

WATER

# STATE OF NEW JERSEY

**Board of Public Utilities** 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

| IN THE MATTER OF THE PETITION OF GORDON'S CORNER WATER COMPANY FOR AN INCREASE IN RATES AND CHARGES FOR WATER SERVICE | )      | ORDER ADOPTING INITIAL DECISION AND STIPULATION          |
|---|--------|--|
|   | )<br>) | BPU DOCKET NO. WR23110853<br>OAL DOCKET NO. PUC 01015-24 |

#### Parties of Record:

Stephen B. Genzer, Esq., Saul Ewing LLP, on behalf of the Petitioner, Gordon's Corner Water Company.

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

#### BY THE BOARD:

By this Decision and Order, the New Jersey Board of Public Utilities ("Board") considers an Initial Decision ("Initial Decision") issued by Administrative Law Judge ("ALJ") Jacob S. Gertsman approving a Stipulation of Settlement ("Stipulation") signed by Gordon's Corner Water Company ("GCWC" or "Company"), Board Staff ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively, "Parties") resolving all issues in controversy in this matter.

### BACKGROUND / PROCEDURAL HISTORY

On November 17, 2023, GCWC filed a petition with the Board seeking approval of an increase in its base rates of approximately \$2.141 million, or 15.25% over present revenues, for services rendered on and after January 1, 2024 ("Petition").

GCWC is a public utility engaged in the business of collecting, treating, and distributing water for retail service to approximately 14,600 customers in portions of the Townships of Marlboro and Manalapan in Monmouth County, New Jersey. The Company's principal office is located at 27 Vanderburg Road, Marlboro, New Jersey, 07746.

# **PETITION**

By the Petition, the Company identified that its requested increase was largely driven by Middlesex Water Company and Veolia Water Company New Jersey, Inc.'s ("Veolia") respective pending base rate cases. The Company further explained that GCWC purchases about 57% of its source water supply from Marlboro Township and Veolia, comprising the Company's largest expense.

The Company asserted that its existing tariff has become unjust and unreasonable because the revenues derived therefrom are insufficient to permit GCWC to meet the cost of operating the facilities used and useful in the service of the public; to obtain a just and reasonable return on the investment in its facilities; to maintain its financial integrity, attract capital, and to compensate investors for the risks assumed on a basis comparable to that in other business undertakings attended by corresponding risks; to encourage effective management and furnish incentives for efficiency; to continue to furnish safe, adequate and proper service; and to maintain its facilities in such condition as to properly discharge its public duties.

By Order dated December 20, 2023, the Board suspended the Company's proposed rates until May 1, 2024, and transmitted the matter to the Office of Administrative Law as a contested case where it was assigned to ALJ Gertsman for consideration and hearing.<sup>1</sup>

Through discovery, GCWC filed an update to include 12 months of actual data ("12+0 Update") to support the Petition. By the 12+0 Update, the Company amended its proposed revenue increase to approximately \$1.194 million, or 8.5% over present revenues.

A telephonic pre-hearing conference was held before ALJ Gertsman on March 4, 2024 during which dates for a virtual public hearing in the Company's service area and for evidentiary hearings were scheduled.

After proper notice in newspapers of general circulation throughout the Company's service territory, ALJ Gertsman presided over two (2) virtual public hearings on April 16, 2024 at 4:30 p.m. and 5:30 p.m. No members of the public attended the virtual public hearings, and the Board received no written comments in this matter.

On April 17, 2024, the Board issued a Second Suspension Order suspending increases, changes, or alterations in rates for service until September 1, 2024.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> In re the Petition of Gordon's Corner Water Company for an Increase in Rates and Charges for Water Service, BPU Docket No. WR23110853, Order dated December 20, 2023.

<sup>&</sup>lt;sup>2</sup>In re the Petition of Gordon's Corner Water Company for an Increase in Rates and Charges for Water Service, BPU Docket No. WR23110853, Order dated April 17, 2024.

#### **STIPULATION**

Following comprehensive discovery and settlement discussions, the Parties executed the Stipulation, the key elements of which are as follows:<sup>3</sup>

- 8. The 12 months ended December 31, 2023, adjusted for known and measurable changes, is a reasonable and proper test year period.
- 9. For purposes of the Stipulation only, it is stipulated and agreed that Company's rate base is \$15,467,164 and that a fair overall rate of return thereon is 7.599%, which reflects a cost rate for common equity of 9.60%, as shown below:

# Required Cost of Capital

|                | Amount       | %      | Cost Rate | Weighted Cost |
|----------------|--------------|--------|-----------|---------------|
| Common Equity  | \$9,815,976  | 54.00% | 9.60%     | 5.184%        |
| Long Term Debt | \$6,106,579  | 46.00% | 5.25%     | 2.415%        |
| Total Cost     | \$15,922,555 | 100%   |           | 7.599%        |

- 10. As reflected in Schedules A and C of the Stipulation, GCWC's required operating income is \$1,175,350 and its pro forma operating income is \$533,868, resulting in an operating income deficiency of \$641,482 and necessitating a revenue increase of \$940,027, representing an overall percentage increase of 6.49% over present rate revenues.
- 11. The revenue requirement to which the Parties have stipulated is necessary to ensure that Company will continue to provide safe, adequate and proper water service to its customers.
- 12. Schedule B of the Stipulation is GCWC's proposed tariff, including new tariff sheets containing rates and charges conforming to the Stipulation and designed to produce the additional annual revenues to which the Parties have stipulated. As a result of this settlement, the average bill for a typical customer with a 5/8" meter, using 7,000 gallons of water per month, will go from \$62.90 to \$67.57, an increase of \$4.67 per month, or 7.4%.
- 13. Schedule C of the Stipulation is a schedule demonstrating that the new rates will produce the revenues to which the Parties have stipulated and reflecting the percentage increase for all classes of service.
- 14. GCWC will file a new tariff with the Board, with copies to the Parties, in conformity with the Stipulation, to become effective on such date as the Board may direct.
- 15. With respect to the rates of the Company's primary water suppliers, for purposes of any Purchased Water Adjustment Clause ("PWAC") filings made by GCWC in the future, the Parties stipulate and agree as follows: (a) this matter resulted in the

<sup>&</sup>lt;sup>3</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 conclusions in this Order. Paragraphs are numbered to coincide with the Stipulation.

establishment of base rates in a base rate proceeding within the meaning of the applicable PWAC regulations, N.J.A.C. 14:9-7 et seq.; (b) the purchased water expense level in this case is set at \$4,865,583, which is based on Petitioner's paying the following rates, per thousand gallons of water, to its suppliers: \$3.1382 to VEOLIA-Matchaponix Water Company and \$5.74871 to Marlboro Township Water Utility Division; and (c) the total volume of purchased water used in establishing Petitioner's base costs is set at 1,095,000 million gallons. Attached to the Stipulation, as Schedule D, is a schedule showing the derivation of the foregoing purchased water volumes and costs. The PWAC rate resulting from this case is set to \$0 in conformance with the above cited Board PWAC regulations, so that any future PWAC will include only changes to those purchased water costs contained in Schedule D to the Stipulation.

# **INITIAL DECISION**

By the Initial Decision, ALJ Gertsman found that the Parties voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues and is consistent with the law. As such, ALJ Gertsman ordered that the parties comply with the terms of the Stipulation and recommended the Initial Decision to the Board for adoption, modification, or rejection in accordance with N.J.S.A. 52:14B-10.

### **DISCUSSION AND FINDINGS**

The Board, upon careful review of the record in this matter, including the Petition, Stipulation and the Initial Decision, agrees with ALJ Gertsman's finding that the Stipulation is just and reasonable, voluntarily agreed to by the Parties, and fully disposes of all issues in this proceeding and is consistent with the law.

In evaluating a proposed settlement for a requested rate increase pursuant to N.J.S.A. 48:2-21, the Board must independently review the record and determine, based upon substantial evidence therein, that the figures to which the signatory parties have stipulated are just and reasonable.<sup>4</sup> The Board recognizes that the Parties worked diligently to negotiate a compromise that meets the needs of as many stakeholders as possible. The Board further recognizes that the Stipulation represents a balanced solution considering the many complex issues addressed during the pendency of this proceeding.

Therefore, based upon the Board's review and consideration of the record in this proceeding, the Board <u>HEREBY FINDS</u> the Initial Decision and Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board <u>HEREBY ADOPTS</u> the Initial Decision and 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 herein.

Based upon the Stipulation, the average bill for a typical customer with a 5/8" meter, using 7,000 gallons of water per month, will increase from \$62.90 to \$67.57, an increase of \$4.67 per month, or 7.4%.

The Board <u>HEREBY</u> <u>DIRECTS</u> the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order by July 1, 2024 for rates effective July 1, 2024.

<sup>&</sup>lt;sup>4</sup> In re Petition of Pub. Serv. Elec. & Gas, 304 N.J. Super. 247, 270 (App. Div.), certif. denied, 152 N.J. 12 (1997); N.J.S.A. 48:2-21(d).

The Company's rates remain subject to audit by the Board. This Decision and Order shall not preclude the Board from taking any actions deemed to be appropriate as a result of any Board

The effective date of this Order is June 27, 2024.

