OTHER MUNICIPAL SERVICE:

Water for any use other than fire protection shall be charged for at General Water Service rate, Rate Schedule No. 1, Sheet No. 32 and Sheet No. 33, delivery to be determined by meter measurement when feasible, otherwise by estimate of the Company of the quantity delivered based on such factors as the diameter and length of time of the connection. Fire hydrants are not to be used for such purposes except upon the express consent of the Company in each case.

MINIMUM CHARGE:

None.

Date of Issue: May 20, 2021

Effective for service
Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

MIDDLESEX WATER COMPANY

Fourth Revised Sheet No. 38

Cancelling

B.P.U. No. 1 - WATERThird Revised Sheet No. 38

RATE SCHEDULE NO. 4

MISCELLANEOUS SERVICEAPPLICABILITY:

Applicable to the following classes of miscellaneous service throughout the entire territory.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATEWATER FOR BUILDING OR OTHER TEMPORARY PURPOSE

No person, other than municipal fire and Company personnel, is permitted to operate or take water from any public fire hydrant for building construction unless except upon the express consent of the Company in each case.

Metered

Water for building or other temporary purpose will be supplied through meters when feasible and charged for at General Water Service Rate, including Water Consumption and Facilities Charges.

See rates for General Water Service, Rate Schedule No. 1, Sheet No. 32, Sheet No. 33 and Sheet No. 33A.

Unmetered:

The rates shall be the same as set forth under the General Water Service, Rate Schedule No. 1, on the basis of the Company's estimate of the volume of water to be used. Charges shall be payable in advance.

Special Provisions

Where metered service is provided, a deposit equal to the cost of the meter shall be made with the Company. The meter shall be kept safe and accessible during its use. The deposit, less the cost of repairs to the meter, if any, will be returned to the applicant by the Company after surrender of the meter and payment of all charges for water supplied through it.

Date of Issue: May 20, 2021

Effective for service
Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

MIDDLESEX WATER COMPANY

Twenty-fourth Revised Sheet No. 40

B.P.U. No. 1 - WATER

Canceling

Twenty-third Revised Sheet No. 40

RATE SCHEDULE NO. 5

SERVICE UNDER CONTRACT - SCAPPLICABILITY:

Applicable to service provided under special agreements. Such special agreements are available to customers that meet criteria as specified by the Board of Public Utilities and such agreements will be filed with the Board on a case by case basis.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATE:

All water used shall be charged at the rate of \$2,726.22 per million gallons.

TERMS OF PAYMENT:

Bills will be rendered monthly.

A customer has at least 15 days from the postmark on the bill to pay a valid bill for service.

SPECIAL PROVISIONS:

As provided under special agreements.

Date of Issue: May 20, 2021

Effective for service

Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

RATE SCHEDULE NO. 5

SERVICE UNDER CONTRACT - SC

PURCHASED WATER ADJUSTMENT CLAUSE (PWAC) CHARGES

A charge of \$0.00 per million gallons will be made to recover the increased purchased water costs.

Date of Issue: May 20, 2021

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

Effective for service
Rendered on and after:

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey dated _____, in Docket No. WR21050813.

RATE SCHEDULE NO. 6

SPECIAL CONTRACT SERVICE

SCS

APPLICABILITY:

Applicable to water treatment and pumping services provided to customers under special agreements at the option of the Company.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATE:

All water used shall be charged at the rate of \$1,915.10 per million gallons.

TERMS OF PAYMENT:

Bills will be rendered monthly.

A customer has at least 15 days from the postmark on the bill to pay a valid bill for service.

SPECIAL PROVISIONS:

As provided under special agreements.

Date of Issue: May 20, 2021

Effective for service

Rendered on and after:

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

RATE SCHEDULE NO. 7

TRANSMISSION SERVICE SOUTH RIVER BASIN - TR-SRB

APPLICABILITY:

Applicable to water transmission service to the South River Basin area provided to customers under special agreements at the option of the Company.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATE:

All water used shall be charged at the combined rate of \$1,225.00 per million gallons for transmission plus the rate for Service Under Contract as provided in Rate Schedule No. 5.

