



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

WATER

IN THE MATTER OF THE PETITION OF MIDDLESEX	)	ORDER ADOPTING STIPULATION
WATER COMPANY FOR APPROVAL TO CHANGE THE	)	
LEVELS OF ITS PURCHASED WATER ADJUSTMENT	)	BPU DOCKET NO. WR24100782
CLAUSE PURSUANT TO N.J.A.C. 14:9-7.1, ET SEQ.	)	

**Parties of Record:**

**Jay L. Kooper, Esq. Vice President, General Counsel, & Secretary**, on behalf of the Petitioner,  
Middlesex Water Company

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

BY THE BOARD:

**BACKGROUND / PROCEDURAL HISTORY**

On October 7, 2024, pursuant to N.J.A.C. 14:9-7.1 et seq., Middlesex Water Company ("Middlesex" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting approval to change the levels of its Purchased Water Adjustment Clause ("PWAC") rates ("Petition"). By this Order, the Board considers a stipulation of settlement ("Stipulation") executed by Middlesex, the New Jersey Division of Rate Counsel, and Board Staff (collectively, "Parties") intended to resolve the Company's requests in the Petition.

Middlesex provides water services to approximately 61,000 retail water customers primarily in the eastern portion of Middlesex County.<sup>1</sup> Middlesex purchases water to meet its customers' needs through two (2) water purchase contracts. The first contract is for untreated water from the New Jersey Water Supply Authority ("NJWSA"). The second contract is for treated water from New Jersey-American Water Company, Inc. ("NJAW").

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<sup>1</sup> Middlesex also provides water service to approximately 300 customers in Cumberland County, New Jersey. The Cumberland County system is known as Bayview and is not physically interconnected with the rest of the Middlesex system. The Bayview system has its own water treatment, supply and distribution facilities and is not part of this instant matter.

## **PETITION**

By the Petition, Middlesex stated that it had been notified of a decrease in NJAW's PWAC rate from \$0.4731 per thousand gallons ("tg") to \$0.4568 per tg, as approved by the Board effective April 1, 2024.<sup>2</sup> Middlesex further stated that it was subsequently notified of an increase in NJAW's base rates from \$2.6992 per tg to \$2.9866 per tg, as approved by the Board effective September 15, 2024.<sup>3</sup>

By the Petition, Middlesex sought approval to increase its PWAC to recover increased purchased water costs, together with deferred costs and associated expenses including PWAC rate case expenses, gross receipts, and franchise taxes. By the Petition, the Company sought an increase in annual operating revenues of \$563,554 above pro forma present rate revenue of \$125,656,628, which represented an increase of approximately 0.45%.

By the Petition, Middlesex proposed to increase the current rate for Rate Schedule No. 1: General Water Service – GS (Tariff Sheet 33A) from \$0.0000 per thousand cubic feet to \$0.5557 per thousand cubic feet. By the Petition, Middlesex further proposed to increase the current rate for Rate Schedule No. 5: Service Under Contract – SC from \$0.00 per million gallons to \$21.75 per million gallons.

After proper notice, a Board-appointed Regulatory Officer presided over two (2) virtual public hearings on December 17, 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 by the Board.

On January 6, 2025, Middlesex provided updated schedules reflecting \$534,192 above pro forma present rate revenues, which represents an overall increase of approximately 0.43%.

## **STIPULATION**

After reviewing the Petition, its updates, and responses to discovery, the Parties executed the Stipulation, which provides:<sup>4</sup>

1. The purchased water costs, established in the Company's last base rate case Order amounted to \$7,145,545 as shown on Exhibit A, attached to and made a part of the Stipulation.<sup>5</sup> The new base cost of purchased water as agreed to by the Parties is agreed

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<sup>2</sup> In re the Petition of New Jersey-American Water Company, Inc. for Authorization to Change the Level of its Purchased Water Adjustment Clause and Purchased Wastewater Treatment Adjustment Clause, BPU Docket No. WR23110791, Order dated March 20, 2024.

<sup>3</sup> In re the Petition of New Jersey-American Water Company, Inc. for Approval of Increased Tariff Rates and Charges for Water and Wastewater Service, Change in Depreciation Rates, and Other Tariff Modifications, BPU Docket No. WR24010056; OAL Docket No. PUC 02409-24, Order dated September 4, 2024.

<sup>4</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. The paragraphs are numbered to coincide with the Stipulation.

<sup>5</sup> In re Middlesex Water Company for Approval of an Increase in its Rates for Water Service and Other Tariff Changes, BPU Docket No. WR23050292; OAL Docket No. PUC 04736-2023S, Order dated February 14, 2024.

to be \$7,448,785 resulting in an increase in purchased water cost of \$303,240, as more fully set forth in Exhibit A of the Stipulation.