DATED: June 27, 2024

**BOARD OF PUBLIC UTILITIES** 

BY:

CHRISTINE GUHL-SADO

**PRESIDENT** 

ENON CHRISTODOULOU

COMMISSIONER

COMMISSIONER

COMMISSIONER

ATTEST:

SHERRYL GOLDEN

**SECRETARY** 

I HEREBY CENTRY document is a true casy of the origin the files of the Board of Public U

# IN THE MATTER OF THE PETITION OF GORDON'S CORNER WATER COMPANY FOR AN INCREASE IN RATES AND CHARGES FOR WATER SERVICE

BPU DOCKET NO. WR23110853 OAL DOCKET NO. PUC01015-24

#### SERVICE LIST

# **New Jersey Division of Rate Counsel**

140 East Front Street, 4<sup>th</sup> Floor Post Office Box 003 Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director blipman@rpa.nj.gov

Susan McClure, Esq. smcclure@rpa.nj.gov

#### **Division of Law**

NJ Department of Law and Public Safety Richard J. Hughes Justice Complex Public Utilities Section 25 Market Street, P.O. Box 112 Trenton, NJ 08625

Mehila Arnautovic, DAG mehila.arnautovic@law.njoag.gov

Terel Klein, DAG terel.klein@law.njoag.gov

#### **Gordon's Corner Water Company**

27 Vanderburg Road Marlboro, NJ 07746

David G. Ern, President <a href="mailto:dgern@gordonscornerwater.com">dgern@gordonscornerwater.com</a>

Eric Olsen, Chief Operating Officer eolsen@gordonscornerwater.com

Saul Ewing LLP 1500 Market Street Centre Square West, 38th Fl. Philadelphia, PA 19102

Stephen B. Genzer, Esq. stephen.genzer@saul.com

Shane P. Simon Esq. shane.simon@saul.com

# **Board of Public Utilities**

44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350

Sherri L. Golden, Board Secretary board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov

#### Counsel's Office

Michael Beck, General Counsel michael.beck@bpu.nj.gov

Carol Artale, Deputy General Counsel carol.artale@bpu.nj.gov

Michael Hunter, Regulatory Officer michael.hunter@bpu.nj.gov

#### Division of Revenue and Rates

Kyle Felton kyle.felton@bpu.nj.gov

William Barkasy william.barkasy@bpu.nj.gov

#### Division of Engineering

Dean Taklif, Director dean.taklif@bpu.nj.gov

Yanina Lepore yanina.lapore@bpu.nj.gov



# AMENDED INITIAL DECISION SETTLEMENT

OAL DKT. NO. PUC 01015-24 AGENCY DKT. NO. WR23110853

IN THE MATTER OF THE PETITION OF GORDON'S CORNER WATER COMPANY FOR AN INCREASE IN RATES AND CHARGES FOR WATER SERVICE.

**Shane P. Simon**, Esq. and **Stephen B. Genzer**, Esq., for petitioner, Gordon's Corner Water Company (Saul Ewing LLP, attorneys)

**Meliha Arnautovic**, Deputy Attorney General, for Staff of the Board of Public Utilities (Matthew J. Platkin, Attorney General of New Jersey, attorney)

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

Record Closed: May 23, 2024 Decided: May 24, 2024

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

This proceeding involves a petition by Gordon's Corner Water Company (Gordon's Corner), 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. for approval of for approval of an increase in its base rates and charges for water service. The petition was filed with the Board of Public Utilities (Board) on November 17, 2023,

and transmitted to the Office of Administrative Law (OAL) on January 22, 2024, for determination as a contested case.

The matter was assigned to the undersigned who conducted the initial case management conference on March 4, 2024. Duly noticed public hearings were held via Zoom Video Communications (Zoom) on April 16, 2024, at 4:30 p.m. and 5:30 p.m. No members of the public appeared at either hearing, and no written comments were received.

Evidentiary hearings were scheduled for July 15 and 16, 2024. Prior to the commencement of the hearings, the parties filed a Stipulation of Settlement (J-1) on May 23, 2024, which resolves all issues in this proceeding. Said Stipulation of Settlement has been signed by petitioner, Staff of the Board of Public Utilities, and the Division of Rate Counsel. It indicates the terms of settlement and is attached and fully incorporated herein.

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

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

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

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES,** which by law is authorized to make a final decision in this matter.

If the Board of Public Utilities does not adopt, modify or reject this decision within forty-

five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

| May 24, 2024             | Jan 1 Tetes                |
|--------------------------|----------------------------|
| DATE                     | JACOB S. GERTSMAN, ALJ t/a |
| Date Received at Agency: | June 3, 2024               |
| Date Mailed to Parties:  |                            |
| JSG/nn                   |                            |

# **APPENDIX**

# **EXHIBITS**

# **Jointly Submitted**

J-1 Stipulation of Settlement



Stephen B. Genzer Phone: (973) 286-6712 Fax: (973) 286-6812

Stephen.Genzer@saul.com

www.saul.com

May 23, 2024

# VIA FEDERAL EXPRESS

Honorable Jacob S. Gertsman, ALJ Office of Administrative Law 3444 Quakerbridge Road – Bldg. 9 Mercerville, NJ 08619

Re: In the Matter of the Petition of Gordon's Corner Water Company

For an Increase in Rates and Changes for Water Service

BPU Docket No.: WR23110853 OAL Docket No. PUC 01015-2024 S

Dear Judge Gertsman:

Enclosed for filing please find a Stipulation of Settlement which has been executed by all parties in the above-referenced matter. This Stipulation fully resolves all matters at issue in this proceeding. The parties would greatly appreciate Your Honor's prompt issue of the Initial Decision adopting the settlement in order make the next BPU Agenda.

Thank you for your attention to this matter.

Respectfully submitted,

Stephen B. Genzer

SBG/jg Enclosures

cc: Attached Service List (w/encls., via email only)

#### **SERVICE LIST**

In the Matter of the Petition of Gordon's Corner Water Company For an Increase in Rates and Changes for Water Service BPU Docket No.: WR23110853 OAL Docket No. PUC 01015-2025 S

#### **BPU**

Hon. Sherri Golden, Secretary NJ Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 <a href="mailto:sherri.golden@bpu.nj.gov">sherri.golden@bpu.nj.gov</a> board.secretary@bpu.nj.gov

Michael Kammer, Director Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 mike.kammer@bpu.nj.gov

Stacy Peterson, Deputy Executive Director Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 stacy.peterson@bpu.nj.gov

Benjamin Witherell, Chief Economist Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 benjamin.witherell@bpu.nj.gov

Jackie O'Grady, Economist Office Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 jackie.ogrady@bpu.nj.gov

William Barkasy Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 william.barkasy@bpu.nj.gov

Kyle Felton Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 kyle.felton@bpu.nj.gov

Dean Taklif
Board of Public Utilities
44 South Clinton Ave., Suite 314
P.O. Box 350
Trenton, NJ 08625-0350
dean.talif@bpu.nj.gov

Michael Hunter Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 michael.hunter@bpu.nj.gov

Yanina Lapore Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 yanina.lapore@bpu.nj.gov

Cindy Bianco
Board of Public Utilities
44 South Clinton Ave., Suite 314
P.O. Box 350
Trenton, NJ 08625-0350
cindy.bianco@bpu.nj.gov

Michael Beck, Chief Counsel Board of Public Utilities 44 South Clinton Ave., Suite 314 P.O. Box 350 Trenton, NJ 08625-0350 michael.beck@bpu.nj.gov

#### **RATE COUNSEL**

Brian O. Lipman, Director Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Floor P.O. Box 003 Trenton, NJ 08625 blipman@rpa.nj.gov

Susan E. McClure, Esq.
Division of Rate Counsel
140 East Front Street, 4<sup>th</sup> Floor
P.O. Box 003
Trenton, NJ 08625
smcclure@rpa.nj.qov

Christine M. Juarez, Esq. Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Floor P.O. Box 003 Trenton, NJ 08625 cjuarez@rpa.nj.gov

Emily Lam, Esq.
Division of Rate Counsel
140 East Front Street, 4<sup>th</sup> Floor
P.O. Box 003
Trenton, NJ 08625
elam@rpa.nj.gov

Felecia Jackson-Rodgers

Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Floor P.O. Box 003 Trenton, NJ 08625 frodgers@rpa.nj.gov

Marylin Silva
Division of Rate Counsel
140 East Front Street, 4<sup>th</sup> Floor
P.O. Box 003
Trenton, NJ 08625
msilva@rpa.nj.gov

#### DAG

Meliha Arnautovic, DAG
Division of Law
Hughes Justice Complex
25 Market Street
P.O. Box 112
Trenton, NJ 08625
meliha.arnautovic@law.njoag.gov

#### **COMPANY**

David G. Ern, President
Gordon's Corner Water Company
27 Vanderburg Road
Marlboro, NJ 07746
dgern@gordonscornerwater.com

Eric Olsen, Chief Operating Officer Gordon's Corner Water Company 27 Vanderburg Road Marlboro, NJ 07746 eolsen@gordonscornerwater.com

Stephen B. Genzer, Esq.
Saul Ewing LLP
One Riverfront Plaza, Suite 1520
1037 Raymond Blvd.
Newark, NJ 07102
<a href="mailto:stephen.genzer@saul.com">stephen.genzer@saul.com</a>

Shane P. Simon, Esq.
Saul Ewing LLP
Centre Square West
1500 Market Street, 38th Floor
Philadelphia, PA 19102
shane.simon@saul.com

#### **RATE COUNSEL CONSULTANT**

Robert J. Henkes Henkes Consulting 7 Sunset Road Old Greenwich, CT 06870 rhenkes@optonline.net

# STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF GORDON'S CORNER WATER COMPANY FOR AN INCREASE IN RATES AND CHARGES FOR WATER SERVICE

# **STIPULATION**

: BPU Docket No. WR23110853: OAL Docket No. PUC01015-2024 S

#### APPEARANCES:

Stephen B. Genzer, Esq., and Shane P. Simon, Esq. Saul Ewing LLP, Attorneys for Petitioner, Gordon's Corner Water Company;

Susan E. McClure, Esq, Deputy Rate Counsel, on behalf of the Division of Rate Counsel (Brian O. Lipman, Esq., Director);

Meliha Arnautovic, Esq., Deputy Attorney General (Matthew J. Platkin, Esq., Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities.

TO THE HONORABLE JACOB S. GERTSMAN, ADMINISTRATIVE LAW JUDGE, AND THE BOARD OF PUBLIC UTILITIES:

#### I. PROCEDURAL HISTORY

- (1) Petitioner, Gordon's Corner Water Company ("Petitioner" or "Company"), is a public utility of the State of New Jersey, subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board") and franchised to provide water service in the Townships of Marlboro and Manalapan, Monmouth County, New Jersey.
- (2) On November 17, 2023, Petitioner filed a petition with the Board, 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.*, to increase and revise its rates and charges for water service, effective January 1, 2024 ("Petition"). Petitioner originally requested increased revenues of \$2,141,442, representing an increase

of approximately 15.24% over present revenues. Petitioner subsequently submitted updated schedules, based on actual results for the twelve months ended December 31, 2023, revising its request to \$1,193,684, an increase of approximately 8.5% over present revenues.