TERMS OF PAYMENT:

As provided by contract.

Bills to be rendered monthly.

A customer has at least 15 days from the postmark on the bill to pay a valid bill for service.

SPECIAL PROVISIONS:

As provided under special agreements.

Date of Issue: May 20, 2021

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

Effective for service
Rendered on and after:

January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

RATE SCHEDULE NO. 8

TRANSMISSION SERVICE – NORTHEAST SECTOR

APPLICABILITY:

Applicable to water transmission service to the Northeast area provided to customers under special agreements at the option of the Company.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions".

RATE:

All water used shall be charged at the combined rate of \$1,347.29 per million gallons for transmission plus the rate for Service Under Contract as provided in Rate Schedule No. 5.

TERMS OF PAYMENT:

As provided by contract.

Bills to be rendered monthly.

A customer has at least 15 days from the postmark on the bill to pay a valid bill for service.

SPECIAL PROVISIONS:

As provided under special agreements.

Date of Issue: May 20, 2021

Issued by: Dennis W. Doll, President
485C Route 1 South
Suite 400
Iselin, New Jersey 08830-0452

Effective for service
Rendered on and after:
January 1, 2022

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated _____, in Docket No. WR21050813.

MIDDLESEX WATER COMPANY
PURCHASED WATER ADJUSTMENT CLAUSE
2021 BASE RATE CASE

1. BASE LEVEL DATA UNDER N.J.A.C. 14:9-7.4(a)1

NEW JERSEY WATER SUPPLY AUTHORITY BASE CONTRACT = COST PER MILLION GALLONS (02/28/2021) -	9,855.0 MG
TIER ONE – FIRST 20 MILLION GALLONS	\$336.00
NEXT SEVEN MILLION GALLONS	\$405.37
TIER TWO – PURCHASES ABOVE BASE CONTRACT	\$403.20
TIER THREE – PURCHASES 10% ABOVE MONTHLY AVERAGE OF BASE CONTRACT	\$403.20
NEW JERSEY AMERICAN WATER COMPANY BASE CONTRACT = COST PER MILLION GALLONS (02/28/2021) -	1,095.0 MG \$2,918.90

2. N.J.A.C. 14:9-7.4(a)2

ACTUAL NUMBER AND CLASSES OF CUSTOMERS (09/30/2021)	
RESIDENTIAL	56,190
COMMERCIAL	2,297
INDUSTRIAL	267
PRIVATE FIRE	1,106
CONTRACT SALES	6

3. N.J.A.C. 14:9-7.4(a)3

ACTUAL VOLUME OF WATER PURCHASED (Test Year 09/30/2021) -	10,964.25 MG
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4. N.J.A.C. 14:9-7.4(a)4

PROPOSED COST PER UNIT METHOD:
ANNUAL REVENUE REQUIREMENT
FOR PURCHASED WATER ADJUSTMENT/WATER BILLED

5. N.J.A.C. 14:9-7.4(b)

BASE CONSUMPTION (Test Year 09/30/2021)	12,373.5 MG
LESS: EAST BRUNSWICK	(2,422.9) MG
BASE CONSUMPTION FOR RECOVERY OF PWAC	9,950.6 MG

BASE COSTS

NEW JERSEY WATER SUPPLY AUTHORITY COST PER THOUSAND GALLONS -

TIER ONE – FIRST 20 MILLION GALLONS	\$0.33600
NEXT SEVEN MILLION GALLONS	\$0.40537
TIER TWO – PURCHASES ABOVE BASE CONTRACT	\$0.40320
TIER THREE – PURCHASES 10% ABOVE MONTHLY AVERAGE OF BASE CONTRACT	\$0.40320