2. The sum of the allowable expenses in this matter is set forth in Exhibit A of the Stipulation and is agreed to be \$534,192 including:
  - a. Rate proceeding expenses of \$27,918, comprised of \$825 of rate proceedings expenses [fifty percent (50%) of total rate proceeding expenses] and NJAW base rate case intervention costs of \$27,093;
  - b. Incremental purchased water costs of \$127,783; and
  - c. A revenue tax factor of 14.0871% and the resulting revenue tax of \$75,252.
3. For the purposes of this matter, the base consumption established in the Company's last base rate case in million gallons ("mg") is agreed to be 12,347.1 mg. This amount is reduced by the amount attributable to the Township of East Brunswick ("East Brunswick") of 2,647.4 mg, resulting in a base consumption for recovery of the PWAC of 9,699.8 mg as more fully set forth in Exhibit A of the Stipulation.<sup>6</sup>
4. For General Water Service customers under Rate Schedule No. 1, Revised Tariff Sheet No. 33A, a charge of \$0.5267 per thousand cubic feet shall be made to recover the increased purchased water costs, reflected on Rate Schedule No. 1, Revised Tariff Sheet No. 33A, attached and made a part of the Stipulation.
5. For Service Under Contract customers, Rate Schedule No. 5, Revised Tariff Sheet No. 40A, PWAC charges agreed to herein result in a charge of \$20.62 per million gallons, reflected on Rate Schedule No. 5, attached to and made part of the Stipulation.
6. As a result of the Stipulation, a residential customer with a 5/8" meter using 2,100 cubic feet or 15,708 gallons of water per quarter will see their bill increase from \$233.24 to \$234.35 per quarter, an increase of \$1.11 per quarter, or an increase of 0.48%. Upon approval by the Board, the Company shall file new tariff sheets with the Board, with copies to the Parties, in conformity with the Stipulation, to become effective on March 1, 2025.
7. Pursuant to N.J.A.C. 14:9-7.4, the Company shall file with the Board, not later than forty-five (45) days of the adjustment clause has been in effect for one year, a PWAC true-up schedule in connection with this proceeding. Copies of the true-up schedules shall be served upon all Parties to the present proceeding. Pursuant to N.J.A.C. 14:9-7.3, this PWAC, if approved by the Board, shall remain in effect until the Company's next base rate case, provided that the Company submits an annual year-end true-up as described above and an annual petition for adjustment of this PWAC amount pursuant to N.J.A.C. 14:9-7.4.

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<sup>6</sup> East Brunswick purchases untreated water under its own contract with the NJWSA. The Company pumps the untreated water to its primary treatment plant from intake connection with the NJWSA. East Brunswick takes delivery of the treated water, after the Company performs the water treatment services, from the Company's primary treatment plant. The Company does not purchase water from the NJWSA to fulfill its obligation under its contract with East Brunswick. Therefore, none of the increased purchased water costs sought or agreed to in this proceeding should be allocated to East Brunswick.

**DISCUSSION AND FINDINGS**

Having carefully reviewed the record in this matter, including the Petition, updates thereto, and the Stipulation, the Board **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY APPROVES** the attached Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully stated herein.

Accordingly, the Board **HEREBY APPROVES** the PWAC rates as set forth in the Stipulation to become effective as of March 1, 2025.

Based upon the Stipulation, the average bill for a typical customer with a 5/8" meter, using 2,100 cubic feet or 15,708 gallons of water per quarter will see their bill increase from \$233.24 to \$234.35 per quarter, an increase of \$1.11 per quarter.

The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order by March 1, 2025.

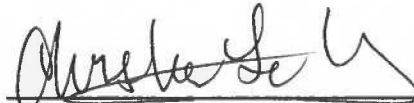
The Company's costs, including those related to its PWAC, remain subject to audit by the Board. This Order shall not preclude the Board from taking any actions deemed to be appropriate as a result of any Board audit.

The effective date of this Order is February 19, 2025.