- (3) By Order datedDecember 20, 2023, the Board suspended the increases, changes, or alterations in rates for service until May 1, 2024. The Board transmitted the matter to the Office of Administrative Law ("OAL") as a contested case where it was assigned to the Honorable Jacob S. Gertsman, Administrative Law Judge ("ALJ").
- (4) A telephonic pre-hearing conference was held before ALJ Gertsman on March 4, 2024 at which time dates for a virtual public hearing in Petitioner's service area and evidentiary hearings were scheduled. A virtual public hearing was held on April 16, 2024 via Zoom at 4:30 p.m. and 5:30 p.m. No members of the public attended the virtual public hearing.
- (5) On April 17, 2024, the Board issued a Second Suspension Order suspending increases, changes or alterations in rates for service until September 1, 2024.<sup>2</sup>
- (6) Througout the course of this proceeding, Petitioner was served with, and responded to, extensive discovery requests by the New Jersey Division of Rate Counsel ("Rate Counsel") and by Staff of the Board of Public Utilities ("Board Staff"). Discovery and settlement conferences were held on Wednesday May 8, 2024. Petitioner, Rate

2

<sup>&</sup>lt;sup>1</sup> <u>In re the Petition of Gordon's Corner Water Company for and Increase in Rates and Charges for Water Service,</u> BPU Docket No. WR23110853, Order dated December 20, 2023.

<sup>&</sup>lt;sup>2</sup> <u>In re the Petition of Gordon's Corner Water Company for and Increase in Rates and Charges for Water Service</u>, BPU Docket No. WR23110853, Order dated April 17, 2023.

Counsel, and Board Staff (collectively, "Parties") also conferred by telephone on a number of occasions to discuss the matter.

#### II. STIPULATED MATTERS

- (7) As a result of an analysis of the Petition and exhibits, Petitioner's responses to discovery propounded by the Rate Counsel and Board Staff, as well as their discussions and negotiations in this matter, the Parties have reached a settlement, which is set forth in this stipulation ("Stipulation") and do hereby stipulate and agree to the following:
- (8) The 12 months ended December 31, 2023, adjusted for known and measurable changes, is a reasonable and proper test year period.
- (9) For purposes of this Stipulation only, it is stipulated and agreed that Petitioner's rate base is \$15,467,164 and that a fair overall rate of return thereon is 7.599%, which reflects a cost rate for common equity of 9.60%, as shown below:

# Required Cost of Capital

|                      | <b>Amount</b>      | <u>%</u>      | Cost Rate | Weighted Cost |
|----------------------|--------------------|---------------|-----------|---------------|
| <b>Common Equity</b> | \$9,815,976        | 54.00%        | 9.60%     | 5.184%        |
| Long Term Debt       | <u>\$6,106,579</u> | <u>46.00%</u> | 5.25%     | <u>2.415%</u> |
| <b>Total Cost</b>    | \$15,922,555       | 100%          |           | 7.599%        |

(10) As reflected in Schedules A and C annexed hereto and made part hereof, Petitioner's required operating income is \$1,175,350 and its pro forma operating income is \$533,868, resulting in an operating income deficiency of \$641,482 and necessitating a revenue increase of \$940,027, representing an overall percentage increase of 6.49% over present rate revenues.

- (11) The revenue requirement to which the Parties have stipulated herein is necessary to ensure that Petitioner will continue to provide safe, adequate and proper water service to its customers.
- (12) Attached hereto as Schedule B is Petitioner's proposed tariff, including new tariff sheets containing rates and charges conforming to this Stipulation and designed to produce the additional annual revenues to which the Parties have stipulated herein. As a result of this settlement, the average bill for a typical customer with a 5/8" meter, using 7,000 gallons of water per month, will go from \$62.90 to \$67.57, an increase of \$4.67 per month, or 7.4%.
- (13) Attached hereto as Schedule C is a schedule demonstrating that the new rates will produce the revenues to which the Parties have stipulated herein and reflecting the percentage increase for all classes of service.
- (14) Petitioner will file a new tariff with the Board, with copies to the Parties, in conformity with this Stipulation, to become effective on such date as the Board may direct.
- (15) With respect to the rates of the Company's primary water suppliers, for purposes of any Purchased Water Adjustment Clause ("PWAC") filings made by Petitioner in the future, the Parties hereby stipulate and agree as follows: (a) this matter resulted in the establishment of base rates in a base rate proceeding within the meaning of the applicable PWAC regulations, N.J.A.C. 14:9-7 *et seq.*; (b) the purchased water expense level in this case is set at \$4,865,583, which is based on Petitioner's paying the following rates, per thousand gallons of water, to its suppliers: \$3.1382 to VEOLIA-Matchaponix Water Company and \$5.74871 to Marlboro Township Water Utility Division, and (c) the total volume of purchased water used in establishing Petitioner's base costs is set at

1,095,000 million gallons. Attached hereto, and made a part hereof as Schedule D, is a schedule showing the derivation of the foregoing purchased water volumes and costs. The PWAC rate resulting from this case is set to \$0 in conformance with the above cited Board PWAC regulations, so that any future PWAC will include only changes to those purchased water costs contained in Schedule D.

#### III. MISCELLANEOUS

- (16) This Stipulation applies only to this proceeding and is thus executed by the Parties without prejudice to the positions asserted by each in this case and without prejudice to the positions which the Parties may choose to assert in future proceedings. The Parties further agree that the purpose of this Stipulation is to reach fair and reasonable rates and to conclude this proceeding. This Stipulation is not in any way intended to restrict or bind any of the Parties hereto with respect to substantive positions they may choose to assert in any pending or future rate proceeding in this or any other forum. Therefore, the Signtory Parties acknowledge that the Stipulation herein has been made exclusively for this proceeding before the OAL and Board.
- (17) In the event of any modification, amendment or alteration of this Stipulation by the Board, the Parties individually reserve the right to either deem the Stipulation void in toto (in which case the Parties would revert to the status quo prior to the execution of this Stipulation, which in this matter would be submission of testimony and proceeding with evidentiary hearings) or to consent to the modification(s) in writing.
- (18) This Stipulation may be executed in as many counterparts as there are signatories to this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument consisting of several counterparts.

WHEREFORE, the Parties hereto have duly executed and do respectfully submit this Stipulation and request that Your Honor issue an appropriate initial decision settlement, and that the Board issue a Decision and Order, approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

# GORDON'S CORNER WATER COMPANY

| May 23, 2024 | By:                                      |
|--------------|--|
| Date:        | Stephen B. Genzer, Esq.                  |
|              | Shane P. Simon, Esq.                     |
|              | Saul Ewing LLP                           |
|              | Attorneys for Petitioner                 |
|              | Matthew J. Platkin, Esq.                 |
|              | ATTORNEY GENERAL                         |
|              | OF NEW JERSEY                            |
|              | Attorney for the Staff of the New Jersey |
|              | Board of Public Utilities                |
| May 23, 2024 | By: /s Meliha Arnautovic                 |
| Date:        | Meliha Arnautovic, Esq.                  |
| Date.        | Deputy Attorney General                  |
|              | Brian O. Lipman, Esq.                    |
|              | DIRECTOR – DIVISION OF RATE COUNSEL      |
| N. 22 2024   |  |
| May 23, 2024 | By: /s Susan McClure                     |
| Date:        | Susan E. McClure, Esq.                   |
|              | Deputy Rate Counsel                      |

# **SCHEDULE A**

# **GORDON'S CORNER WATER COMPANY**

# REVENUE REQUIREMENT SUMMARY

| RATE BASE                   | \$15,467,164 |
|-----------------------------|--------------|
| RATE OF RETURN              | 7.599%       |
| REQUIRED OPERATING INCOME   | 1,175,350    |
| PRO FORMA OPERATING INCOME  | 533,868      |
| OPERATING INCOME DEFICIENCY | 641,482      |
| REVENUE CONVERSION FACTOR   | 1.46540      |
| REVENUE DEFICIENCY          | 940,027      |
| RATE INCREASE               | 6.49%        |
| PRO FORMA REVENUE           | \$15,419,264 |

# GORDON'S CORNER WATER COMPANY TARIFF

FOR WATER SERVICE

APPLICABLE IN
MANALAPAN TOWNSHIP
MARLBORO TOWNSHIP
COLTS NECK TOWNSHIP
MONMOUTH COUNTY, NEW JERSEY

(732) 946-9333

ISSUED: DECEMBER 14, 2022 EFFECTIVE: DECEMBER 14, 2022

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WE22060370

8th Revised Sheet No. 1 Superseding 7th Revised Sheet No. 1

# **TABLE OF CONTENTS**

| Table of Contents                           | Sheet No. 1          |
|---|----------------------|
| An Introduction to Customers                | Sheet No. 2          |
| An Overview of Common Customer Complaints   |                      |
| and Customer Rights                         | Sheet No. 3, 4, 5, 6 |
| Territory Served                            | Sheet No. 7          |
| Standard Terms and Conditions               | Sheet No. 8 - 22     |
| 1. Application for Establishment of Service | Sheet No. 8, 9       |
| 2. Customer Deposits                        | Sheet No. 9          |
| 3. Service Pipes                            | Sheet No. 10         |
| 4. Connecting Pipes                         | Sheet No. 11         |
| 5. Meters                                   | Sheet No. 11, 12, 13 |
| 6. Customer's Premises                      | Sheet No. 13, 14, 15 |
| 7. Bills                                    | Sheet No. 15, 16     |
| 8. Discontinuance of Service                | Sheet No. 17, 18, 19 |
| 9. Private Fire Protection Service          | Sheet No. 20, 21     |
| 10. Public Fire Protection Service          | Sheet No. 22         |
| General Rules                               | Sheet No. 23, 24     |
| Emergency Responses Due to Extraordinary    |                      |
| Demand and/or Diminished Supply             | Sheet No. 25, 26     |
| Multi-Use Service Requirements              | Sheet No. 27         |
| Rate Schedules:                             |                      |
| No. 1: General Metered Service              | Sheet No. 28         |
| No. 1A: Purchased Water Adjustment Clause   | Sheet No. 29         |
| No. 2: Public Fire Protection Service       | Sheet No. 30         |
| No. 3: Private Fire Protection Service      | Sheet No. 31         |
| No. 4: Other Water Service Charges          | Sheet No. 32         |
| No. 5: Bulk Sales                           | Sheet No. 33         |

ISSUED: MARCH 1, 2022 EFFECTIVE: MARCH 1, 2022

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR21070979

2nd Revised Sheet No. 2 Superseding 1st Revised Sheet No. 2

# 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 its Company's tariff on file at the Board of Public Utilities, 44 South Clinton Ave, PO Box 350, Trenton, NJ 08625-0350.

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 and Wastewater, Bureau of Rates and Tariff Design at (609) 633-9800 or the Board's Division of Customer Assistance at 1-800-624-0241, or 1-609-341-9188, or by e-mail at: www.nj.gov/bpu/.

