



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

WATER

IN THE MATTER OF THE JOINT PETITION OF )  
MONTAGUE WATER AND SEWER COMPANIES ) ORDER ADOPTING INITIAL  
FOR AN INCREASE IN RATES AND CHARGES ) DECISION AND STIPULATION  
FOR WATER SERVICE ) BPU DOCKET NO. WR22010018  
) OAL DOCKET NO. PUC 00535-2022 N

**Parties of Record:**

**Laura M. Miller, Esq., and James H. Laskey, Esq.,** Norris McLaughlin, P.A., on behalf of  
Montague Water and Sewer Company  
**Brian O. Lipman, Esq., Director,** New Jersey Division of Rate Counsel

BY THE BOARD:

On January 14, 2022, pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.12 and N.J.A.C. 14:9-7.1, et seq., Montague Water and Sewer Companies (“Montague,” “Companies,” or “Petitioners”), two (2) public utility corporations located in the State of New Jersey and subject to the jurisdiction of the New Jersey Board of Public Utilities (“Board” or “BPU”) filed a joint petition seeking to increase rates. 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, “Parties”).

**BACKGROUND/PROCEDURAL HISTORY**

Petitioners are regulated public utility corporations having an office at 452 Route 206, Montague, New Jersey 07827. The Companies are engaged in the production, treatment and distribution of water and collection and disposal of sewage and provide service to approximately 772 water customers and 268 wastewater customers, all within Montague Township, Sussex County, New Jersey.

Montague’s proposed water rate increase was designed to increase revenues from metered water service by approximately \$401,754 or 97.4% above the present revenue requirement of \$412,514. Montague’s proposed wastewater increase was designed to increase revenues by approximately \$212,123 or 88.9% above the present revenue requirement of \$238,695. Montague also proposed to transition from a flat rate billing structure for sewers to a fixed/volumetric rate structure, with a usage cap of 2,000 gallons per month. Billed sewer usage will be based on the customer's water meter readings.

The Petitioners stated that the current water and sewer charges are inadequate to meet present operating and maintenance expenses and to cover the needed system improvements. The Petitioners further stated that the proposed rate increases would establish an income level which will permit the Petitioners to finance essential and continuing plant investment; to comply with ongoing environmental and health regulations; to permit the Petitioners to earn a fair and adequate rate of return on investment in property that is used and useful in public utility service; to establish rates that will be sufficient to enable Petitioners to maintain financial integrity; to raise such funds as necessary for the proper discharge of their duties; to offset expense increases experienced by Petitioners since their last rate increases; and to enable Petitioners to continue to provide safe, adequate and proper service to customers.

By Order dated February 23, 2022, the Board suspended the proposed rate increase until June 13, 2022. The matter was transmitted to the Office Administrative Law (“OAL”) for hearings as a contested case and was assigned to Administrative Law Judge (“ALJ”) Kimberly Moss for consideration and hearing. The matter was reassigned to ALJ Irene Jones on June 15, 2022.

After proper notice, two (2) public hearings were held virtually, via Zoom, at 4:30 p.m. and 5:30 p.m., on April 19, 2022, with ALJ Moss, presiding. Two (2) members of the public appeared at the 4:30 p.m. hearing. No members of the public appeared at the 5:30 p.m. hearing. The hearings were held virtually due to the ongoing COVID-19 pandemic.

**STIPULATION**

As a result of an analysis of the petition, pre-filed testimony and exhibits, numerous conferences, negotiations, responses to information requests and follow-up request, the Parties executed the Stipulation, in which the terms of summarized below.<sup>1</sup>

1. The Parties agree, that for purposes of the settlement, rate base is established at \$1,581,848 for Montague Water and \$2,123,693 for Montague Sewer.
2. The Parties agree that, for the purposes of this proceeding and this settlement only, an overall rate of return to be used is 7.27% which is obtained based on a capital structure consisting of 50% equity and 50% long term debt, with a cost rate of 9.60% and 4.94%, respectively. Therefore, the calculation of the additional revenue requirement amounts of \$603,626 is as follows:

Water:

Description	
Rate Base	\$1,581,848
Rate of Return	x 7.27 %
Required Operating Income	\$115,000
Test Year Operating Income	\$(135,267)
Deficiency	\$250,267
Revenue Conversion Factor	x 1.595466
Revenue Requirement Increase	\$399,292

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<sup>1</sup> 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 of this Order. Paragraphs are numbered to coincide with the Stipulation.

Sewer:

Description	
Rate Base	\$ 2,123,693
Rate of Return	x 7.27 %
Required Operating Income	\$154,392
Test Year Operating Income	\$16,226
Deficiency	\$138,166
Revenue Conversion Factor	x 1.478902
Revenue Requirement Increase	\$204,334

3. The Parties stipulate to a recommended total revenue requirement increase for the Petitioners of \$399,292 for water and \$204,334 for sewer, and recommend that this increase is an appropriate result of this matter. The Companies have agreed to implement these increases in three installments, with 40% of the increase being implemented upon approval by the Board, 40% being implemented on the first anniversary of the initial increase, and 20% being implemented on the second anniversary of the initial increase.
  
5. The Parties have also negotiated a resolution regarding rate design proposal. The Parties recommend that the BPU adopt the recommendation with the tariffs attached to the Stipulation as Exhibit "A." The Proof of Revenues is attached to the Stipulation as Exhibit "B."
  
6. The Companies have agreed that they will not petition for any additional increases in base rates until after the effective date of the final step of the phased-in increases stipulated by the Parties.
  
7. The Stipulation reflects the Parties' agreement with respect to an adjustment for Consolidated Taxes. Specifically, the rate base for the Companies has been adjusted to allocate 100% of the savings for the most recent five years incurred by Companies due to using consolidated tax accounting, reducing the water rate base by \$38,511 and the sewer rate base by \$13,157.

ALJ Jones issued her Initial Decision on June 24, 2022 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 Pub. Serv. Elec. & Gas Co.'s Rate Unbundling, Stranded Costs & 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. Id. at 384-85. 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 In re

Pub. Serv. Elec. & Gas Co., 304 N.J. Super. 247, 264-65 (App. Div. 1997); see also 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 Jones' Initial Decision and the Stipulation, the Board **FINDS** that the 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.

Therefore, the Board **HEREBY ADOPTS** the Stipulation attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if fully set forth at length herein, subject to the following:

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

Based upon the forgoing, the Board **HEREBY APPROVES** an overall increase in water revenues in the amount of \$399,292 which will be implemented in three phases. For Phase 1, the water bill for a customer, with a 5/8" meter, using 2,600 gallons of water per month, will increase from \$41.66 to \$57.24 or 37.43%. Phase 2 will become effective 12 months after effective date of Phase 1. The bill for a customer, with a 5/8" meter, using 2,600 gallons of water per month, will increase from \$57.24 to \$72.84, which is an increase of 27.24% over the Phase 1 increase. Phase 3 will become effective 12 months after the effective date of Phase 2. The bill for a customer, with a 5/8" meter, using 2,600 gallons of water per month, will increase from \$72.84 to \$80.68, which is an increase of 10.77% over the Phase 2 increase.

The Board **HEREBY APPROVES** an overall increase in wastewater revenues in the amount of \$204,334 which will be implemented in three phases. For Phase 1, the wastewater bill for a typical residential customer using 1,200 gallons of water per month, will increase from \$72.20 per month to \$96.94 per month or 34.27%. Phase 2 will become effective 12 months after effective date of Phase 1. The wastewater bill for a typical residential customer using 1,200 gallons of water per month, will increase from \$96.94 per month to \$121.69 per month or 25.53% over the Phase 1 increase. Phase 3 will become effective 12 months after the effective date of Phase 2. The wastewater bill for a typical residential customer using 1,200 gallons of water per month, will increase from \$121.69 per month to \$134.06 per month or 10.17% over the Phase 2 increase.

The Board **HEREBY ORDERS** the Companies to submit complete revised tariffs conforming to the terms and conditions of the Stipulation by July 22, 2022, for rates effective August 1, 2022.

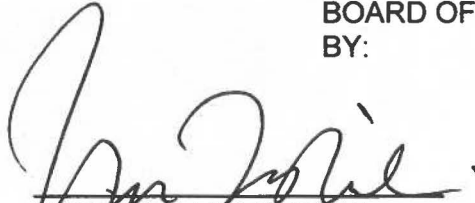
The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude, nor prohibit, the Board from taking any actions determined to be appropriate as a result of any such audit.

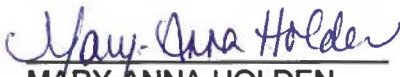
This Order shall be effective on July 20, 2022.