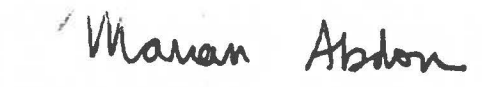
DATED: February 12, 2025

BOARD OF PUBLIC UTILITIES

BY:

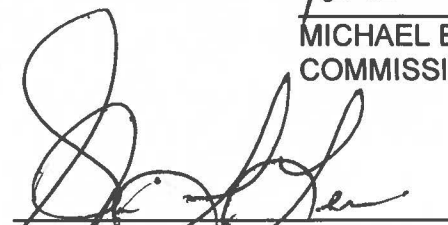
  
CHRISTINE GUHL-SADOVY  
PRESIDENT

  
DR. ZENON CHRISTODOULOU  
COMMISSIONER

  
MARIAN ABDOU  
COMMISSIONER

  
MICHAEL BANGE  
COMMISSIONER

ATTEST:

  
SHERRIL L. LEWIS  
BOARD SECRETARY

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

IN THE MATTER OF THE PETITION OF MIDDLESEX WATER COMPANY FOR APPROVAL  
TO CHANGE THE LEVELS OF ITS PURCHASED WATER ADJUSTMENT CLAUSE  
PURSUANT TO N.J.A.C. 14:9-7.1, ET SEQ.

BPU DOCKET NO. WR24100782

SERVICE LIST

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**Middlesex Water Company**

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**Board of Public Utilities**

44 South Clinton Avenue, 1<sup>st</sup> Floor  
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January 15, 2025

**Via Electronic Mail**

Honorable Sherri Golden  
Secretary of the Board  
New Jersey Board of Public Utilities  
44 South Clinton Avenue  
9<sup>th</sup> Floor  
Trenton, NJ 08625-0350

Re: In the Matter of Middlesex Water Company for Approval to Change the Levels of its  
Purchased Water Adjustment Clause Pursuant To N.J.A.C. 14:9-7.1 et seq.  
BPU Docket No. WR24100782  
**Stipulation of Settlement**

Dear Secretary Golden:

Enclosed for the Board's consideration in the above-referenced matter is a Stipulation of Settlement executed by Petitioner Middlesex Water Company ("Middlesex"), Staff of the New Jersey Board of Public Utilities ("Staff") and the New Jersey Division of Rate Counsel ("Rate Counsel"), and the exhibits supporting the Stipulation.

Please contact me at (732) 638-7506 or [jkooper@middlesexwater.com](mailto:jkooper@middlesexwater.com) with any questions or concerns with respect to this filing.

Very truly yours,

A handwritten signature in black ink that reads 'Jay Kooper'.

Jay L. Kooper  
Vice President, General Counsel & Secretary

Enclosures

cc: Service List (attached) (via electronic mail)



**In the Matter of the Petition of Middlesex Water Company for  
Approval to Change The Levels of its Purchased Water Adjustment Clause  
BPU Docket No. WR24100782  
~ Service List A ~**

**MIDDLESEX WATER COMPANY**

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<b>Tracy Tyrell</b> Middlesex Water Company <a href="mailto:tyrell@middlesexwater.com">tyrell@middlesexwater.com</a> (electronic only)	<b>Jenna Elsayed</b> Middlesex Water Company <a href="mailto:jelsayid@middlesexwater.com">jelsayid@middlesexwater.com</a> (Electronic only)	<b>Michele Tilley</b> Middlesex Water Company 485C Route One South Suite 400 Iselin, NJ 08830 <a href="mailto:mtilley@middlesexwater.com">mtilley@middlesexwater.com</a>
<b>Maria Lynn</b> Middlesex Water Company <a href="mailto:mlynn@middlesexwater.com">mlynn@middlesexwater.com</a> (electronic only)		

**BOARD OF PUBLIC UTILITIES/DIVISION OF LAW**

<b>Sherri Golden, Secretary</b> Board of Public Utilities Secretary 44 South Clinton Ave., Suite 314 PO Box 350 Trenton, NJ 08625 <a href="mailto:sherri.golden@bpu.nj.gov">sherri.golden@bpu.nj.gov</a>	<b>Pamela Owen</b> Division of Law Public Utilities Section R.J. Hughes Justice Complex 25 Market Street Trenton, NJ 08625 <a href="mailto:Pamela.Owen@law.njoag.gov">Pamela.Owen@law.njoag.gov</a>	<b>Kofi Ocansey</b> Board of Public Utilities Division of Water 44 South Clinton Ave., 9 <sup>th</sup> Floor P.O. Box 350 Trenton, NJ 08625 <a href="mailto:Kofi.Ocansey@bpu.nj.gov">Kofi.Ocansey@bpu.nj.gov</a>
<b>Michael Kammer</b> Board of Public Utilities Division of Water 44 South Clinton Ave., 9 <sup>th</sup> Floor P.O. Box 350 Trenton, NJ 08625 <a href="mailto:Mike.kammer@bpu.nj.gov">Mike.kammer@bpu.nj.gov</a>	<b>Meliha Arnautovic, DAG</b> Division of Law Public Utilities Section R.J. Hughes Justice Complex 25 Market Street P.O. Box 112 Trenton, NJ 08625 <a href="mailto:Meliha.Arnautovic@law.njoag.gov">Meliha.Arnautovic@law.njoag.gov</a>	<b>Stacy Peterson</b> Board of Public Utilities Division of Water 44 South Clinton Ave., 9 <sup>th</sup> Floor P.O. Box 350 Trenton, NJ 08625 <a href="mailto:stacy.peterson@bpu.nj.gov">stacy.peterson@bpu.nj.gov</a>
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<b>Kit Burnette</b> Board of Public Utilities Division of Water 44 South Clinton Ave., 9 <sup>th</sup> Floor P.O. Box 350 Trenton, NJ 08625 <a href="mailto:kit.burnette@bpu.nj.gov">kit.burnette@bpu.nj.gov</a>	<b>Charles Gurkas</b> Board of Public Utilities Division of Water 44 South Clinton Ave., 9 <sup>th</sup> Floor P.O. Box 350 Trenton, NJ 08625 <a href="mailto:charles.gurkas@bpu.nj.gov">charles.gurkas@bpu.nj.gov</a>	