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 9:00 AM to 4:00 PM, 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's 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 NJ Board of Public Utilities. A utility company may provide for more liberal treatment than that provided for in the Board's regulations.

(Revised October 2014)

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

# AN OVERVIEW OF COMMON CUSTOMER COMPLAINTS AND CUSTOMER RIGHTS

- 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)

### **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. The deposit amount for a utility billing quarterly shall not exceed the estimated average bill for three months plus one third. (N.J.A.C. 14:3-3.4)
- 4) The utility shall furnish a receipt to each customer that makes a deposit. If the deposit is provided by mail, internet or telephone, the utility may comply with this requirement by displaying the amount of the deposit on the customer's next bill. (N.J.A.C. 14:3-3.4(i)) Each utility shall review a residential customer's account at least once every year and a nonresidential customer's account at least every two years. If this review indicates that the customer has met the utility's standard requirements for establishing credit, the utility shall refund the customer's deposit. (N.J.A.C. 14:3-3.5(a)) Interest payments on the customer deposits held to secure residential accounts shall be made to the customer at least once during each 12-month period in which a deposit is held. (N.J.A.C. 14:3-3.5(g)) When a utility refunds a deposit or pays a customer interest on a deposit, the utility shall offer the customer the option of a credit to the customer's account or a separate check. In either case, the utility shall provide the full refund or payment within one billing period after the review required under N.J.A.C. 14:3-3.5(a) is completed, or after the interest payment is due, as applicable, unless other reasonable arrangements are made between the customer and the utility. (N.J.A.C.14:3-3.5(h))
- 5) Where a water utility furnishes un-metered service for which payment is received in advance, it may not require a deposit. (N.J.A.C. 14:3-3.4(j))

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

# AN OVERVIEW OF COMMON CUSTOMER COMPLAINTS AND CUSTOMER RIGHTS (Con't.)

# **DEFERRED PAYMENT ARRANGEMENTS**

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)) No utility shall discontinue service unless the customer's arrearage is more than \$100.00 and/or the account is more than three months in arrears. (N.J.A.C. 14:3-3A.2(a))

# DISCONTINUANCE OF SERVICE

- 7) A utility shall not discontinue service because of nonpayment of bills in cases where a charge is in dispute, provided the undisputed charges are paid and the customer has requested that the Board of Public Utilities investigate the disputed charge. (N.J.A.C. 14:3-3A.2(e)5) In accordance with N.J.A.C. 14:3-7.6(b) the utility shall notify the customer that they may make a request to the Board of Public Utilities for an investigation of the disputed charge.
- 8) A notice of discontinuance sent to the customer shall be postmarked no earlier than (15) days after the postmark date of the outstanding bill. The notice of discontinuance for nonpayment shall provide the customer with at least 10 days written notice of the utility's intention to discontinue service. (N.J.A.C. 14:3-3A.3) The utility shall make good faith efforts 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 to receive notice of discontinuance. (N.J.A.C. 14:3-3A.4(c))
- 9) A water utility shall not discontinue residential service involuntarily except between the hours of 8:00 AM and 4:00 PM 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 New Jersey State holiday or on a New Jersey holiday absent such emergency. (N.J.A.C. 14:3-3A.1(c))

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR14040325

3rd Revised Sheet No. 5 Superseding 2nd Revised Sheet No. 5

# AN OVERVIEW OF COMMON CUSTOMER COMPLAINTS AND CUSTOMER RIGHTS (Con't.)

- 10) The occupant of a multiple family dwelling has the right to be notified of pending service discontinuance at least fifteen (15) days prior to the service being discontinued, with a written notice which shall be hand-delivered, mailed or posted in a conspicuous area of the premises and in the common areas of multiple family premises. (N.J.A.C. 14:3-7.14(a)) If the utility uses posting as the method of notice, each utility shall use its best efforts to also place a copy of the notice on each tenant's car windshield or under the door of each tenant's dwelling. (N.J.A.C. 14:3-3A.6)
- 11) A customer has the right to have any complaint against the utility handled promptly by that utility. (Board Order, Docket No. C08602155)
- 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 shall, without charge, make a test of the accuracy of a meter upon request of a customer, provided such customer does not make a request for test more frequently than once in 12 months. (N.J.A.C. 14:3-4.5(a)) If a customer has a complaint filed with the Board reflecting on the accuracy or performance of the meter, the utility shall not remove the customer's meter from service during the pending of said complaint, or during the 30 days following the Board's decision on the complaint, unless otherwise authorized by the Board's staff. (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 the customer may have the meter tested by the utility, or may have the Board 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)) A report giving results of such tests shall be kept on file at the office of the utility in accordance with N.J.A.C. 14:3-4.9, Meter Records. (N.J.A.C. 14:3-4.7(c))

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746

3rd Revised Sheet No. 6 Superseding 2nd Revised Sheet No. 6

# AND CUSTOMER RIGHTS (Con't.)

- 14) Whenever a meter is found to be 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 test on one-half of the total amount of the billing affected by the fast meter adjusted to 100 percent since the previous test, but not to exceed a period of six years for water meters subject to testing by an approved scientific sampling technique. 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. In cases of a debit adjustment to a customer's account, except in cases of theft or tampering, the customer shall be allowed to amortize the payments for a period of time in which the charges were adjusted. Debit adjustments shall be limited to a maximum period of six years. (N.J.A.C. 14:3-4.6)
- 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: (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 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)

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

4th Revised Sheet No. 7 Superseding 3rd Revised Sheet No. 7

# TERRITORY SERVED

The franchised area of Gordon's Corner Water Company in Marlboro Township, Manalapan Township and Colts Neck Township in Monmouth County, New Jersey.

ISSUED: DECEMBER 14, 2022 EFFECTIVE: DECEMBER 14, 2022

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WE22060370

6th Revised Sheet No. 8 Superseding 5th Revised Sheet No. 8

# STANDARD TERMS AND CONDITIONS

# 1. APPLICATION FOR ESTABLISHMENT OF SERVICE:

- 1.1. Applications by a customer for the establishment of service may be made at the utility's office either in person, by regular mail, facsimile transmission, electronic mail, where available, or by telephone. A written application form shall be supplied by the Company and may be subsequently submitted by the applicant. (N.J.A.C. 14:3-3.2)
- 1.2. All applications shall be signed by the applicant requesting service. However, the Company will not require the submission of the applicant's social security number as a condition of providing service. (Federal Privacy Act) (N.J.A.C. 14:3-3.2)
- 1.3. A separate application for water service must be made for each water connection, including fire Service.
- 1.4. Applications for water service shall be processed and service initiated within two business days, or other date as agreed to by the parties except in the case of new service connections. Each premises served by the Company requires separate application. (N.J.A.C. 14:3-3.2(g))
- 1.5. Applications shall not be accepted from present or former customer of record in arrears for a valid bill for water service unless a reasonable and mutually agreed payment arrangement is established and agreed to by both parties. In negotiating a deferred payment arrangement, a residential customer may not be required to pay, as a down payment, more than 25 percent of the total outstanding bill due at the time the agreement is made or executed. (N.J.A.C. 14:3-7.7(b)1) (N.J.A.C. 14:3-3.2(c)) Payment, payment arrangements or new service shall not be withheld where a charge is in dispute provided all undisputed charges are paid. (N.J.A.C. 14:3-7.13)
- 1.6. Each customer shall notify the Company promptly of any change of ownership of the premises supplied under his application.
- 1.7. 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 same. No refund will be made after ten years from the date of the installation of the connection.
- 1.8. The company may reject applications for water service where such service is not available, or where such service might affect the supply to other customers or for failure of the applicant to agree to comply with any of these standard terms and conditions. The Company shall provide the customer with the terms and conditions of service and discuss with all applicants the rate schedule most beneficial to the customer. (N.J.A.C. 14:3-3.2)

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR14040325

# STANDARD TERMS AND CONDITIONS

1.9. The Company will extend water service in accordance with all applicable laws of the State and Board of Public Utilities regulations and orders including but not limited to those regulations contained in N.J.A.C. 14:3, N.J.A.C. 14:7, N.J.A.C. 14:9, and N.J.A.C. 14:11, subject to, and as modified by, the Board's Secretary's letter dated March 24, 2010 in the Centex Homes matter and the Board's Order dated October 22, 2010 in the matter entitled, "In The Matter Of The Board's Main Extension Rules N.J.A.C. 14:3-8.1 Et Seq."

#### 2. CUSTOMER DEPOSITS

- 2.1. Customer deposits may be required where any customer to whom the Company may be supplying water or applicants for metered water service have not established or maintained their credit. The amount of deposit shall be the estimated average bill of the customer for a billing period, based upon the average monthly charge over an estimated twelve month service 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. (N.J.A.C. 14:3-3.4)
- 2.2. Customers delinquent in the payment of bills may be required to increase their existing deposit in an amount sufficient to secure the payment of future bills. The amount of such deposit shall be determined with the principle set forth in 2.1. Service shall not be discontinued for failure to make such a deposit after proper notice. (N.J.A.C. 14:3-3.4)
- 2.3. If a customer who has made a deposit fails to pay a bill, the Company may apply such deposit insofar as is necessary to liquidate the bill and may require that the deposit be restored to its original amount. (N.J.A.C. 14:3-3.4)
- 2.4. The Company shall review a residential customer's account at least once every year and a nonresidential 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. (N.J.A.C. 14:3-3.5(a))
- 2.5. Interest will be paid on deposits in accordance with the New Jersey Board of Public Utilities annual order establishing the interest rate for each calendar year beginning January 1. The Company shall keep a record of the applicable interest rate for each calendar year and provide same to any customer upon request. (N.J.A.C. 14:3-3.5)
- 2.6. Following discontinuance of service, the customer will receive a refund of any deposit, together with outstanding interest, less any amount due for unpaid bills.