DATED: July 13, 2022

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:   
CARMEN D. DIAZ  
ACTING SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF THE JOINT PETITION OF MONTAGUE WATER AND SEWER  
COMPANIES FOR AN INCREASE IN RATES AND CHARGES FOR WATER AND SEWER  
SERVICE

BPU DOCKET NO. WR22010018  
OAL DOCKET NO. PUC 00535-2022N

SERVICE LIST

**Montague Water Company and Montague  
Water Sewer**

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**Board of Public Utilities**

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*State of New Jersey*  
**OFFICE OF ADMINISTRATIVE LAW**

**INITIAL DECISION**

**SETTLEMENT**

OAL DKT. NO. PUC 00535-22

AGENCY DKT. NO. 22010018

**I/M/O OF THE JOINT PETITION  
OF MONTAGUE WATER AND SEWER  
COMPANIES FOR AN INCREASE IN RATES  
FOR WATER AND SEWER SERVICE**

---

**James H. Laskey**, Esq., for petitioner New Jersey American Water Company,  
(Norris McLaughlin, P.A., attorneys)

**Pamela Owen** and **Brandon Simmons**, Deputy Attorney Generals, for respondent,  
("Staff") Board of Public Utilities (Mathew J. Platkin, Acting Attorney General  
of New Jersey, attorney)

**Susan E. McClure**, Esq., **Emily Smithman**, Esq., and **Christine Juarez**, Esq.,  
attorneys, for respondent Division of Rate Counsel, (Brian Lipman, Esq.,  
Director)

Record Closed: June 21, 2022

Decided: June 24, 2022

BEFORE **IRENE JONES**, ALJ: (ret. on recall)

On January 21, 2022 Montague Water and Sewer Companies (“Petitioner”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval of an increase in its rates for water and sewer services. Petitioner proposed to increase its water rates by \$401,754 or 97.4% above current revenues. It proposed to increase its sewer rates by \$212,123 or 88.9% above present pro forma revenues.

On January 21, 2022, 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 February 24, 2022, a prehearing conference was conducted by ALJ Kimberly Moss, and a prehearing order was issued on February 28, 2022. A zoom public hearing was conducted on August 18, 2022.

The petitioner filed, along with its petition, substantial accounting data and prefiled testimony. The parties engaged in extensive discovery. 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 N.J.S.A. 52:14B-10.

June 24, 2022



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DATE

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**IRENE JONES, ALJ**

Date Received at Agency:

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June 24, 2022

Date Mailed to Parties:

---

June 24, 2022

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE JOINT  
PETITION OF MONTAGUE WATER  
AND SEWER COMPANIES FOR AN  
INCREASE IN RATES FOR WATER  
AND SEWER SERVICE**

**BPU Docket No. WR 22010018  
OAL Docket. No.: PUC 00535-2022 N**

**STIPULATION OF SETTLEMENT**

---

**APPEARANCES:**

James Laskey and Laura Miller, Norris McLaughlin, P.A., on behalf of Montague Water and Sewer Companies, Petitioners;

Pamela Owen and Meliha Arnautovic, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (Matthew J. Platkin, Acting Attorney General of New Jersey);

Brian O. Lipman, Director, Susan McClure, Managing Attorney-Water/Wastewater, Christine Juarez, Esq., Assistant Deputy Rate Counsel, and Emily Smithman, Assistant Deputy Rate Counsel for the New Jersey Division of Rate Counsel;

**TO THE HONORABLE BOARD OF PUBLIC UTILITIES:**

The Parties in this proceeding include Montague Water and Sewer Companies (“Petitioners” or the “Companies”), the Division of Rate Counsel (“Rate Counsel”), and Staff of the Board of Public Utilities (“Staff”).

As a result of their analysis of Petitioners’ Verified Joint Petition (“Petition”), pre-filed testimony and exhibits, extensive discovery, settlement meetings, and a public comment hearing held on April 19, 2022, Petitioner, Staff, and Rate Counsel (collectively, the “Parties”) have

come to the instant agreement on all of the issues in dispute in this matter (this “Stipulation” or “Settlement”).

### **PROCEDURAL HISTORY**

On January 14, 2022, Petitioners, public utility corporations of the State of New Jersey, engaged in the business of providing water and wastewater service to approximately 772 water customers and 268 sewer customers located in Montague Township, Sussex County, in the State of New Jersey, filed with the Board a petition to increase rates for water and wastewater services and to make other tariff changes pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.12 and N.J.A.C. 14:9-7.1 et seq. Specifically, the Company petitioned to increase rates to produce additional base rate water revenues of approximately \$401,754 and base rate sewer revenues of \$212,123, or approximately 97.4% and 88.9%, respectively, above the annual level of revenues for the test year period ending April 30, 2022.

On or about January 21, 2022, the Board transmitted this matter to the Office of Administrative Law (“OAL”), and Administrative Law Judge (“ALJ”) Kimberly Moss was assigned to hear the matter.

By an Order dated February 23, 2022, the Board suspended until June 13, 2022, the implementation of changes the Company sought to make to its tariffs pending Final Decision and Order. A telephone Pre-Hearing Conference was convened by ALJ Moss, and a procedural schedule was agreed to by the Parties and approved by Judge Moss on March 1, 2022.

Extensive discovery was conducted by the Parties with Petitioner providing responses to well over one hundred data requests. After proper notice, a public hearing was held on April 19, 2022. Due to the COVID Pandemic, this public hearing was held via Zoom. Two members of

the public participated to provide comments. The virtual public comment hearings were transcribed and without objection made a part of the record of this proceeding.

**SETTLEMENT PROVISIONS**

Numerous settlement discussions were held, and the agreements reached during those discussions have resulted in the following stipulations:

1. The Parties agree, that for purposes of this settlement, rate base is established at \$1,581,848 for Montague Water and \$2,123,693 for Montague Sewer.

2. The Parties agree that, for the purposes of this proceeding and this settlement only, an overall rate of return to be used is 7.27% which is obtained based on a capital structure consisting of 50% equity and 50% long term debt, with a cost rate of 9.60% and 4.94%, respectively. Therefore, the calculation of the additional revenue requirement amounts of \$603,626 is as follows:

Water:	
<u>Description:</u>	
Rate Base	\$ 1,581,848
Rate of Return	<u>x 7.27 %</u>
Required Operating Income	\$ 115,000
Test Year Operating Income	<u>\$ (135,267)</u>
Deficiency	\$ 250,267
Revenue Conversion Factor	<u>x 1.595466</u>
Revenue Requirement Increase	\$ 399,292

Sewer:

Description:

Rate Base	\$2,123,693
Rate of Return	<u>x 7.27 %</u>
Required Operating Income	\$ 154,392
Test Year Operating Income	<u>\$ 16,226</u>
Deficiency	\$ 138,166
Revenue Conversion Factor	<u>x 1.478902</u>
Revenue Requirement Increase	\$ 204,334

3. The Parties stipulate to a recommended total revenue requirement increase for the Petitioners of \$399,292 for water and \$204,334 for sewer, and recommend that this increase is an appropriate result of this matter. The Companies have agreed to implement these increases in three installments, with 40% of the increase being implemented upon approval by the Board, 40% being implemented on the first anniversary of the initial increase, and 20% being implemented on the second anniversary of the initial increase.

4. The Parties recommend that the Board adopt the above stipulated revenue increase and all remaining agreed-upon issues embodied in this Stipulation at its next public agenda meeting. The Parties further acknowledge that any increase or issue contained in this Stipulation and approved by the Board will become effective on a date to be determined by the Board. The Parties agree that this settlement resolves all issues and represents a level of revenue necessary to try to ensure that Petitioners will be able to continue to provide safe, adequate, and proper water and sewer service to their customers.

5. The Parties have also negotiated a resolution regarding rate design proposal. The Parties recommend that the BPU adopt the recommendation with the tariffs attached to this Stipulation as Exhibit "A." The Proof of Revenues is attached as Exhibit "B."

6. The Companies have agreed that they will not petition for any additional increases in base rates until after the effective date of the final step of the phased-in increases stipulated herein.

7. This Stipulation reflects the Parties' agreement with respect to an adjustment for Consolidated Taxes. Specifically, the rate base for the Companies has been adjusted to allocate 100% of the savings for the most recent five years incurred by the Companies due to using consolidated tax accounting, reducing the water rate base by \$38,511 and the sewer rate base by \$13,157.

8. The Parties have agreed to recommend the attached tariff (labelled as "Exhibit A"), to the Board in approving rates and language resulting from its Order in the instant matter.

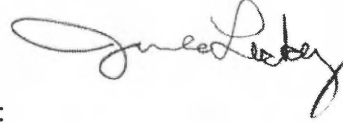
9. This Stipulation is the product of extensive negotiations by the Parties, and it is an express condition of the settlement embodied by this Stipulation that it be presented to the Board in its entirety without modification or condition. It is also the intent of the Parties to this Stipulation that this settlement, once accepted and approved by the Board, shall govern all issues specified and agreed to herein. The Parties to this Stipulation specifically agree that if adopted in its entirety by the Board, no appeal shall be taken by them from the order adopting same as to those issues upon which the Parties have stipulated herein. The 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 as a whole, since the Parties hereto expressly state that they would not have signed this Stipulation had any terms been modified in any way. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, then any Party hereto materially affected thereby shall not be bound to proceed under this Stipulation. The Parties further agree that the purpose of this Stipulation is to

reach fair and reasonable rates, with any compromises being made in the spirit of reaching an agreement. None of the Parties shall be prohibited from or prejudiced in arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter. Also, all rates are subject to audit by the Board.

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

*[signature page follows]*

MONTAGUE WATER AND SEWER COMPANIES,  
PETITIONERS  
Attorneys for Petitioner



Date June 15, 2022


By:  
James Laskey  
Norris McLaughlin, P.A.