**In the Matter of the Petition of Middlesex Water Company for  
Approval to Change The Levels of its Purchased Water Adjustment Clause  
BPU Docket No. WR24100782  
~ Service List A ~**

**DIVISION OF RATE COUNSEL**

<b>Brian Lipman, Esq.</b> Director Division of Rate Counsel 140 East Front Street, 4 <sup>th</sup> Floor P.O. Box 003 Trenton, NJ 08625 <a href="mailto:blipman@rpa.nj.gov">blipman@rpa.nj.gov</a>	<b>Susan McClure, Esq.</b> Managing Attorney Water & Wastewater Division of Rate Counsel 140 East Front Street - 4th Floor Trenton, NJ 08625 <a href="mailto:smcclure@rpa.nj.gov">smcclure@rpa.nj.gov</a>	<b>Emily Lam, Esq.</b> Assistant Deputy Rate Counsel Division of Rate Counsel 140 East Front Street – 4 <sup>th</sup> Floor Trenton, NJ 08625 <a href="mailto:elam@rpa.nj.gov">elam@rpa.nj.gov</a>
<b>Marilyn Silva</b> Division of Rate Counsel 140 East Front Street, 4 <sup>th</sup> Floor P.O. Box 003 Trenton, NJ 08625 <a href="mailto:msilva@rpa.nj.gov">msilva@rpa.nj.gov</a> <i>* Electronic Mail Only</i>	<b>Christine Juarez, Esq.</b> Assistant Deputy Rate Counsel Division of Rate Counsel 140 East Front Street – 4 <sup>th</sup> Floor Trenton, NJ 08625 <a href="mailto:cjuarez@rpa.nj.gov">cjuarez@rpa.nj.gov</a>	<b>Robert Henkes</b> Henkes Consulting 7 Sunset Road Old Greenwich, CT 06870 <a href="mailto:rhenkes13@gmail.com">rhenkes13@gmail.com</a>



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

<b>In the Matter of the Petition of</b>	<b>:</b>	<b><u>STIPULATION OF SETTLEMENT</u></b>
<b>Middlesex Water Company for</b>	<b>:</b>	
<b>Approval to Change the Levels of its</b>	<b>:</b>	
<b>Purchased Water Adjustment Clause</b>	<b>:</b>	<b>BPU Docket No. WR24100782</b>
<b>Pursuant to N.J.A.C. 14:9-7.1 et seq.</b>	<b>:</b>	

**APPEARANCES:**

Jay L. Kooper, Esq., Vice President, General Counsel & Secretary, on behalf of Middlesex Water Company, Petitioner

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

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

**TO THE BOARD OF PUBLIC UTILITIES:**

This Stipulation of Settlement ("Stipulation") resolves all issues in BPU Docket No. WR24100782 in which Middlesex Water Company ("Middlesex", "Company" or "Petitioner") seeks approval by the New Jersey Board of Public Utilities ("Board") of its Purchased Water Adjustment Clause ("PWAC") to recover increased purchased water costs, together with deferred costs, as more fully set forth in the exhibits attached to the petition and other materials filed herein. The parties to this Stipulation are Middlesex, the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") (collectively "Parties").

As a result of an analysis of Petitioner's pre-filed testimony and exhibits, discovery conducted, conferences, negotiations, and two (2) public hearings held virtually on December 17, 2024, the Parties have come to an agreement on the issues in dispute in this matter. The Parties hereto agree and stipulate as follows:

The procedural history of this matter is as follows:

On October 7, 2024, Petitioner, a public utility corporation of the State of New Jersey, pursuant to N.J.A.C. 14:9-7.1 et seq., filed a petition with the Board seeking approval for an increase in its PWAC to recover increased purchased water costs, together with deferred costs, and associated expenses including PWAC rate case expenses and gross receipts and franchise taxes. The Company originally requested an increase in annual operating revenue of \$563,554 above pro forma present rate revenues of \$125,656,628, which represents an overall increase of approximately 0.45%.