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

6th Revised Sheet No. 10 Superseding 5th Revised Sheet No. 10

# STANDARD TERMS AND CONDITIONS

#### 3. SERVICE PIPES

- 3.1. 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 for in paragraph 1.7 for new connection and service pipe through which water service is not immediately desired.
- 3.2. Only employees or other persons authorized by the Company will be permitted to make connections to the mains of the Company.
- 3.3. No service pipe shall be installed where the connecting pipe is laid or to be laid in the same trench with sewer pipe, gas pipe, electric conduit or any other facility.
- 3.4. A curb stop or valve will be installed by the Company at the curb, in such a manner to permit the attachment of the customer's connecting pipe. The curb stop or valve is available for turning on and shutting off the supply of water in emergencies or for repair and for non-payment of water service charges. Only Company employees or persons duly authorized to do so by the Company are permitted to operate the curb stop or valve.
- 3.5. No future premises shall be supplied by more than one service pipe.
- 3.6. Where two or more customers are supplied through a single service pipe, the piping of the building shall provide a separate lock valve ahead of the inlet to each customer's meter.
- 3.7. Any change requested by the customer in the location of the existing service pipe, if approved by the Company, shall be made at the expense of the customer.
- 3.8. Where a service pipe is for temporary use, the customer shall bear the entire expense of making the connection, subject to a refund whenever service is established on a permanent basis.
- 3.9. Curb Stops or valves shall be located in an accessible place, protected from vehicular traffic, away from sidewalks, driveways, terraces, fences, or other structures and shall be so located that they will not be a hazard to pedestrians. The lids for the curb stops or valves must be kept clear of snow, ice, dirt, or any other objects which may prevent easy operation and inspection. Relocation of a curb stop or valve for any of the above reasons will be done at the Customer's expense.

ISSUED: AUGUST 29, 2018 EFFECTIVE: AUGUST 29, 2018

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR18030268

6th Revised Sheet No. 11 Superseding 5th Revised Sheet No. 11

# STANDARD TERMS AND CONDITIONS

#### 4. CONNECTING PIPES

- 4.1. 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.
- 4.2. The connecting pipe is the property of the customer and shall be maintained and kept in repair by the customer.
- 4.3. The connecting pipe shall be pipe of strength and quality approved as permitted by governing plumbing codes.
- 4.4. The connecting pipe shall be installed without sharp bends, at right angles to the street, in a trench not less than three feet in depth, to avoid damage and possible interruption in service caused by freezing. The pipe shall not be installed within three feet of any permanent excavation or vault or other subsurface structure. Other utility service pipes, such as sewer or gas, shall not be installed in the same trench.
- 4.5. The Company reserves the right to inspect the installation prior to backfilling the trench and to withhold the supply of water service whenever such installation or any part thereof is deemed by the Company to be leaking, unsafe, inadequate or unsuitable for receiving service, or to interfere with or impair the continuity or quality of service to the customer or others.
- 4.6. No attachment shall be made to the service or connecting pipe or any branch thereof between the meter and the main.
- 4.7. The customer is required to make all modifications in the connecting pipe due to changes in grade, relocation of mains, or other causes only if such changes, relocations or other causes are mandated by a Municipality, County, State or other governmental body.

#### 5. METERS

- 5.1. The Company will furnish and install and maintain meters, without charge, and will determine the size, type and make of meter to be used, based on the service desired.
- 5.2. No un-metered connections are permitted.
- 5.3. The location of the meter and the arrangement of fittings and pipe shall be subject to the inspection and approval of the Company. Valves are to be installed on the inlet and outlet side of the meter.

ISSUED: AUGUST 29, 2018 EFFECTIVE: AUGUST 29, 2018

# STANDARD TERMS AND CONDITIONS

- 5.4.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 adjustments or repairs. If access to the meter is being prevented by the customer for meter reading or changing of the meter then water will be discontinued upon proper notice until the obstruction is removed. Meters installed outside buildings will be located at or near the property line of the customer in a meter pit or housing approved by the Company, but paid for, installed and maintained by the customer for all services. Meter pits can be purchased from the Company at cost. The Company at its own expense may install a meter pit when performing maintenance on an existing curb stop. Future maintenance of meter pits installed by the company is the responsibility of the customer.
- 5.5.For meters one and one-half inches in size and larger, and when service cannot readily be interrupted for testing or replacing the meter, the installation shall include piping of a type and arrangement approved by the Company to permit the removal or testing without interruption of water service.
- 5.6. The tapping of the water main shall be done by the Company. The service line from main to curb and curb stop/curb box shall be furnished by the utility or its agent at the expense of the utility. The exact cost of the remainder of the service connection shall be paid by the customer, and the said remainder shall be placed by the customer or by agreement between the customer and the utility, by the utility or its agent; provided, however, that if placed by the customer it shall conform to reasonable specifications prescribed by the utility.
- 5.7. Meter pits or housings shall be located in an accessible place, protected from vehicular traffic, and shall be so located that they will not be a hazard to pedestrians. Meter installations shall conform to the Company's design and installation specifications. The lids for the pits or housings must be kept clear of snow, ice, dirt or any other objects which may prevent easy reading and inspection of the meter. The cost of installing and maintaining the meter housing is the responsibility of the customer.
- 5.8. Where the meter has ceased to register or where access to the meter cannot be obtained, meter readings may be estimated by a fair and reasonable method based upon the best information available. The account will be adjusted based on actual meter readings when an actual reading of the meter is obtained. The Company will provide a practical means for a customer to provide a reading of the meter to the company when the meter cannot be read on a regular basis. The Company shall comply with the provisions of N.J.A.C. 14:3-7.9.

ISSUED: AUGUST 29, 2018 EFFECTIVE: AUGUST 29, 2018

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR18030268

7th Revised Sheet No. 13 Superseding 6th Revised Sheet No. 13

# STANDARD TERMS AND CONDITIONS

- 5.9. If a customer observes an unusual increase over the average quantity of water used, which cannot be accounted for, he should inform the Company immediately.
- 5.10. In case a question arises as to the accuracy of the meter, the Company will test it upon request, preferably in the presence of the customer and, without charge, provided that the meter has not been tested within the period of one year previous to such request. If a test is requested at an interval of less than one year, a charge for each additional test, based on the direct labor, for removing, testing and resetting the meter, will be made for such test; the charge will be \$25.00. When a billing dispute is known to exist, prior to removing the meter, advise the customer that the customer may have the meter tested by the utility or may have the Board either conduct or witness a testing of the meter and also may have the test witnessed by a third-party. (N.J.A.C. 14:3-4.5)
- 5.11. If a meter test finds the meter to be registering 1.5% fast or more when flowing at any rate an adjustment of charges shall be made in accordance with N.J.A.C. 14: 3 4.7 (see N.J.A.C. 14:9-3.3).
- 5.12. If the meter test shows the meter is registering within the prescribed limits of accuracy, the Company reserves the right to reset the same meter in the premises from which it was removed.
- 5.13. The Company maintains and repairs meters except in case of misuse or damage by frost, hot water or external causes, in which event the cost of repairing and replacing the meter shall be charged to the customer, said charge not to exceed cost of new meter.
- 5.14. Only employees or persons authorized by the Company shall remove the meter.
- 5.15. Tampering with the meter or its connection is prohibited.
- 5.16. The Company at its discretion may install a master meter on the service pipe connected to existing commercial properties that currently have individually metered units connected to private mains. The installation of the master meter will be done at the Company's cost. All future billings for such locations will be based on the master meter and only one bill will be rendered for service.

#### 6. CUSTOMER'S PREMISES

6.1. The Company 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 municipality in which the premises are located.

ISSUED: AUGUST 29, 2018 EFFECTIVE: AUGUST 29, 2018

# STANDARD TERMS AND CONDITIONS

- 6.2. The Company shall have the right of reasonable access to a customer's premises and to all property served 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, or for the removal of its facilities and equipment.
- 6.3. The customer shall obtain or cause to be obtained all permits needed by the Company for access to its facilities.
- 6.4. The customer shall allow access to the meter or other facilities of the Company only by Company personnel or duly authorized state regulatory officials.
- 6.5. In case of defective service, the customer shall not interfere with the apparatus or appliances belonging to the Company but shall notify the Company immediately.
- 6.6. All piping within a customer's premises shall comply with the state, municipal and other regulations in force with respect thereto.
- 6.7. Physical connections, such as cross connections, private wells, valves, pumps or similar devices, either permanent or temporary, between pipes on a customer's premises supplied by the Company and any unapproved sources of supply are prohibited, except to the extent specifically authorized by law or regulation. Customers with an unapproved source of supply wishing to interconnect their system with water supplied by the Company or customers with dual but physically separate piping, where piping from the customer's unapproved source of supply and piping from the Company's distribution system both enter the customer's premises, shall obtain a physical connection permit from the State of New Jersey, Department of Environmental Protection, by following that Department's permit application procedure. Installation, operation and maintenance of authorized physical connections shall be in accordance with the following:
- 6.7.1. All authorized connections and associated hardware, including, but not limited to a double check valve assembly or a reduced pressure zone backflow preventer assembly as defined in the regulations of the New Jersey Department of Environmental Protection applicable to physical connections, shall be purchased, owned, installed and maintained solely at the customer's expense and at no expense to the Company. The customer shall consult a licensed plumber in regards to any issues associated with thermal expansion. Any costs related to mitigating thermal expansion issues will be the responsibility of the customer.
- 6.7.2. Customers with authorized connections shall maintain all records required by law or regulation and shall upon request make the same available for inspection to authorized Company representatives.

ISSUED: MARCH 1, 2022 EFFECTIVE: MARCH 1, 2022

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR21070979

5th Revised Sheet No. 15 Superseding 4th Revised Sheet No. 15

# STANDARD TERMS AND CONDITIONS

- 6.7.3. Dual water supply customers who are interconnected in violation of law, those customers holding valid physical connection permits who fail to have said permits renewed in accordance with the provisions of this Tariff or applicable laws and regulations and those customers holding valid permits who fail to comply with all legal requirements and procedures with respect to the installation, operation and maintenance of "approved physical connection installations," including but not limited to the regulations of the New Jersey Department of Environmental Protection applicable to physical connections, shall have their water service discontinued in accordance with paragraph 8.1(1) of this Tariff.
- 6.8. In any premises where an auxiliary water source is available, the pipes carrying water from the mains of the Company are required to be marked in some distinctive manner for ready identification from the pipes carrying the auxiliary water supply.
- 6.9. Where a customer's water usage requires it, the Company shall require the installation of backflow/back-siphonage prevention devices to prevent the flow of contaminated water into the Company's distribution system. The customer shall consult a licensed plumber in regards to any issues associated with thermal expansion. Any costs related to mitigating thermal expansion issues will be the responsibility of the customer
- 6.10. If the premise is to be unoccupied for an indefinite period, customers are cautioned to have the interior plumbing drained, especially during cold weather, to avoid damage to pipes and fixtures. When requested, the Company will suspend service to unoccupied premises temporarily by shutting off the water at the curb and removing the meter.
- 6.11. Whenever leakage or other problems occur on pipes and facilities owned by the customer, the customer shall make the necessary repairs. The Company reserves the right to discontinue the supply upon ten (10) working days notice until such time as the problem is corrected, except in the case of a safety related emergency.