MATTHEW J. PLATKIN  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the New Jersey  
Board of Public Utilities

June 20, 2022

Date \_\_\_\_\_

By: \_\_\_\_\_



Meliha Arnautovic, Esq.  
Deputy Attorney General

BRIAN O. LIPMAN  
DIRECTOR, DIVISION OF RATE COUNSEL

June \_\_, 2022

Date \_\_\_\_\_

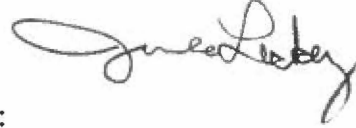
By: \_\_\_\_\_

Susan E. McClure, Esq.  
Deputy Rate Counsel

*[signature page to stipulation]*



MONTAGUE WATER AND SEWER COMPANIES,  
PETITIONERS  
Attorneys for Petitioner



By:  
James Laskey  
Norris McLaughlin, P.A.

Date June 15, 2022

MATTHEW J. PLATKIN  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the New Jersey  
Board of Public Utilities

June \_\_, 2022  
\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Meliha Arnautovic, Esq.  
Deputy Attorney General

BRIAN O. LIPMAN  
DIRECTOR, DIVISION OF RATE COUNSEL

June 20, 2022  
\_\_\_\_\_  
Date


By:  \_\_\_\_\_  
Susan E. McClure, Esq.  
Deputy Rate Counsel

Exhibit A

New Tariffs

(see attached)

MONTAGUE WATER COMPANY  
TARIFF  
for  
WATER SERVICE  
Applicable in  
ALL TERRITORY SUPPLIED  
IN THE TOWNSHIP OF MONTAGUE,  
SUSSEX COUNTY, NEW JERSEY

---

Issued: November 23, 1999

Effective: November 12, 1999

Issued by: Carl J. Wenz, Vice President  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated January 4, 2000 in  
Docket No. WR98101161.

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Issued: June 21, 2013

Effective: July 1, 2013

Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated June 21, 2013 in  
Docket No. WR12110983.

### **AN INTRODUCTION TO CUSTOMERS**

The approved tariff located in the Company's office is available for your review. The Company is responsible to maintain its tariff with any changes approved by the Board of Public Utilities and must, by State Law and regulations, maintain it in exactly the same format as the Company's tariff on file at the Board of Public Utilities, 44 S. Clinton Ave., 1st Floor, P.O. Box 350, Trenton, New Jersey 08625. The Division of Water is on the 9th floor.

If, after you review this tariff and discuss it with appropriate Company employees, you still have questions regarding clarification or interpretations, please contact the Board of Public Utilities, Division of Water, Bureau of Rates at (609) 633-9800 or the Board's Division of Customer Relations at (800) 624-0241, or (609) 341-9189.

You have the right to review this tariff at the Company's offices or at the Board's office in Trenton. Your inquiries will be handled by the Board's staff in an expeditious manner in order to protect your rights as well as those of the water and/or sewer Company. Please feel free to exercise this right by telephone or by visiting the Board's offices at any time between the hours of 9:00AM to 4:00PM, Monday through Friday, or by writing a letter. The letter should contain the writer's name, address and phone number including the area code. If the writer is a customer of record, the account number should be included.

The company also has available in its office a leaflet entitled "An Overview of Common Customer Complaints and Customer Rights." This is a summary of the most frequent customer complaints and rights; it does not include all customer rights or utility obligations.

The Board of Public Utilities is responsible for the final interpretation and enforcement of a utility's tariff provisions and rates. The utility is bound by New Jersey statutes and the Board's regulations. If a conflict should exist in the tariff that is detrimental to the customer, the Board's regulations supersede the tariff provision absent specific approval to the contrary by the New Jersey Board of Public Utilities. A utility company may provide for more liberal treatment than that provided for in the Board's regulations.

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Issued:

Effective:

Issued by: J. Bryce Mendenhall, President  
Montague Water Company  
452 Route 206  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated , 2022 in Docket No. WR22010018.

AN OVERVIEW OF COMMON CUSTOMER COMPLAINTS AND CUSTOMER RIGHTS

The summary below is qualified in its entirety by the Utility Customer Bill of Rights adopted by the Board of Public Utilities, effective March 15, 2022, and available at <https://www.uiwater.com/new-jersey/customer-service/customer-bill-of-rights-links>. The Utility Customer Bill of Rights is subject to amendment by the Board of Public Utilities from time to time.

1. No public utility shall refuse to furnish or supply service to a qualified applicant. (Board Order CX86602155).
2. The utility shall not place the name of a second individual on the account of a residential customer unless specifically requested by said second individual. N.J.A.C. 14:3-3.2(b).

DEPOSITS

3. If after notice of the methods of establishing credit and being afforded an opportunity, a customer has not established satisfactory credit, the utility may require a deposit. The deposit amount shall be determined by taking the cost of service for one year, dividing by twelve and multiplying that figure by 2. Ex: 12 months total bills = \$763.54 divided by 12 = \$63.63 multiplied by 2 = \$127.26 deposit, or \$127.
4. The utility must furnish a receipt to any customer posting a deposit. The deposit will be returned with simple interest at a rate established annually by the Board of Public Utilities. Once the customer has established satisfactory credit with the utility, the deposit shall be returned to the customer with interest due. The customer has the option of receiving the deposit refund either by a check or a credit on the account. If a residential customer's deposit is not returned, the utility shall credit the customer's account with the accrued interest once every twelve months. N.J.A.C. 14:3-3.4, 3.5.
5. Where a water or sewer utility furnishes unmetered service, for which payment is received in advance, it may not require a deposit. N.J.A.C. 14:3-3.4(j).

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DEFERRED PAYMENT AGREEMENTS

6. A customer is entitled to at least one deferred payment plan in one year. In the case of a residential customer who receives more than one utility service from the same utility (ex: water and sewer; gas and electric) and the amount which is in arrears is a combination of those services, the utility shall offer a separate deferred payment agreement for each service based on the outstanding balance for that service. N.J.A.C. 14:3-7.7(b)2. The Company must re-negotiate the deferred payment agreement should the customer's financial situation change significantly. The Company must also issue a new discontinuance notice each time it intends to shut off service, including defaults on the terms of the agreement. In the case of a residential customer who receives more than one utility service from the same utility and has subsequently entered into an agreement for each separate service, default on one such payment agreement shall constitute grounds for discontinuance of only that service. N.J.A.C.14:3-7.7(f).
7. A water and sewer utility shall not discontinue service because of non payment of bills in cases where a charge is in dispute provided the undisputed charges are paid and a request is made to the Board within five (5) days for investigation of the disputed charge. The Company must advise the customer of their right to appeal to the Board of Public Utilities. N.J.A.C. 14:3-7.6(b).
8. A customer has at least fifteen (15) days to pay a bill. A water and/or sewer utility may not discontinue water and sewer service unless written notice giving the customer at least ten (10) days notice prior to the proposed discontinuance. The notice shall not be given until after the expiration of the said fifteen (15) days time to pay a bill. N.J.A.C. 14:3-3A.3(b). The notice shall contain sufficient information for the customer to notify the Board of Public Utilities of the nature of the dispute. The utility shall make a good faith effort to determine which of its residential customers are over 65 years of age, and shall make good faith efforts to notify such customers of discontinuance of service by telephone in addition to notice by regular mail. This effort may consist of an appropriate inquiry set forth on the notice informing customers that they may designate a third party

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- to receive notice of discontinuance. Utilities shall annually notify all residential customers that, upon request, notice of discontinuance of service will be sent to a designated third party as well as to the customer of record. N.J.A.C. 14:3-3A.4(b).
9. Public utilities shall not discontinue residential service except between the hours of 8:00AM and 4:00PM , Monday through Thursday, unless there is a safety related emergency. There shall be no involuntary termination of service on Fridays, Saturdays, and Sundays or on the day before a holiday or on a holiday absent such emergency.
  10. The occupant of a multiple family dwelling has the right to be notified of a pending service discontinuance at least fifteen (15) days prior to the service being discontinued.
  11. A customer has the right to have any complaint against the utility handled promptly by that utility. (Board Order, Docket Number CO8602155)
  12. Each utility shall, upon request, furnish its customers with such information as is reasonable in order that the customers may obtain safe, adequate and proper service. N.J.A.C. 14:3-3.3(a). Each utility shall inform its customers, where peculiar or unusual circumstances prevail, as to the conditions under which sufficient and satisfactory service may be secured from its system. N.J.A.C. 14:3-3.3(c). Each utility shall supply its customers with information on the furnishing and performance of service in a manner that tends to conserve energy resources and preserve the quality of the environment. N.J.A.C. 14:3-3.3(d).

### METERS

13. The utility must provide for one free meter test within a year if the customer so requests it. The customer can request that the Company or the Board may test the meter. A meter of a customer who has a complaint filed with the Board reflecting on the accuracy of the meter shall not be removed from service by the utility during the pendency of said complaint or during the following thirty (30) days unless otherwise authorized or directed

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by the Board. N.J.A.C. 14:3-4.8(c). When a billing dispute is known to exist, the electric gas or water utility shall, prior to removing the meter, advise the customer that they may have the meter tested by the utility or may have the Board either conduct a test of the meter or witness a testing of the meter by the utility, and that in any event the customer may have the test witnessed by a third party. N.J.A.C. 14:3-4.5(c). A meter test arising from a billing dispute may be appropriate in instances which include, but not limited to, unexplained increased consumption, crossed meters, consumption while an account is vacant or any other instance where the meters accuracy might be an issue in a bill dispute. N.J.A.C. 14:3-4.5(d).