NEW JERSEY AMERICAN WATER COMPANY COST PER THOUSAND GALLONS	\$2.918.90
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State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 04690-21

AGENCY DKT. NO. WR21050813

**IN THE MATTER OF THE PETITION OF
MIDDLESEX WATER COMPANY FOR APPROVAL
OF AN INCREASE IN ITS RATES FOR WATER SERVICE
AND OTHER TARIFF CHANGES, PURSUANT
TO N.J.S.A. 48.2-21, N.J.A.C. 14:1-5.11, AND 14:9-10.4.**

Jay L. Kooper, Vice President, General Counsel and Secretary, for petitioner, Middlesex Water Company

Stephen B. Genzer, Esq., for petitioner (Saul Ewing Arnstein & Lehr, LLP, attorneys)

Meliha Arnautovic and **Brandon Simmons**, Deputy Attorneys General, for Staff of the Board of Public Utilities (Andrew J. Bruck, Acting Attorney General of New Jersey, attorney)

Susan E. McClure, Managing Attorney, and **Christine Juarez**, Assistant Deputy Rate Counsel, for Division of Rate Counsel (Brian O. Lipman, Director)

Michael J. Baker, Esq., for intervenor, Township of East Brunswick Water Utility (Hoagland, Longo, Moran, Dunst & Doukas, LLP, attorneys)

Carol A. Berlen, Esq., for intervenors, Township of Marlboro and Old Bridge Municipal Utilities Authority (Rainone Coughlin Minchello, LLC, attorneys)

Record Closed: November 29, 2021

Decided: December 2, 2021

BEFORE **JACOB S. GERTSMAN**, ALJ t/a:

This proceeding involves a petition by Middlesex Water Company (Company) with the Board of Public Utilities (Board) seeking approval of its revised tariff sheets providing for an increase in its charges for water service and to make other revisions of the Company's tariff pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.11, 14:1-5.12, and 14:9-10.4.,

This matter was transmitted to the Office of Administrative Law (OAL), on May 20, 2021, for determination as a contested case, pursuant to N.J.A.C. 10:120A et seq. and assigned to the undersigned, who conducted the initial case management conference on July 7, 2021.

Motions to Intervene were filed by the Township of East Brunswick Water Utility on July 23, 2021, and Township of Marlboro and Old Bridge Utilities Authority on August 26, 2021, pursuant to N.J.A.C. 1: 1-16.1 et seq. The motions were granted on August 5 and August 30, 2021, respectively. Duly noticed public hearings were held via Zoom Video Communications (Zoom) on August 31, 2021, at 4:30 p.m. and 5:30 p.m.¹ No members of the public appeared at either hearing.²

Evidentiary hearings were scheduled for December 15, 16, 17 and 20, 2021. Prior to the commencement of the hearings, the parties filed on November 29, 2021, a Stipulation of Settlement (J-1), resolving all issues in this proceeding. Said Stipulation has been signed by petitioner, Staff of the Board of Public Utilities, and the Division of Rate Counsel. It indicates the terms of settlement and is attached and fully incorporated herein. Intervenors Township of

¹ Public hearings were held virtually due to the COVID-19 pandemic.

² Transcripts of the public hearings have not been provided to the undersigned and will be forwarded to the Board by the parties.

Marlboro, and Old Bridge Municipal Utilities Authority submitted a letter indicating no objection to the Stipulation of Settlement.

I have reviewed the terms of settlements and I **FIND**:

1. The parties have voluntarily agreed to the settlements as evidenced by their signatures or their representatives' signatures on the attached document.
2. The settlements fully dispose of all issues in controversy between the parties and is consistent with the law.

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 N.J.S.A. 52:14B-10.

December 2, 2021 _____

DATE



JACOB S. GERTSMAN, ALJ t/a

Date Received at Agency: _____

Date Mailed to Parties: _____

JSG/sm