# 7. BILLS

- 7.1. All bills will be computed in accordance with the rates of the Company as shown in this tariff, as the same may be amended or revised from time to time. Rates are subject to such changes as state regulatory body having jurisdiction may require, authorize or allow.
- 7.2. Bills will show the meter readings at the beginning and the end of the billing period, the reading dates, the thousands of gallons used the amount of consumption and the service charge. Bills for general metered water service will be rendered at least once in each calendar quarter. (N.J.A.C. 14:3-7.2)

ISSUED: MARCH 1, 2022 EFFECTIVE: MARCH 1, 2022

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR21070979

# STANDARD TERMS AND CONDITIONS

- 7.3. Bills rendered must contain the following: (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 statement that the applicable rate schedule will be furnished upon request; (e) the amount of the bill; (f) a distinctive marking to indicate an estimated or average bill; (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)
- 7.4. The Company must provide at least fifteen (15) days to pay a valid bill. The fifteen (15) days time begins after the postmark date indicated on the envelope in which the bill was transmitted. Bill payments received within two full business days of the due date will be considered paid timely. Bills may be mailed or paid in person at the office at 27 Vanderburg Road, Marlboro, NJ 07746. Customers unable to pay the full bill may discuss payment arrangements with the Company. Such payment plans shall be negotiated in good faith by both parties.
- 7.5. A customer has at least fifteen (15) days to pay a bill. If a valid bill remains unpaid the Company may take collection action to discontinue water service provided the customer has received at least ten (10) days advance notice of the Company's intentions and provided further that the Company complies with the provisions of this tariff rules and regulations of the Board of Public Utilities. (N.J.A.C. 14:3-3A.3(c))
- 7.6. However, in case of fraud, illegal use, or when it is clearly indicated that the customer is preparing to leave, the 15-day period shall be waived and immediate payment of accounts may be required. (N.J.A.C. 14:3-3A.3(c))
- 7.7. All residential customers are eligible to apply for a budget billing plan that allows for a predetermined monthly rate based on average historical usage. The budget will run for 11 months with a true up period on the 12<sup>th</sup> month. A customer must begin the budget billing period with a zero balance on their account and the account will be reviewed every 6 months in order to adjust for significant changes in actual usage. If two consecutive monthly payments are missed, the customer will be removed from the program and required to provide a deposit on their account in accordance with section N.J.A.C. 14:3-3.4 along with payment in full on their account. (N.J.A.C. 14:3-7.5).

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

#### STANDARD TERMS AND CONDITIONS

#### 8. DISCONTINUANCE OF SERVICE

- 8.1. The utility shall, upon reasonable notice, when it can be reasonably given, have the right to suspend, curtail or discontinue service for the following reasons in accordance with N.J.A.C. 14:3-3A.1:
  - 8.1.1. For the purpose of making permanent or temporary repairs, changes or improvements in any part of its system;
  - 8.1.2. For compliance in good faith with any governmental order or directive notwithstanding such order or directive subsequently may be held to be invalid;
  - 8.1.3. For any of the following acts or omissions on the part of the customer:
    - a) Nonpayment of a valid bill due for service at a present or previous location. The customer(s) of record whose name appears on the bill shall be held responsible for utility service rendered. However, nonpayment of a business account shall not be a reason for discontinuance of residential service and service shall not be discontinued for repair charges, merchandise charges, installation of conservation measures and other non-tariff contracted for service charges between the customer and the utility, nor shall notice threatening such discontinuance be given.
    - b) Tampering with any facility of the utility including connecting or disconnecting the meter. Penalties provided by law for any such action will be strictly enforced.
    - c) Fraudulent representation in relation to the use of service.
    - d) Customer moving from the premises, unless the customer requests that service be continued.
    - e) Providing a utility's service to others without approval of the utility;
    - f) Failure to make or increase an advance payment or deposit as provided for in these regulations or the utility tariff;
    - g) Refusal to contract for service where such contract is required;
    - h) Connecting and operating in such a manner as to produce disturbing effects on the service of the utility or the other customers.
    - i) Failure of the customer to comply with any standard terms and conditions contained in the utility's tariff;
    - i) Where the condition of the customer's installation presents hazard to life or property;
    - k) Failure of customer to repair any faulty facility of the customer including meter pits and housings.
    - For failure to remove any temporary or permanent physical connection or interconnection to any unapproved source of supply or for the maintenance of any water outlet improperly protected against back-flow or back-siphonage.

#### STANDARD TERMS AND CONDITIONS

- 8.1.4. 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 utility's property.
- 8.2. A customer wishing to discontinue service must give notice to that effect. Within 48 hours of said notice, the utility shall discontinue service or obtain a meter reading for the purpose of calculating a final bill. Where such notice is not received by the utility, the customer shall be liable for service until the final meter reading is taken. Notice to discontinue will not relieve a customer from any minimum or guaranteed payment under any contract or rate. (N.J.A.C. 14:3-3A.1(b))
- 8.3. Public utilities shall not discontinue residential service except between the hours of 8:00 AM and 4:00 PM Monday through Thursday, unless there is a safety related emergency. There shall be no involuntary termination of service on Fridays, Saturdays or Sundays or on the day before a holiday or on a holiday, absent such emergency. (N.J.A.C. 14:3-3A.1(c)) No utility shall discontinue service unless the customer's arrearage is more than \$100.00 and/or the account is more than three months in arrears. (N.J.A.C. 14:3-3A.2(a)) No utility shall discontinue service unless:
  - 8.3.1. It has been confirmed that appropriate payment has not been received at any utility office or at office of an authorized agent through the end of the notice period. (N.J.A.C. 14:3-3A.2(d)2)
  - 8.3.2. It has confirmed on the day on which termination may occur, that payment has not been posted to the account at the opening of business that day. (N.J.A.C. 14:3-3A.2(d)3)
  - 8.3.3. If a residential customer offers payment of the full amount or a reasonable portion of the amount due at the time of termination, a utility representative shall be required to accept the payment without discontinuance of service. Whenever such payment is made, the utility representative shall provide the customer with a receipt showing the date, account number, customer's name and address and amount received. (N.J.A.C. 14:3-3A.2(d)5)

#### STANDARD TERMS AND CONDITIONS

- 8.4.Discontinuance of residential service for nonpayment is prohibited if a medical emergency exists within the premises which would be aggravated by discontinuance of service and the customer gives reasonable proof of inability to pay. Discontinuance shall be prohibited for a period of up to two months when a customer submits a physician's statement in writing to the utility as to the existence of the emergency, its nature and probable duration, and that termination of service will aggravate the medical emergency. Re-certification by the physician as to continuance of the medical emergency shall be submitted to the utility after 30 days. However, at the end of such period of emergency, the customer shall still remain liable for payment of service(s) rendered, subject to the provisions of N.J.A.C. 14:3-3A.2(i).
  - 8.4.1. The Board may extend the 60 day period for good cause. (N.J.A.C. 14:3-3A.2(j))
  - 8.4.2. Public utilities may at their discretion delay discontinuance of residential service for nonpayment prior to submission of the physician's statement required by this subsection when a medical emergency is known to exist. (N.J.A.C. 14:3-3A.2(j))
- 8.5. Service shall be restored within 12 hours upon proper application when the conditions under which service was discontinued are corrected, and upon the payment of all proper charges due from the customer provided in the tariff of the utility when the payment is received at the utility or at an authorized payment center and the utility has received notice of payment, or if the Board so directs when a complaint involving such matters is pending before it. (N.J.A.C. 14:3-3A.9)
- 8.6. Whenever the Company has determined that a customer's service has been reconnected without the permission of the Company after the service has been terminated for non-payment of bills or violation of the Company's Tariff, the Company will terminate the customer's service for a second time and give written notice to the customer that if service is reconnected again without permission of the Company, it will be necessary for the Company to excavate and physically disconnect service and that a reconnection charge of \$500 or the actual cost incurred by the Company to excavate and physically disconnect and reconnect the service, whichever is less, will be made.

3rd Revised Sheet No. 20 Superseding 2nd Revised Sheet No. 20

## STANDARD TERMS AND CONDITIONS

#### 9. PRIVATE FIRE PROTECTION SERVICE

- 9.1. Customers are required to make separate written application for private fire protection service and enter into an agreement and execute the Company's "Application for Special Connection".
- 9.2. Private fire service installations shall be made in accordance with the provisions of this tariff regarding the installation of service and connecting pipes and other facilities.
- 9.3. No water shall be used through private fire protection facilities except for purposes of testing or in case of fire. Private fire service lines are equipped with special meters to detect unauthorized water usage.
- 9.4. The charge for private fire service is based on the size of the service. Bills are rendered monthly. No charge is made for water used solely for fire extinguishment purposes or for reasonable testing purposes, provided the Company is notified in advance that tests are to be made.
- 9.5. As a condition of providing fire service protection, the Company requires all applicants to install (1) "an approved physical connection installation," as defined by and in accordance with the regulations of the New Jersey Department of Environmental Protection applicable to physical connections when the applicant's fire suppression system will consist of an interconnection between pipes on the premises supplied by the Company and any unapproved source of supply or (2) an acceptable backflow prevention device if the company determines that such an installation is necessary to protect the public water supply from contamination. Where a tank, standpipe or other facility is used, it shall be so constructed and arranged as to protect the public water system from pollution and shall conform with all applicable rules and regulations of the State Department of Environmental Protection. Arrangements shall be provided to permit drainage for inspection and cleaning.
- 9.6. Authorized representatives of the Company shall have the right to inspect all fire protection facilities on a customer's premises at reasonable hours.