14. Whenever a water meter is found to registering fast by more than one and one-half percent, an adjustment of charges shall be made in accordance with the following: (1) If the date when the meter had first become inaccurate can be ascertained then the adjustment shall be such percentage as the meter is found to be in error at the time of test adjusted to 100 percent on the amount of the bills covering the entire period that the meter has registered inaccurately. (2) In all other cases the adjustment shall be such percentage as the meter is found to be in error at the time of the test on one-half of the total amount of the billing affected by the fast meter adjusted to 100 percent since the previous test. No adjustment shall be made for a period greater than the time during which the customer has received service through that meter. No adjustment shall be made for a meter that is found to be registering less than 100 percent except in the case of meter tampering, non-registering meters or in circumstances in which the customer should reasonably have known that his bill did not reflect his usage. N.J.A.C. 14:3-4.6(d).
15. A utility must maintain records of customers accounts for each billing period occurring within a six (6) year period. Such records shall contain all information necessary to permit computation of the bill. N.J.A.C. 14:3-6.1(b).
16. Bills rendered must contain the following information: (A) The meter readings at the beginning and end of the billing period; (b) The dates on which the meter is read; (c) The number and kind of units measured; (d) Identification of applicable rate schedule or a

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Issued: June 21, 2013

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Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

statement that the applicable rate schedule will be furnished on request; (e) The amount of the bill; (f) A distinctive marking to indicate an estimated, averaged or a remote meter index; (g) An explanation or statement of any conversion from meter reading to billing units or any other calculations or factors used in determining the bill; and (h) The gross receipts and franchise tax statement. N.J.A.C. 14:3-7.2(b).

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Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated June 21, 2013 in Docket No. WR12110983.

TERRITORY SERVED

This tariff shall apply to the jurisdictional service area of MWC which includes a part of the Township of Montague, Sussex County, New Jersey including High Point Country Club community, the "True" Tract and the "Armstrong/Alnorth" Tract in Montague Township.

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Issued: November 23, 1999

Effective: November 12, 1999

Issued by: Carl J. Wenz, Vice President  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated January 4, 2000 in Docket No. WR98101161.

STANDARD TERMS AND CONDITIONS

The Regulations of the New Jersey Board of Public Utilities applicable to water utilities are incorporated by reference to the extent that the subject matter of any Regulation has not been covered herein.

GENERAL RULES

1. MWC will endeavor to provide a regular and uninterrupted supply of water through its facilities, but in case service is interrupted, irregular, defective or fails because of breakdown or emergency, or from causes beyond the control of MWC, it will not be liable for damage or inconvenience resulting therefrom.
2. MWC does not undertake to render any special service or maintain any fixed pressure. In the event of an accident or for other reasons, MWC may shut off the water in its mains and pipes and may restrict the use of water whenever the public welfare may require it. All customers requiring an uninterrupted supply or a uniform pressure of water for steam boilers, hot water or other apparatus, or for any other purpose, shall provide their own means of obtaining such service.
  - a. As necessity may arise in case of a break, emergency, or other unavoidable causes, MWC shall have the right to temporarily cut off the water supply in order to make the necessary repairs, connections, etc., but MWC will use all reasonable and practicable measures to provide notice to the Customer in advance of such discontinuance of service. In no case will MWC be liable for any damage or inconvenience suffered by the customer, nor in any case for any claim against it for interruption of service, lessening of supply, inadequate pressure, poor quality of water, or any other cause beyond its control. MWC may restrict or regulate the quantity of water used by Consumers in case of scarcity, in the case of waste by a customer, or whenever the public welfare may require it.

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Issued by: Carl J. Wenz, Vice President  
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3. When the supply of water is to be shut off temporarily or curtailed, a notice stating the purpose and probable duration of the shutoff or curtailment will be given to customers affected whenever practicable.
4. MWC does not undertake to supply any uniform quality of water for special purposes, such as manufacturing or processing plants, laboratories, swimming pools, bleaching or dyeing plants or laundries. Customers requiring water of special quality, or water at all times free from discoloration or turbidity, shall provide their own means of treating the water or shall provide such other protection as may be deemed necessary for the purposes required.
5. Neither by inspection approval or nonrejection, nor in any other way, does MWC give any guarantee, or assume any responsibility, express or implied, as to the adequacy, safety or characteristics of any structures, equipment, pipes, appliances or devices owned, installed, or maintained by the customer or leased by the customer from third parties, including the meter vault, meter stubs, check valve, shut-off valve and pressure reducing valve, if any, all of which shall remain the responsibility of the customer.
6. Except as to the liability, if any, imposed by law, MWC will not assume responsibility for any injury, casualty, or damage resulting from the supply, or use of water service or hydrants, or from the presence or operation of MWC's structures, equipment, pipes, appliances or devices on the customer's premises.
  - a. Each hydrant on customer's property shall be maintained by the customer so as to provide easy access to fire department and utility personnel. MWC shall not be liable for damage to customer's landscaping resulting from inspection, testing or use of the hydrant.
7. No person, unless authorized by MWC, is permitted to turn the water on or off at any street valve, corporation stop and curb stop, or other street connection, or tamper with, disconnect or remove, any meter without consent. Penalties provided by law for any such

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action will be rigidly enforced.

8. No agent, representative or employee of MWC has authority to modify any provision contained in this Tariff or to bind MWC by any promise or representation contrary thereto.
9. Water service supplied by MWC shall not be resold by a customer, except by a duly authorized water utility.
10. This Tariff is made a part of all agreements for the supply of water service unless specifically modified in a particular Rate Schedule. A copy of the Tariff with terms and conditions will be furnished to any customer upon request.
11. MWC reserves the right to terminate, change, revise or supplement this Tariff, to the extent permitted by law, or permitted by the applicable regulations of the State regulatory body having jurisdiction.
12. In the event that service to a customer is discontinued, the Base Facilities charge to such customer will be prorated to the date of discontinuance.
13. Applications for use of water must be made to MWC. All customers must notify MWC of the intent to install built-in sprinklers prior to installation. All built-in sprinklers must contain a back flow protection device approved by MWC.

APPLICATION FOR ESTABLISHMENT OF SERVICE

14. Application may be made for a new connection and service pipe through which water service is not immediately desired. A special form of agreement shall be entered into, which provides that the customer shall bear the entire expense of making the connection, subject to a refund of the cost of installing the service line from the main to the curb, including the curb stop, whenever regular service is commenced. No refunds will be

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made after ten years from the date of installation of the connection.

CUSTOMERS' DEPOSITS

15. Deposits may be required where any customer to whom MWC may be supplying water or an applicant for metered water service has not established or maintained their credit. The amount of the deposit will not exceed the estimated average bill for the billing period and type of service under the applicable rate schedule plus one month where monthly billing periods apply or one third when quarterly billing periods apply.
16. MWC shall review a residential customer's account at least once every year and a non-residential customer's account at least once every two years and if such review indicates that the customer has established credit satisfactory to the utility, then the outstanding deposit shall be refunded to the customer.
17. Following discontinuance of service, the customer will receive a refund of any deposit, together with outstanding interest, less any amount due for unpaid bills.

SERVICE PIPES

18. The service pipe from the distribution main to the curb line, including the curb stop or valve, will be furnished, installed and maintained by the company at its expense, except as provided in Paragraph 14, Original Sheet No. 11 for a new connection and service pipe through which water service is not immediately desired.
19. Any change requested by the customer in the location of the existing service pipe, if approved by MWC, shall be made at the expense of the customer.

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Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

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CONNECTING PIPES

20. A connecting pipe attached to the service pipe shall be installed at the expense of the customer to convey the water supply within the property of the customer.
21. The connecting pipe is the property of the customer and shall be maintained and kept in repair by the customer.
22. The connecting pipe shall be copper tubing or other pipe of strength and quality approved by the company. The minimum diameter of the pipe shall be 3/4 inch or larger. Ductile iron, cast iron or other pipe permitted by governing plumbing codes and of a quality approved by the company shall be used.

METERS

23. MWC will furnish, install and maintain meters without charge, except as otherwise provided in this Tariff, and will determine the size, type and make of meter to be used, based on the service desired.
24. Meters shall be installed inside buildings unless otherwise required or agreed to by the company. Meters installed indoors shall be located in a clean, dry, safe place not subject to great variations in temperature, as close as possible to the point of entrance of the connecting pipe. The location shall be such as to be easily accessible, with a minimum of inconvenience to the customer or to the company, for reading, inspecting, testing, changing and making necessary adjustments or repairs.
25. Where it is necessary to set a meter outside of a building, the meter shall be placed in a convenient meter box or vault, referred to as the meter housing. This installation is subject to the approval of the company. The cost of installing and maintaining a customer owned meter housing or vault, meter stubs, check valve, shut-off valve and pressure reducing valve, if any, is the responsibility of the customer.

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26. Meter vaults or housings shall be located in an accessible place, protected from vehicular traffic, away from terraces, fences or other structures and shall be so located that they will not be a hazard to pedestrians.
27. If the meter vault is installed upon property which is not owned by the customer, the customer is required to furnish the company written permission from the owner of the property which will be binding on the owner, his administrators, executors, heirs, successors and assigns.
28. The meter housing shall be frostproof and either well drained or watertight and shall be provided with a strong cover fastened with a convenient locking device. The cover shall be kept clear of snow, ice, dirt or any other objects which might prevent easy accessibility for reading, inspecting, testing, changing and making necessary adjustments or repairs of the meter.

CUSTOMERS' PREMISES

29. MWC may refuse to provide a water service connection with any customer's piping system or furnish water to any connecting pipe already installed, when the customer's piping system is not installed in accordance with the regulations of the company and of the municipality in which the premises are located; or when the piping system on the premises is not at sufficient depth to prevent freezing.
30. MWC shall have the right of reasonable access to a customer's premises and to all property supplied by it, at reasonable times, for the purpose of inspection incident to the rendering of service, reading meters or inspecting, testing or repairing its facilities used in connection with supplying service, for the removal of its property, or incident to the discontinuance of service.
31. 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

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Montague Water Company  
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supply are prohibited.

32. 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.

### BILLS

33. All bills will be computed in accordance with the rates of MWC as shown in this Tariff, as the same may be amended or revised from time to time. Rates are subject to such changes as the State regulatory body having jurisdiction may require, authorize or allow.
34. A customer's responsibility to pay for water service continues from the time service is commenced, pursuant to his application, until written notice is received by the company of a change of ownership or occupancy of the premises or written notice is received by the company to discontinue the applicable service. Upon receipt of such notice, the company will arrange for a final meter reading and billing. No allowance will be made in cases of non-occupancy, unless the company is notified in writing in the manner stated above. Notice to discontinue service will not relieve a customer from responsibility for any minimum or guarantee payment.
35. Where water service is discontinued for nonpayment of bills, service will not be resumed until payment or satisfactory arrangements for payment have been made. Under such circumstances, MWC may require a deposit from the customer to insure prompt payment of future bills.
36. Where water service is temporarily discontinued at the customer's request, the customer shall remain responsible for payment of the Base Facilities charge.
- a. Where water service is provided to a customer through a master meter (as in condominium complexes or apartments), the monthly base facilities charge shall be based upon the number of units.

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Issued by: Carl J. Wenz, Vice President  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

37. Any check returned unpaid shall result in a charge of \$25.00.

DISCONTINUANCE OF SERVICE

38. The company may, upon reasonable notice, when such notice can be reasonably given, suspend, curtail or discontinue service for the following reasons (N.J.A.C. 14:3-3A.1(a)):

- a. For the purpose of making permanent or temporary repairs, changes or improvements in any part of its system.
- b. To comply in good faith with any governmental order or directive to suspend, curtail or discontinue service, notwithstanding that such order or directive subsequently may be held to be invalid.
- c. For any of the followings acts or omissions on the part of the customer:
  - (1) Nonpayment of any valid bill due for service furnished at any present or previous locations.
  - (2) Tampering with any facility of the company.
  - (3) Fraudulent representation in relation to the use of service.
  - (4) Customer moving from the premises, unless the customer requests that service be continued.
  - (5) Providing water service to others without the approval of the company.
  - (6) Failure to make or increase an advance payment or deposit as provided in this Tariff.

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- (7) Connecting and operating in such manner as to produce disturbing effects on the service of the company or other customers.
- (8) Failure to remove any temporary or permanent physical connection or interconnection to any unapproved source of supply or other piping system.
- (9) Maintenance of any water outlet improperly protected against backflow or back-siphonage.
- (10) Willful waste of water through improper or imperfect pipes, fixtures or otherwise.
- (11) Failure to maintain, in good order, connecting pipes, connections or fixtures owned by the customer.
- (12) Failure or neglect to connect to a new service pipe installed in front of a customer's premises.
- (13) Failure to properly construct and maintain customer owned meter housings.
- (14) Failure to comply with the Standard Terms and Conditions contained in this Tariff or because of violation of any State law, or the rules, regulations, orders of restrictions of any governmental authority having jurisdiction.
- (15) Where the condition of the customer's installation presents a hazard to life or property.

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- (16) For failure to authorize installation of a remote meter reading device when required to do so by the provisions of these Standard Terms and Conditions.
- d. For refusal of reasonable access to customer's premises for necessary purposes in connection with rendering of service, including meter installation, reading, or testing, or the maintenance or removal of the company's property.
- e. If sewer service is disconnected by the utility for any reason the customer will be assessed a charge of \$37.50 which will be paid before service is restored. This charge will be waived automatically one time per calendar year. Customers who request to be reconnected within nine months of disconnection will be assessed an appropriate base facilities charge for the service period the customers was disconnected, which will be paid before service is restored.

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EMERGENCY RESPONSES DUE TO EXTRAORDINARY  
DEMAND AND/OR DIMINISHED SUPPLY

A. Discontinuance of service for failure to comply with use restrictions.

For compliance by MWC in good faith with any governmental order or directive, notwithstanding that such order or directive subsequently may be held to be invalid, MWC may, upon reasonable notice, suspend, curtail or discontinue service pursuant to N.J.S.A. 48:2-23, N.J.S.A. 48:2-24, and N.J.A.C. 14:3-3A.1(a) for any of the following acts or omissions on the part of the customer:

- (1) Connecting or operating any piping or other facility, including but not limited to, lawn sprinkling on the customer's premises in such a manner as to adversely affect the safety or adequacy of service provided to other customers present or prospective; or
- (2) Continuing waste of water by customers after notice from MWC through improper or imperfect pipes, fixtures, or failure to comply with restrictions; or
- (3) Failure to comply with the standard terms and conditions contained in this tariff or failure to comply with any state law, or the rules, regulations, orders or restrictions of any governmental authority having jurisdiction.

B. Water service shall be restored when the conditions under which such services was discontinued, as specified above, are corrected and upon the payment of the SPECIAL RESTORATION OF SERVICE CHARGE of \$100.00 for each restoration.

C. MWC will endeavor to provide a regular and uninterrupted supply of water through its facilities. However, if because of emergencies beyond the control of MWC, including governmental mandate, service is interrupted, irregular, defective or fails, MWC will not be liable for damage or inconvenience resulting therefrom. In the event of an

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extraordinary demand and/or diminished supply, MWC may restrict the use of water whenever the public welfare may require it and, if necessary, may shut off the water in its mains and pipes. In such cases, MWC shall advise its customers by placing a prominent advertisement detailing the conditions and restrictions in a newspaper of general circulation in the utility service area. The notice will state the purpose and probable duration of the restriction or discontinuance. Failure to provide regular and uninterrupted service due to breakdowns is covered under other sections of this tariff.

- D. MWC may restrict water service during certain periods, where MWC advises the Board of Public Utilities, in order to protect the public water supply, or otherwise to comply with any regulations, orders or decrees issued by the Governor of New Jersey or the Department of Environmental Protection pursuant to the Water Supply Management Act. Such interruptions or restrictions shall be reported to the Department of Environmental Protection and the Board of Public Utilities by the speediest means of communication available, followed by a detailed written report, pursuant to the provisions of N.J.A.C. 14:3-3A.1(a) and N.J.A.C. 14:3-3.7, within one week. Thereafter, The Company shall provide weekly reports for the duration of the emergency.
- E. When the supply of water to individual customers is to be shut off or curtailed for failure to comply with emergency water restrictions imposed because of extraordinary demand or diminished supply, MWC shall advise its customers by placing a doortag on the front door of the home of the individual(s) in violation 'of the restrictions, at least twenty-four (24) hours prior to discontinuance or curtailment, or by giving another form of notice acceptable to the MWC. MWC will advise business and commercial customers, in writing, by mailing a notice to the customers' billing address. In the case of doortags, they shall be sequentially numbered and include the date, time and nature of the violation and the procedure for restoration of service. All such notices shall be accounted for by the utility.

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Issued: June 21, 2013

Effective: July 1, 2013

Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated June 21, 2013 in Docket No. WR12110983.

RATE SCHEDULE NO. 1

Residential Service

Applicable to use of service for: Residential Service

Character of Service: Continuous

Rate: Monthly charges

Base facilities charge:

<u>Meter Size</u>	<u>Phase 1</u>	Phase 2*	Phase 3**
5/8"	15.96	\$17.98	\$20.00
3/4"	15.96	\$17.98	\$20.00
1"	39.90	\$44.95	\$50.00
1.5"	79.80	\$89.90	\$100.00
2"	127.68	\$143.84	\$160.00
3"	239.40	\$269.70	\$300.00
4"	399.00	\$449.50	\$500.00
6"	798.00	\$899.00	\$1,000.00

Metered consumption:

Per 1000 Gal.	\$15.88	\$21.10	\$23.34
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\*Phase 2 will become effective 12 months after effective date of Phase 1.

\*\*Phase 3 will become effective 12 months after effective date of Phase 2.

Terms of Payment:

Net cash, becoming delinquent

21 days from date of billing

The above rate does not include the water tax of \$0.01 per 1,000 gallons pursuant to L. 1983, c. 443.