3rd Revised Sheet No. 21 Superseding 2nd Revised Sheet No. 21

#### STANDARD TERMS AND CONDITIONS

- 9.7. Certified residential health care facilities and rooming or boarding houses which are required to install private fire sprinkler systems pursuant to P.L. 1971, c.136 (N.J.S.A. 26;2H-1, et seq.) and P.L. 1979, C496 (N.J.S.A. 55;38-1, et seq.) and regulations promulgated under these two statutes, shall be exempt from payment of the private fire protection service charges. Such exemption shall not be granted until the appropriate state agency, either the Department of Community Affairs or the Department of Health certifies to the company and to the Board of Public Utilities that the particular residential health care facility or rooming house or boarding house meets the requirements of P.L. 1981, c.154 and the regulations adopted pursuant thereto and is thereby entitled to the exemption from the private fire sprinkler systems stand-by charge.
- 9.8. The Company shall charge a certified exempt customer the actual cost for installing the service line connection from the water main to the curb line. However, the Company shall install, own and maintain the service line connection from the main to the curb line. The remainder of the fire sprinkler line from the curb cock to the building shall be installed, owned and maintained by the customer and shall conform to reasonable specifications as prescribed by the Company. The Company shall provide, at no cost to the customer, a detector check valve.
- 9.9. All private fire hydrants are owned by the customer and must be installed per the Company approved specifications and shall not be installed within roadways, curblines, sidewalks or driveways or in anyway impede the safe flow of traffic or pedestrians. Any relocation required due to roadwork and associated activities shall be made at the expense of the customer.
- 9.10. The Company maintains and repairs private fire hydrants except in case of misuse or damage, in which event a charge for repairing or replacing the private fire hydrant will be paid by the customer, said charge to be based on the direct labor and equipment costs obviated by removing, repairing, replacing and/or reinstalling the private fire hydrant. If a hydrant is found to be beyond repair and must be replaced it will be done at the customer's expense

ISSUED: MARCH 1, 2022 EFFECTIVE: MARCH 1, 2022

4th Revised Sheet No. 22 Superseding 3rd Revised Sheet No. 22

#### STANDARD TERMS AND CONDITIONS

#### 10. PUBLIC FIRE PROTECTION SERVICE

- 10.1. Upon application of duly authorized representatives of municipalities or fire districts in the territory supplied, the Company will install fire hydrants for the purposes of public fire protection, at locations agreed upon by the municipalities or fire districts and the Company.
- 10.2. Such hydrants are owned by the Company and subject to inspection and maintenance in accordance with N.J.A.C. 14:9-2.2(d) and (e) at the Company's own expense.
- 10.3. Municipalities and fire districts shall pay a monthly charge for public fire protection service as provided in the applicable rate schedule set forth in this tariff. The public fire protection rate does not include the removal of vegetation, snow or debris from around fire hydrants which may inhibit their operation and company shall not be responsible under this tariff for the foregoing.
- 10.4. Hydrants are not to be used for any purpose, other than public fire protection, without the written permission of the Company.
- 10.5. Municipal fire departments should inform the Company promptly of any hydrant which is leaking, or in need of attention, so that such hydrant may be placed in readiness for instant operation.
- 10.6. Where it is necessary to use hydrants for any purpose other than public fire protection, a special permit may be required to be issued by the Company under restrictions imposed in the interest of the public.
- 10.7. Only special hydrant wrenches, approved by the Company, shall be used for opening or closing a hydrant.
- 10.8. No attachment of any sort shall be left connected to a hydrant except when it is in actual use. No hydrant shall be left unattended while attachments are connected during the time it is in use. Before closing time each day, the hydrant shall be shut-off, attachments removed, caps replaced and the hydrant left in readiness for instant use.
- 10.9. Whenever the Municipality shall desire a change in the location of any Fire Hydrant, the Company, upon written notice so to do, will make the change at the expense of the Municipality.
- 10.10. All public fire hydrants must be installed per the Company approved specifications and shall not be installed within roadways, curblines, sidewalks or driveways or in anyway impede the safe flow of traffic or pedestrians. Any relocation required due to roadwork and associated activities shall be made at the expense of the Municipality.

ISSUED: AUGUST 29, 2018 EFFECTIVE: AUGUST 29, 2018

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746

#### GENERAL RULES

- 1. The Company reserves the right to install services and meters on the basis of the normal requirements for service. The Company does not undertake to provide service for unduly high rates of water demand prevailing only for short periods of time. When, because of its size or character, the customer installation desired to be connected to the facilities of the utility is so unusual as to adversely affect the adequacy of the service furnished to other customers, present or prospective, the utility may require special provisions for the service in question or may refuse the same.
- 2. The Company 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 the Company, the Company will not be liable for damage or any inconvenience resulting therefore.
- 3. The Company does not undertake to render any special service or maintain any fixed pressure. In the event of an accident or for other reasons, the Company 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.
- 4. When the supply of water is to be shut off temporarily or curtailed, a notice stating the purpose and possible duration of the shutoff or curtailment will be given to customers affected, whenever practicable.
- 5. The Company does not undertake to supply any uniform quality of water for special purposes, such as manufacturing plants or processing plants, laboratories, swimming pools, bleaching or dying 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.
- 6. Neither by inspection approval or disapproval nor in any other way, does the Company give any guarantee, or assume any responsibility, expressed 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.
- 7. The Company will not assume responsibility for any injury, casualty or damage resulting from the supply to or use of water service by the customer.
- 8. No person, except a Company employee, is permitted to turn the water on or off at the street valve, corporation stop and curb stop; or other street connection, or tamper with, disconnect or remove, any meter without the consent of the Company. Penalties provided by law for any such action will be rigidly enforced.

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746

4th Revised Sheet No. 24 Superseding 3rd Revised Sheet No. 24

#### **GENERAL RULES**

- 9. No agent, representative or employee of the Company has authority to modify any provision contained in this tariff or to bind the Company by any promise or representation contrary thereto.
- 10. Water service supplied by the Company shall not be resold by a customer, except by a duly authorized public water or municipal water utility or authority.
- 11. 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 Company's tariff with terms and conditions will be furnished to any customer on request.
- 12. The regulations of the New Jersey Board of Public Utilities applicable to water utilities are incorporated herein by reference to the extent that the subject matter of any regulation has not been covered herein.

3rd Revised Sheet No. 25 Superseding 2nd Revised Sheet No. 26

## EMERGENCY RESPONSES DUE TO EXTRAORDINARY DEMAND AND/OR DIMINSHED SUPPLY

- 1. Discontinuance of service for failure to comply with use restriction.
  - 1.1. For compliance by the utility in good faith with any governmental order or directive, notwithstanding that such order or directive subsequently may be held to be invalid, the Company may, upon reasonable notice, as set forth in Sections 1.3 and 1.5 herein, suspend, curtail, or discontinue service pursuant to N.J.A.C. 48:2-23, N.J.A.C. 48:2-24, AND N.J.A.C. 14:3-3.6 for any of the following acts or omissions on the part of the customer:
    - a) Connecting or operating any piping or other facility, including but not limited to, lawn sprinkling on the customer's premises, in such a manner to adversely affect the safety or adequacy of service provided to other customers present or prospective; or
    - b) Continuing waste of water by customers through improper or imperfect pipes, fixtures, or failure to comply with restrictions; after notice from the utility; or
    - c) 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.
  - 1.2. Water service shall be restored when the conditions under which such service was discontinued, as specified above, are corrected and upon the payment of the SPECIAL RESTORATION OF SERVICE CHARGE of \$100.00, for each restoration.
  - 1.3. The Company will endeavor to provide a regular and uninterrupted supply of water through its facilities. However, if because of emergencies beyond the control of the Company, including governmental mandate, service is interrupted, irregular, defective, or fails, the Company will not be liable for damage or inconvenience resulting there from. In the event of an extraordinary demand and/or diminished supply, the Company 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 the Company 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.

ISSUED: OCTOBER 10, 2014 EFFECTIVE: OCTOBER 10, 2014

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746

3rd Revised Sheet No. 26 Superseding 2nd Revised Sheet No. 27

# EMERGENCY RESPONSES DUE TO EXTRAORDINARY DEMAND AND/OR DIMINSHED SUPPLY

- 1.4. The Company may restrict water service during certain periods, where the Company 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 and Energy pursuant to the water supply management act. Such interruptions or restrictions shall be reported to the Department of Environmental Protection and Energy and the Board by each utility by the speediest means of communications available, followed by a detailed written report, pursuant to the provisions of N.J.A.C. 14:3-3, 9(b), within one week. Thereafter the utility shall provide weekly reports for the duration of the emergency.
- 1.5. 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, the Company shall advise its customers by placing a door tag 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 Board. The Company will advise business and commercial customers, in writing, by mailing a notice to the customers' billing address. In the case of door tags, 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.

2nd Revised Sheet No. 27 Superseding 1st Revised Sheet No. 27

#### MULTI-USE SERVICE REQUIREMENTS

#### 1. GENERAL TERMS AND CONDITIONS:

By applying for multi-use service, the customer or builder certifies that:

- 1.1. The customer or builder has hydraulically calculated the demand for the customer's or builder's water system, based on the simultaneous domestic demand and fire sprinkler demand. The customer or builder shall make this calculation in accordance with the Uniform Construction Code.
- 1.2. The customer or builder will ensure that the system is installed in accordance with the Uniform Construction Code at N.J.A.C. 5:23.
- 1.3. The customer will, prior to installation of the meter, obtain a construction permit in accordance with the Uniform Construction Code from the enforcing agency having jurisdiction over the system.
- 1.4. By applying for multi-use service, the customer agrees to be responsible for all claims, costs, and liability for personal injury, death and/or property damage, resulting from the customer's individual water system, unless caused by the negligence of the water utility.

#### 2. PROVISION OF SERVICE:

By applying for multi-use service, and operating the same, the customer agrees:

- 2.1. To include a backflow prevention device(s) as defined at N.J.A.C. 7:10-1.3, and as specified at N.J.A.C. 7:10-10.3.
- 2.2. To be solely responsible for all costs and expenses relating to the installation, operation, maintenance, repair and replacement of the customer's water system, including the fire suppression system and backflow prevention device(s).
- 2.3. To ensure the customer's water system complies with the applicable requirements of the Uniform Construction Code in effect at the time of system installation, including any applicable building, plumbing, and fire protection sub codes.
- 2.4. To ensure that the customer's water system is maintained in accordance with all applicable law so as to protect against backflow, back-siphonage and contamination of the potable water system.

#### 3. TERMS OF PAYMENT:

3.1.A water utility my terminate a customer's multi-use service for non-payment of a valid water bill for multi-use service, in accordance with the Board's rules governing discontinuance of service at N.J.A.C. 14:3-3.6.