Issued:

Effective:

Issued by: J. Bryce Mendenhall, President  
Montague Water Company  
452 Route 206  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated \_\_\_\_ \_\_, 2022 in Docket No. WR22010018.



RATE SCHEDULE NO. 2

Commercial Service

Applicable to use of service for: Water service to commercial customers.

Character of Service: Continuous

Rate: Monthly charges

Base facilities charge:

<u>Meter Size</u>	<u>Rate</u>	Phase 2*	Phase 3**
5/8"	47.88	\$53.94	\$60.00
3/4"	71.82	\$80.91	\$90.00
1"	119.70	\$134.85	\$150.00
1.5"	239.40	\$269.70	\$300.00
2"	383.04	\$431.52	\$480.00
3"	718.20	\$809.10	\$900.00
4"	1,197.00	\$1,348.50	\$1,500.00
6"	2,394.00	\$2,697.00	\$3,000.00

Metered consumption:

Per 1000 Gal.	\$15.88	\$21.10	\$23.34
---------------	---------	---------	---------

\*Phase 2 will become effective 12 months after effective date of Phase 1.

\*\*Phase 3 will become effective 12 months after effective date of Phase 2.

Terms of Payment:

Net cash, becoming delinquent  
21 days from date of billing

The above rate does not include the water tax of \$0.01 per 1,000 gallons pursuant to L. 1983, c. 443.

Issued:

Effective:

Issued by: J. Bryce Mendenhall, President  
Montague Water Company  
452 Route 206  
Montague, New Jersey 07827

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RATE SCHEDULE NO. 3

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Issued: June 21, 2013

Effective: July 1, 2013

Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated June 21, 2013 in  
Docket No. WR12110983.

RATE SCHEDULE NO. 4

Fire Hydrant Service

Applicable to use of service for:

Fire Hydrants located within  
"High Point Country Club Community"

Character of Service:

Continuous

Rate:

Per month: \$5

Meter Size	<u>Phase 1</u>	<u>Phase 2</u>	<u>Phase 3</u>
Per Hydrant	\$37.80	\$48.14	\$53.32

\*Phase 2 will become effective 12 months after effective date of Phase 1.

\*\*Phase 3 will become effective 12 months after effective date of Phase 2.

Terms of Payment:

Net cash, becoming delinquent  
21 days from date of billing

Issued:

Effective:

Issued by: J. Bryce Mendenhall, President  
Montague Water Company  
452 Route 206  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated \_\_, 2022 in Docket No. WR22010018.

MONTAGUE SEWER COMPANY  
TARIFF  
for  
SEWER SERVICE  
Applicable in  
ALL TERRITORY SUPPLIED  
IN THE TOWNSHIP OF MONTAGUE,  
SUSSEX COUNTY, NEW JERSEY

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Issued: November 23, 1999

Effective: November 12, 1999

Issued by: Carl J. Wenz, Vice President  
Montague Sewer Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated January 4, 2000 in Docket No. WR98101162.

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Issued: June 21, 2013

Effective: July 1, 2013

Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated June 21, 2013 in  
Docket No. WR12110983.

### **AN INTRODUCTION TO CUSTOMERS**

The approved tariff located in the Company's office is available for your review. The Company is responsible to maintain its tariff with any changes approved by the Board of Public Utilities and must, by State Law and regulations, maintain it in exactly the same format as the Company's tariff on file at the Board of Public Utilities, 44 S. Clinton Ave., 1st Floor, P.O. Box 350, Trenton, New Jersey 08625. The Division of Water is on the 9<sup>th</sup> floor.

If, after you review this tariff and discuss it with appropriate Company employees, you still have questions regarding clarification or interpretations, please contact the Board of Public Utilities, Division of Water, Bureau of Rates at (609) 633-9800 or the Board's Division of Customer Relations at (800) 624-0241, or (609) 341-9189.

You have the right to review this tariff at the Company's offices or at the Board's office in Trenton. Your inquiries will be handled by the Board's staff in an expeditious manner in order to protect your rights as well as those of the water and/or sewer Company. Please feel free to exercise this right by telephone or by visiting the Board's offices at any time between the hours of 9:00AM to 4:00PM, Monday through Friday, or by writing a letter. The letter should contain the writer's name, address and phone number including the area code. If the writer is a customer of record, the account number should be included.

The Company also has available in its office a leaflet entitled "An Overview of Common Customer Complaints and Customer Rights." This is a summary of the most frequent customer complaints and rights; it does not include all customer rights or utility obligations.

The Board of Public Utilities is responsible for the final interpretation and enforcement of a utility's tariff provisions and rates. The utility is bound by New Jersey statutes and the Board's regulations. If a conflict should exist in the tariff that is detrimental to the customer, the Board's regulations supersede the tariff provision absent specific approval to the contrary by the New Jersey Board of Public Utilities. A utility company may provide for more liberal treatment than that provided for in the Board's regulations.

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Issued:

Effective:

Issued by: J. Bryce Mendenhall, President  
Montague Water Company  
452 Route 202  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated \_\_\_\_\_, 2022 in Docket No. WR22010018.

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AN OVERVIEW OF COMMON CUSTOMER COMPLAINTS AND CUSTOMER RIGHTS

The summary below is qualified in its entirety by the Utility Customer Bill of Rights adopted by the Board of Public Utilities, effective March 15, 2022, and available at <https://www.uiwater.com/new-jersey/customer-service/customer-bill-of-rights-links>. The Utility Customer Bill of Rights is subject to amendment by the Board of Public Utilities from time to time.

1. No public utility shall refuse to furnish or supply service to a qualified applicant. (Board Order CX86602155).
2. The utility shall not place the name of a second individual on the account of a residential customer unless specifically requested by said second individual. N.J.A.C. 14:3-3.2(b).

DEPOSITS

3. If after notice of the methods of establishing credit and being afforded an opportunity, a customer has not established satisfactory credit, the utility may require a deposit. The deposit amount shall be determined by taking the cost of service for one year, dividing by twelve and multiplying that figure by 2. Ex: 12 months total bills = \$763.54 divided by 12 = \$63.63 multiplied by 2 = \$127.26 deposit, or \$127.
4. The utility must furnish a receipt to any customer posting a deposit. The deposit will be returned with simple interest at a rate established annually by the Board of Public Utilities. Once the customer has established satisfactory credit with the utility, the deposit shall be returned to the customer with interest due. The customer has the option of receiving the deposit refund either by a check or a credit on the account. If a residential customer's deposit is not returned, the utility shall credit the customer's account with the accrued interest once every twelve months. N.J.A.C. 14:3-3.4, 3.5.
5. Where a water or sewer utility furnishes unmetered service, for which payment is received in advance, it may not require a deposit. N.J.A.C. 14:3-3.4 (j).

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Issued by: J. Bryce Mendenhall, President  
Montague Water Company  
452 Route 206  
Montague, New Jersey 07827

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DEFERRED PAYMENT AGREEMENTS

6. A customer is entitled to at least one deferred payment plan in one year. In the case of a residential customer who receives more than one utility service from the same utility (ex: water and sewer; gas and electric) and the amount which is in arrears is a combination of those services, the utility shall offer a separate deferred payment agreement for each service based on the outstanding balance for that service. N.J.A.C. 14:3-7.7(b)2. The Company must re-negotiate the deferred payment agreement should the customer's financial situation change significantly. The Company must also issue a new discontinuance notice each time it intends to shut off service, including defaults on the terms of the agreement. In the case of a residential customer who receives more than one utility service from the same utility and has subsequently entered into an agreement for each separate service, default on one such payment agreement shall constitute grounds for discontinuance of only that service. N.J.A.C.14:3-7.7(f).
7. A water and sewer utility shall not discontinue service because of non payment of bills in cases where a charge is in dispute provided the undisputed charges are paid and a request is made to the Board within five (5) days for investigation of the disputed charge. The Company must advise the customer of their right to appeal to the Board of Public Utilities. N.J.A.C. 14:3-7.6(b).
8. A customer has at least fifteen (15) days to pay a bill. A water and/or sewer utility may not discontinue water and sewer service unless written notice giving the customer at least ten (10) days notice prior to the proposed discontinuance. The notice shall not be given until after the expiration of the said fifteen (15) days time to pay a bill. N.J.A.C. 14:3-3A.3(b). The notice shall contain sufficient information for the customer to notify the Board of Public Utilities of the nature of the dispute. The utility shall make a good faith effort to determine which of its residential customers are over 65 years of age, and shall make good faith efforts to notify such customers of discontinuance of service by telephone in addition to notice by regular mail. This effort may consist of an appropriate inquiry set forth on the notice informing customers that they may designate a third party

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Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

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- to receive notice of discontinuance. Utilities shall annually notify all residential customers that, upon request, notice of discontinuance of service will be sent to a designated third party as well as to the customer of record. N.J.A.C. 14:3-3A.4(b).
9. Public utilities shall not discontinue residential service except between the hours of 8:00AM and 4:00PM , Monday through Thursday, unless there is a safety related emergency. There shall be no involuntary termination of service on Fridays, Saturdays, and Sundays or on the day before a holiday or on a holiday absent such emergency.
  10. The occupant of a multiple family dwelling has the right to be notified of a pending service discontinuance at least fifteen (15) days prior to the service being discontinued.
  11. A customer has the right to have any complaint against the utility handled promptly by that utility. Board Order, Docket Number CO8602155.
  12. Each utility shall, upon request, furnish its customers with such information as is reasonable in order that the customers may obtain safe, adequate and proper service. N.J.A.C. 14:3-3.3(a). Each utility shall inform its customers, where peculiar or unusual circumstances prevail, as to the conditions under which sufficient and satisfactory service may be secured from its system. N.J.A.C. 14:3-3.3(c). Each utility shall supply its customers with information on the furnishing and performance of service in a manner that tends to conserve energy resources and preserve the quality of the environment. N.J.A.C. 14:3-3.3(d).

#### METERS

13. The utility must provide for one free meter test within a year if the customer so requests it. The customer can request that the Company or the Board may test the meter. A meter of a customer who has a complaint filed with the Board reflecting on the accuracy of the meter shall not be removed from service by the utility during the pendency of said complaint or during the following thirty (30) days unless otherwise authorized or directed

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by the Board. N.J.A.C. 14:3-4.8(c). When a billing dispute is known to exist, the electric gas or water utility shall, prior to removing the meter, advise the customer that they may have the meter tested by the utility or may have the Board either conduct a test of the meter or witness a testing of the meter by the utility, and that in any event the customer may have the test witnessed by a third party. N.J.A.C. 14:3-4.5(c). A meter test arising from a billing dispute may be appropriate in instances which include, but not limited to, unexplained increased consumption, crossed meters, consumption while an account is vacant or any other instance where the meters accuracy might be an issue in a bill dispute. N.J.A.C. 14:3-4.5(d).

14. Whenever a water meter is found to registering fast by more than one and one-half percent, an adjustment of charges shall be made in accordance with the following: (1) If the date when the meter had first become inaccurate can be ascertained then the adjustment shall be such percentage as the meter is found to be in error at the time of test adjusted to 100 percent on the amount of the bills covering the entire period that the meter has registered inaccurately. (2) In all other cases the adjustment shall be such percentage as the meter is found to be in error at the time of the test on one-half of the total amount of the billing affected by the fast meter adjusted to 100 percent since the previous test. No adjustment shall be made for a period greater than the time during which the customer has received service through that meter. No adjustment shall be made for a meter that is found to be registering less than 100 percent except in the case of meter tampering, non-registering meters or in circumstances in which the customer should reasonably have known that his bill did not reflect his usage. N.J.A.C. 14:3-4.6(d).
15. A utility must maintain records of customers accounts for each billing period occurring within a six (6) year period. Such records shall contain all information necessary to permit computation of the bill. N.J.A.C. 14:3-6.1(b).
16. Bills rendered must contain the following information: (A) The meter readings at the beginning and end of the billing period; (b) The dates on which the meter is read; (c) The number and kind of units measured; (d) Identification of applicable rate schedule or a

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266 Clove Road  
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statement that the applicable rate schedule will be furnished on request; (e) The amount of the bill; (f) A distinctive marking to indicate an estimated, averaged or a remote meter index; (g) An explanation or statement of any conversion from meter reading to billing units or any other calculations or factors used in determining the bill; and (h) The gross receipts and franchise tax statement. N.J.A.C. 14:3-7.2(b).

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266 Clove Road  
Montague, New Jersey 07827

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TERRITORY SERVED

This tariff shall apply to the jurisdictional service area of MSC which includes a part of the Township of Montague, Sussex County, New Jersey including portions of the High Point Country Club community, in Montague Township.

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Issued: November 23, 1999

Effective: November 12, 1999

Issued by: Carl J. Wenz, Vice President  
Montague Sewer Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated January 4, 2000 in Docket No. WR98101162.

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STANDARD TERMS AND CONDITIONS

The Regulations of the New Jersey Board of Public Utilities applicable to sewer utilities are incorporated by reference to the extent that the subject matter of any Regulation has not been covered herein.

GENERAL RULES

1. Property owners wishing to connect their premises with the sewer line of the Company shall make application at the office of the Company and must agree to the terms, conditions and rates as set forth in this and subsequent tariffs of the Company.
  - (a) The owner of any property connecting with said sewerage system must make the house connection at his own expense. Any damage to the pavement, sidewalk, curb or gutter resulting from the making of such house connection shall be repaired at the owner's expense.
  - (b) The owner of any property connected to the sewerage system may not interfere with MSC's usage of any clean-out belonging to MSC's system. Said owner may not tamper with or obstruct the clean-out. Said owner shall see to it that his on-site septic tank is emptied as necessary, but at a minimum once every two years. Upon request of MSC, customer shall produce the tank cleaner's certificate. In the absence of a certificate, MSC shall be permitted to interrupt service, after proper notice, to protect its leach fields and other facilities.
2. Grease interceptors shall be provided by the customer, at customer's expense when, in the opinion of the Company, they are necessary for the proper handling of liquid wastes containing grease or other ingredients harmful to the sewer system or sewage treatment plant or processes.
  - (a) The size and type of each interceptor shall be determined according to maximum volume and rate of discharge, and each separator shall be approved by the Company. No wastes other than those requiring separation shall be discharged into any interceptor.

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3. Grease interceptors for major installations shall be a mechanical device which is not solely dependent upon employees, for maintenance and operation.
  - (a) All interceptors shall be installed upon the lines of the customers in such a manner and location that it is accessible for inspection by the employees of the Company.
4. No fixture or fixtures shall be installed in the premises of a customer in a basement or at any other point, unless the trap of the fixture is at least 6 inches above the level of the manhole cover of the Company's main which is nearest to the connection from said customer's premises. This provision does not apply where adequate pumping facilities are installed on premises. The Company may require the removal of any fixture which violates this provision and failure to remove such fixture within the time specified shall be cause for the Company to discontinue service and refuse further services until the offending fixture or fixtures are removed.
5. The Company shall not be liable, whatever the cause, for any damages, resulting from a backing up of sewerage through open traps in fixtures located in basements or otherwise or from open joints in sewer lines located in basements or elsewhere, where such traps or lines are less than 6 inches above the level of the manhole cover of the Company's main which is nearest to the connection from the premises of the customer.
6. In accordance with the National Standard Plumbing Code adopted by the Uniform Construction Code of the State of New Jersey, no storm drainage system of a building shall be connected directly or indirectly to the sanitary drainage system. The Company adopts the above provision and prohibits the drainage of storm water into its collecting system.
7. All persons, whose premises are connected with the Company's sewerage system or otherwise discharging sewage, wastes, water or other liquids either directly or indirectly into the sewerage system, shall be charged for such service according to the approved rates filed with the Board of Public Utilities of the State of New Jersey.

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Montague Sewer Company  
266 Clove Road  
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Issued pursuant to Order of the New Jersey Board of Public Utilities dated January 4, 2000 in Docket No. WR98101162.

8. Sewerage service may be discontinued by the Company for any of the following reasons:

(a) For non-payment of a valid bill for service based on the rates approved by the Board and contained in the utility's tariff. Customers unable to pay the full bill shall be afforded the opportunity to enter into a reasonable deferred payment agreement.

(b) For the refusal to admit the proper representative of the company who requires admission to the premises.

(c) All notices herein of discontinuance shall be delivered to the owner personally or by registered mail, addressed to the last address of the owner listed in the records of the Company. On all notices of discontinuance to residential customers, there shall be included:

(1) A statement that the utility is subject to the jurisdiction of the New Jersey Board of Public Utilities and the address and phone number of the Board. The telephone number of the Board to be indicated on such statement are (609) 341-9189 and (800) 624-0241 (toll free).

(2) A statement that in the event the customer is either unable to make payment of a bill or wishes to contest a bill the customer should contact the utility. The notice shall contain information sufficient for the customer to make appropriate inquiry.

(3) A statement that if the customer is presently unable to pay an outstanding bill, the customer may contact the utility to discuss the possibility of entering into a reasonable deferred payment agreement. In the case of a residential customer receiving more than one different service from the same utility, the statement shall state that deferred payment agreements are available separately for each utility service.

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Issued: June 21, 2013

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Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827

(d) The utility shall make every reasonable attempt to determine when a landlord-tenant relationship exists at residential premises being serviced. If such a relationship is known to exist, discontinuance of residential service is prohibited unless the utility has posted notice of discontinuance in the common areas of multiple family premises and has given individual notice to occupants of single and two family dwellings and has offered the tenants continued service to be billed to the tenants, unless the utility demonstrates that such billing is not feasible. The utility shall not be held to the requirements of this provision if the existence of a landlord-tenant relationship could not be reasonably ascertained.

(e) If sewer service is disconnected by the utility for any reason the customer will be assessed a charge of \$37.50 which will be paid before service is restored. This charge will be waived automatically one time per calendar year. Customers who request to be reconnected within nine months of disconnection will be assessed an appropriate base facilities charge for the service period the customers was disconnected, which will be paid before service is restored.