ISSUED: OCTOBER 10, 2014

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 FILED PURSUANT TO ORDER OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. WR14040325

EFFECTIVE: OCTOBER 10, 2014

#### NO. 1: GENERAL METERED SERVICE

#### APPLICABILITY:

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

#### RATE:

#### MONTHLY SERVICE CHARGES

| SIZE OF METER | <u>RATE</u> |
|---------------|-------------|
| 5/8"          | \$ 21.86    |
| 3/4"          | 32.80       |
| 1"            | 54.67       |
| 1-1/2"        | 109.30      |
| 2"            | 174.86      |
| 4"            | 546.45      |
| 6"            | 1,092.95    |
| 8"            | 1,749.73    |

#### VOLUME CHARGE

USAGE RATE PER 1,000 GALLONS \$ 6.53

#### TERMS OF PAYMENT:

Payment is due 15 days from the date of the postmark for valid bills mailed to customers. Bills for metered water service are rendered monthly. Whenever service to a customer is established or terminated during a billing period the fixed service charge will be prorated on a daily basis to the date when service is established or discontinued to such customer.

The state of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which established a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates. Filed pursuant to decision of the Board of Public Utilities, Docket No.818-711, dated 2/9/82.

**ISSUED:** 

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 EFFECTIVE:

NO. 1A: GENERAL METERED SERVICE

PURCHASED WATER ADJUSTMENT CLAUSE (PWAC) CHARGE

A charge of \$ 0.00 per thousand gallons for all water sales will be made to recover increases in the purchased water costs not included in the Volume Charges in Rate Schedules No. 1 or 5.

ISSUED:

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 EFFECTIVE:

#### NO. 2: PUBLIC FIRE PROTECTION SERVICE

#### APPLICABILITY:

To municipalities throughout entire territory for public fire protection.

#### CHARACTER OF SERVICE:

The installation and maintenance of fire hydrants and the supplying of water through such hydrants is for the sole use of authorized firefighting personnel for the control and extinguishment of any fire. The Company will use due diligence at all times to provide continuous service of the character of quality proposed to be supplied but in case the service shall be interrupted or irregular or defective or fail the Company shall be liable and obligated only to use reasonable diligent efforts in the light of the circumstances then existing to restore service or to correct its characteristics.

#### RATE:

#### ANNUAL SERVICE CHARGES

**RATE** 

Hydrant charge \$457.55

#### TERMS OF PAYMENT:

All valid charges for services are due fifteen (15) days from the postmark on the envelope in which the bill is transmitted.

**ISSUED:** 

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 **EFFECTIVE:** 

#### NO. 3: PRIVATE FIRE PROTECTION SERVICE

#### APPLICABILITY:

Applicable to customers throughout entire territory for private fire protection.

#### CHARACTER OF SERVICE:

The Company will use due diligence at all times to provide continuous service of the character or quality proposed to be supplied, but in case the service shall be interrupted or irregular or defective or fail the Company shall be liable and obligated only to use reasonable diligent efforts in the light of the circumstances then existing to restore service or to correct its characteristics.

#### RATE:

#### MONTHLY CONNECTION CHARGE

|               | <u>RATE</u> |
|---------------|-------------|
| 2" CONNECTION | \$ 10.55    |
| 4" CONNECTION | 52.60       |
| 6" CONNECTION | 105.16      |
| 8" CONNECTION | 168.32      |

#### PRIVATE FIRE HYDRANTS:

A charge of \$85 per month (\$1,020.00 per year) per hydrant will be made for all private fire hydrants except those hydrants served through a properly metered or regulated Private Fire Protection Service line. In the case of this exception, only the Monthly Connection Charge listed above will be charged for the Private Fire Protection Service line.

#### TERMS OF PAYMENT:

All valid charges for private fire protection service furnished under this schedule are to be rendered monthly or quarterly, at the customer's option, and valid bills are due and payable 15 days after the postmark on the envelope in which the bill was transmitted. Whenever service is established or discontinued during a billing period, the fixed service charge will be prorated on a daily basis to the date service is established or terminated.

ISSUED: EFFECTIVE:

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746

11th Revised Sheet No. 32 Superseding 10th Revised Sheet No. 32

#### RATE SCHEDULES

#### NO. 4: OTHER WATER SERVICE CHARGES

- 1) A charge of \$50.00 during normal working hours and a charge of \$100.00 after normal working hours shall be made for resumption of service after discontinuance due to nonpayment of bills or violation of Company's tariff.
- 2) A customer may request one meter test in a twelve (12) month period, without charge. In the event that a customer requests a meter test more frequently, there will be a charge of \$25.00 for testing the meter provided the meter test results are within the prescribed limits set by the Board of Public Utilities. For water meters, an adjustment of charges in accordance with Board of Public Utilities Regulations shall be made where the meter registers fast by one and one-half percent (1.5%). Test results shall be provided to the customer and kept on file at the Company's offices.
  - a) When a billing dispute is known to exist, the water utility shall, prior to removing the meter, advise the customer that the customer 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.
  - b) A meter test arising from a billing dispute may be appropriate in instances which include, but are not limited to, unexplained increased consumption, crossed meters, consumption while account is vacant or any other instance where the meter's accuracy might be an issue in a bill dispute.
- 3) There shall be a charge for removing and replacing meters damaged due to negligence of the customer, which will include labor, materials and transportation, not to exceed the cost of a new meter plus a turn on charge of \$50.00 during normal working hours and \$100.00 after normal working hours.
- 4) There shall be a turn on charge of \$50.00 for restoration when service has been discontinued at the request of the customer for seasonal reasons when the meter is not removed. If requested after normal working hours the turn on charge will be \$100.00. Field hours are 8:00 a.m. to 4:30 p.m.
- 5) Bad check charge should the Company receive a negotiable instrument from a customer in payment of a bill, charge or deposit due, and such instrument is subsequently dishonored or uncollectible for any reason, the Company shall charge the customer a handling charge of \$25.00 per instrument.
- 6) Where water is furnished for building purposes, a flat rate of \$100.00 shall apply payable in advance for each dwelling unit.
- 7) Terms of Payment: Valid bills for water service are due fifteen (15) days from the date of the postmark on which the bill was transmitted.

ISSUED: AUGUST 29, 2018 EFFECTIVE: AUGUST 29, 2018

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746

### NO. 5: BULK SALES

#### APPLICABILITY:

Applicable to the use of water supplied through contract bulk sales to municipalities. The following rates are based on sales to non-exempt customers.

#### RATE:

#### MONTHLY SERVICE CHARGES

| SIZE OF METER | <u>RATE</u> |  |
|---------------|-------------|--|
| 2"            | 174.86      |  |
| 4"            | 546.45      |  |
| 6"            | 1,092.95    |  |
| 8"            | 1,749,73    |  |

#### **VOLUME CHARGE**

USAGE RATE PER 1,000 GALLONS \$ 5.70

#### TERMS OF PAYMENT:

Payment is due 15 days from the date of the postmark for valid bills mailed to customers. Bills for metered water service are rendered monthly. Whenever service to a customer is established or terminated during a billing period the fixed service charge will be prorated on a daily basis to the date when service is established or discontinued to such customer.

The state of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which established a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates. Filed pursuant to decision of the Board of Public Utilities, Docket No.818-711, dated 2/9/82.

ISSUED:

BY: DAVID G. ERN, PRESIDENT GORDON'S CORNER WATER COMPANY 27 VANDERBURG ROAD MARLBORO, NJ 07746 EFFECTIVE:

#### GORDON'S CORNER WATER COMPANY

#### PROFORMA REVENUES UNDER STIPULATED RATES

| METER SIZE   | QUANTITY | STIPULATED TARIFF<br>RATE (Monthly) | ANNUAL FIXED REVENUES | % INCREASE |
|--|----------|-------------------------------------|-----------------------|------------|
| GENERAL METERED SERVICES   |          |                                     |                       |            |
| E/OII  | 40000    | <b>#04.00</b>                       | <b>\$0.704.557</b>    |            |
| 5/8"   | 10298    | \$21.86                             | \$2,701,557           |            |
| 3/4"   | 4270     | \$32.80                             | \$1,680,570           |            |
| 1"   | 61       | \$54.67                             | \$40,019              |            |
| 1 1/2"   | 12       | \$109.30                            | \$15,739              |            |
| 2"   | 55       | \$174.86                            | \$115,406             |            |
| 4"   | 19       | \$546.45                            | \$124,590             |            |
| 6"   | 3        | \$1,092.95                          | \$39,346              |            |
|  |          |                                     |                       |            |
| TOTAL FIXED SERVICE REVENUE  |          |                                     | \$4,717,227           | 15.00%     |
| PRIVATE FIRE SERVICE   |          |                                     |                       |            |
| 2"   | 15       | \$10.55                             | \$1,899               |            |
| 4"   | 16       | \$52.60                             | \$10,098              |            |
| 6"   | 37       | \$105.16                            | \$46,689              |            |
| 8"   | 74       | \$168.32                            | \$149,472             |            |
| TOTAL PRIVATE FIRE REVENUE   |          |                                     | \$208,158             | 20.00%     |
| PUBLIC FIRE SERVICE  |          | ANNUAL RATE                         |                       |            |
| HYDRANTS   | 1205     | \$457.55                            | \$551,345             |            |
| TOTAL PUBLIC FIRE REVENUE  |          |                                     | \$551,345             | 4.00%      |
| SALES FOR RESALE-ENGLISHTOWN (18.25 MG @ \$5,700/MG)                 |          |                                     | \$104,025             | 0.00%      |
| TOTAL REVENUES OTHER THAN FROM COMSUMPTION AND MISC. SERVICE REVENUE |          |                                     | \$5,580,755           |            |
| COBANK PATRONAGE DISTRIBUTION  |          |                                     | \$47,972              |            |
| MISCELLANEOUS SERVICE REVENUE  |          |                                     | \$39,870              |            |
| MISCELLANEOUS NON-OPERATING INCOME                                   |          |                                     | \$380,494             |            |
| CONSUMPTION REVENUE(Based on 1,434,930 gal x \$6.53/1000gal)         |          |                                     | \$9,370,173           | 4.15%      |
| PROFORMA REVENUES UNDER STIPULATED RATES                             |          |                                     | \$15,419,264          |            |

#### **SCHEDULE D**

## GORDON'S CORNER WATER COMPANY PURCHASED WATER COSTS

|  | 1,095,000        | PRO FORMA PURCHASED WATER COST | \$4,865,583 |
|--|------------------|--------------------------------|-------------|
| Marlboro Township Water Utility Division | 547,500          | \$5.74871                      | \$3,147,419 |
| VEOLIA-Matchaponix                       | 547,500          | \$3.1382                       | \$1,718,165 |
| SOURCE OF SUPPLY                         | THOUSAND GALLONS | COST PER THOUSAND GALLONS      | TOTAL COST  |