9. The Company reserves the right subject to approval of the Board of Public Utilities of the State of New Jersey, to change, take from, or add to the foregoing rules, regulations, terms and conditions.
10. Customers wishing to discontinue service must give notice to that effect. Where such notice is not received by the utility, the customer shall remain liable for service until notice is received.
11. Rates apply to normal sewerage as defined by the N.J. Department of Environmental Protection ("DEP"). The Company reserves the right to require pretreatment prior to discharge into the sewer system if the sewerage contains harmful substances such as gasoline, P.C.B.s, oil, explosive liquids, grease, phenols, acid, alkalines, lint, excessive detergents or any other toxic or hazardous substances as defined by DEP. This paragraph includes but is not limited to laundromats or dry cleaners where the owner will be required to provide a screen or filter to remove excessive lint before discharge into the sewer system.
12. Any customer making payment with a check returned for insufficient funds shall be charged \$25.00, said sum payable with the original amount due.

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Issued: June 21, 2013

Effective: July 1, 2013

Issued by: John Hoy, COO  
Montague Water Company  
266 Clove Road  
Montague, New Jersey 07827



BILLS

13. A customer's responsibility to pay for sewer service continues from the time service is commenced, pursuant to his application, until written notice is received by the Company of a change of ownership or occupancy of the premises or written notice is received by the Company to discontinue the applicable service. No allowance will be made in cases of nonoccupancy, unless the Company is notified in writing in the manner stated above. Notice to discontinue service will not relieve a customer from responsibility for any minimum or guarantee payment.
14. Where sewer service is discontinued for nonpayment of bills, service will not be resumed until payment or satisfactory arrangements for payment have been made. Under such circumstances, MSC may require a deposit from the customer to insure prompt payment of future bills.

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Effective: November 12, 1999

Issued by: Carl J. Wenz, Vice President  
Montague Sewer Company  
266 Clove Road  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated January 4, 2000 in Docket No. WR98101162.

RATE SCHEDULE NO. 1

Residential Service

Applicable to use of service for:

Residential sewer service.

Character of Service:

Continuous

Rate: Monthly charges

Base facilities charge: for each dwelling unit

<u>Per Dwelling Unit</u>	<u>Phase 1</u>	<u>Phase 2*</u>	<u>Phase 3**</u>
	\$72.94	\$97.69	\$110.06

Metered consumption: limited to 2000 gallons per month

<u>Per 1000 Gal.</u>	<u>Phase 1</u>	<u>Phase 2*</u>	<u>Phase 3**</u>
	\$20.00	\$20.00	\$20.00

\*Phase 2 will become effective 12 months after effective date of Phase 1.

\*\*Phase 3 will become effective 12 months after effective date of Phase 2.

Payable: monthly in arrears.

Terms of Payment:

Net cash, becoming delinquent  
21 days from date of billing

Issued:

Effective:

Issued by: J. Bryce Mendenhall, President  
Montague Water Company  
452 Route 206  
Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated \_\_\_\_ \_\_, 2022 in Docket No. WR22010018.

RATE SCHEDULE NO. 2

Commercial Service

Applicable: for sewer service to Commercial customers

Character of Service: Continuous

Rate: Monthly charges

Base facilities charge:

<u>Water Meter Size</u>	<u>Rate</u>	<u>Phase 2*</u>	<u>Phase 3**</u>
5/8"	\$364.70	\$488.44	\$550.30
3/4"	\$547.05	\$732.66	\$825.45
1"	\$911.75	\$1,221.09	\$1,375.75
1.5"	\$1,823.50	\$2,442.19	\$2,751.50
2"	\$2,917.60	\$3,907.50	\$4,402.41
3"	\$5,470.50	\$7,326.56	\$8,254.51
4"	\$9,117.50	\$12,210.94	\$13,757.52
6"	\$18,235.00	\$24,421.88	\$27,515.04

Metered consumption: limited to 2000 gallons per month

Per 1000 Gal.	\$20.00	\$20.00	\$20.00
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\*Phase 2 will become effective 12 months after effective date of Phase 1.

\*\*Phase 3 will become effective 12 months after effective date of Phase 2.

Payable: monthly in arrears.

Terms of Payment: Net cash, becoming delinquent 21 days from date of billing

Issued:

Effective:

Issued by: J. Bryce Mendenhall, President  
 Montague Water Company  
 452 Route 206  
 Montague, New Jersey 07827

Issued pursuant to Order of the New Jersey Board of Public Utilities dated \_\_\_\_ \_\_, 2022 in Docket No. WR22010018.

Exhibit B

Proof of Revenues

(see attached)

**MONTAGUE WATER COMPANY**  
 Water Rate Design - \$399,292 Revenue Increase  
 Exhibit B (Page 1 of 2)

Meter Size (A)	Usage (B)	Units (C)	Present Rates			Step 1			Step 2			Step 3			
			Usage Charge (D)	BFC (E)	Revenues (F)	Usage Charge (G)	BFC (H)	Revenues (I)	Usage Charge (J)	BFC (K)	Revenues (L)	Usage Charge (M)	BFC (N)	Revenues (O)	
<b>Residential</b>															
5/8"	25,239,822	9,279	\$10.66	\$13.94	\$398,406	\$	15.88	\$15.96	\$548,901	\$21.10	\$17.98	\$699,489	\$23.34	\$20.00	\$774,680
3/4"				\$13.94				\$15.96			\$17.98			\$20.00	
1"	84,837	28	\$10.66	\$34.85	\$1,880	\$	15.88	\$39.90	\$2,464	\$21.10	\$44.95	\$3,049	\$23.34	\$50.00	\$3,380
1.5"				\$69.70				\$79.80			\$89.90			\$100.00	
2"				\$111.52				\$127.68			\$143.84			\$160.00	
3"				\$209.10				\$239.40			\$269.70			\$300.00	
4"				\$348.50				\$389.00			\$449.50			\$500.00	
6"				\$697.00				\$798.00			\$899.00			\$1,000.00	
<b>Commercial</b>															
5/8"	686,450	52	\$10.66	\$41.82	\$9,492	\$	15.88	\$47.88	\$13,391	\$21.10	\$53.94	\$17,291	\$23.34	\$60.00	\$19,142
3/4"				\$62.73				\$71.82			\$80.91			\$90.00	
1"				\$104.55				\$119.70			\$134.85			\$150.00	
1.5"				\$209.10				\$239.40			\$269.70			\$300.00	
2"				\$334.56				\$383.04			\$431.52			\$480.00	
3"	115,467	4	\$10.66	\$627.30	\$3,740	\$	15.88	\$718.20	\$4,706	\$21.10	\$809.10	\$5,673	\$23.34	\$900.00	\$6,295
4"				\$1,045.50				\$1,197.00			\$1,348.50			\$1,500.00	
6"				\$2,091.00				\$2,394.00			\$2,697.00			\$3,000.00	
<b>Fire</b>															
4"		360		\$27.45	\$9,882			\$37.80	\$13,607		\$48.14	\$17,332		\$53.32	\$19,195
<b>Miscellaneous Revenue</b>					\$325				\$325			\$325			\$325
<b>Total Revenue</b>	26,126,576				\$423,725				\$583,394			\$743,159			\$823,017

**MONTAGUE SEWER COMPANY**  
 Sewer Rate Design - \$204,334 Revenue Increase  
 Exhibit B (Page 2 of 2)

Meter Size (A)	Usage (B)	Units (C)	Present Rates			Step 1			Step 2			Step 3		
			Usage Charge (D)	BFC (E)	Revenues (F)	Usage Charge (G)	BFC (H)	Revenues (I)	Usage Charge (J)	BFC (K)	Revenues (L)	Usage Charge (M)	BFC (N)	Revenues (O)
Residential														
5/8	3,949,710	3,243		\$72.20	\$234,145	\$20.00	\$72.94	\$315,539	\$20.00	\$97.69	\$395,795	\$20.00	\$110.06	\$435,919
3/4"				\$72.20			\$72.94			\$97.69			\$110.06	
1"				\$72.20			\$72.94			\$97.69			\$110.06	
1.5"				\$72.20			\$72.94			\$97.69			\$110.06	
2"				\$72.20			\$72.94			\$97.69			\$110.06	
3"				\$72.20			\$72.94			\$97.69			\$110.06	
4"				\$72.20			\$72.94			\$97.69			\$110.06	
6"				\$72.20			\$72.94			\$97.69			\$110.06	
Commerical														
5/8	21,556	12		\$360.99	\$4,332	\$20.00	\$364.70	\$4,808	\$20.00	\$488.44	\$6,292	\$20.00	\$550.30	\$7,035
3/4"				\$541.48			\$547.05			\$732.66			\$825.45	
1"				\$902.47			\$911.75			\$1,221.09			\$1,375.75	
1.5"				\$1,804.94			\$1,823.50			\$2,442.19			\$2,751.50	
2"				\$2,887.91			\$2,917.60			\$3,907.50			\$4,402.41	
3"				\$5,414.82			\$5,470.50			\$7,326.56			\$8,254.51	
4"				\$9,024.71			\$9,117.50			\$12,210.94			\$13,757.52	
6"				\$18,049.41			\$18,235.00			\$24,421.88			\$27,515.04	
Sewer Service Revenue					\$238,476			\$320,346			\$402,087			\$442,954
Miscellaneous revenue					<u>75</u>			<u>75</u>			<u>75</u>			<u>75</u>
Total					<u>\$238,551</u>			<u>\$320,421</u>			<u>\$402,162</u>			<u>\$443,029</u>