The Company purchases water through two (2) water purchase contracts. The first is for untreated water from the New Jersey Water Supply Authority ("NJWSA") and the second is for treated water from New Jersey-American Water Company, Inc. ("NJAW").

The Company was notified of a decrease in its purchased water rate from NJAW from \$0.4731 per thousand gallons (tg) to \$0.4568 per tg effective April 1, 2024 pursuant to BPU Docket No. WR23110791.

The Company was subsequently notified of an increase in base rates from NJAW from \$2.6992 per tg to \$2.9866 per tg effective September 15, 2024 pursuant to BPU Docket No. WR24010056.

The Board retained this matter for review and, after proper notice, two (2) public hearings were held virtually at 4:30 p.m. and 5:30 p.m. on December 17, 2024, with Board-appointed

Hearing Officer Alex Cary presiding. No members of the public attended. No written comments were received by the Board.

Subsequently, an agreement was reached among the Parties resulting in the following Stipulation:

1. The purchased water costs, established pursuant to Petitioner's last base rate order dated February 14, 2024 in BPU Docket No. WR23050292 amounted to \$7,145,545 as appears on the Exhibit A, attached and made a part of this Stipulation. The new base cost of purchased water as agreed to by the Parties is agreed to be \$7,448,785 resulting in an increase in purchased water cost of \$303,240, as more fully set forth in Exhibit A.

2. The Parties agree that the sum of the allowable expenses in this matter is set forth in Exhibit A and is agreed to be \$534,192 including:

- a. Rate proceedings costs of \$27,918, comprised of \$825 of rate proceeding expenses [fifty percent (50%) of total rate proceeding expenses] and NJAW base rate case intervention costs of \$27,093, which the Parties have determined after a review of the facts in this matter are just and reasonable expenses;
- b. Incremental purchased water costs of \$127,783; and
- c. A revenue tax factor of 14.0871% and the resulting revenue tax of \$75,252.

3. For purposes of this matter, the base consumption established in Petitioner's last base rate case in million gallons (mg) is agreed to be 12,347.1 mg. This amount is reduced by the amount attributable to the Township of East Brunswick ("East Brunswick") of 2,647.4 mg, resulting in a base consumption for recovery of the PWAC of 9,699.8 mg as more fully set forth in Exhibit A.<sup>1</sup>

4. For General Water Service ("GWS") customers under Rate Schedule No. 1, Revised Tariff Sheet No. 33A, a charge of \$0.5267 per thousand cubic feet shall be made to recover the increased purchased water costs, reflected on Rate Schedule No. 1, Revised Tariff Sheet No. 33A, attached and made a part of this Stipulation.

5. For service under contract customers, Rate Schedule No. 5, Revised Tariff Sheet No. 40A, PWAC charges agreed to herein result in a charge of \$20.62 per million gallons, reflected on Rate Schedule No. 5, attached and made part of this Stipulation.

6. As a result of this Stipulation, a residential customer with a 5/8" meter using 2,100 cubic feet or 15,708 gallons of water per quarter will see their water bill increase from \$233.24 to \$234.35 per quarter, an increase of \$1.11 per quarter, or an increase of 0.48%. Upon approval by the Board, the Petitioner shall file new tariff sheets with the Board, with copies to the Signatory Parties, in conformity with this Stipulation, to become effective on March 1, 2025.

7. Pursuant to N.J.A.C. 14:9-7.4, Petitioner shall file with the Board, not later than forty-five (45) days after the adjustment clause has been in effect for one (1) year, a PWAC true-up schedule in connection with this proceeding. Copies of the true-up schedules shall be served

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<sup>1</sup> East Brunswick purchases untreated water under its own contract with the NJWSA. The Company pumps the untreated water to its primary treatment plant from the intake connection with the NJWSA. Once the Company performs the water treatment services, East Brunswick takes delivery of the treated water at the Company's primary treatment plant. The Company does not purchase water from the NJWSA to fulfill its obligation under its contract with East Brunswick. Therefore, none of the increased purchased water costs sought or agreed to in this proceeding should be allocated to East Brunswick.



upon all Parties to the present proceeding. Pursuant to N.J.A.C. 14:9-7.3, this PWAC, if approved by the Board, shall remain in effect until the Company's next base rate case, provided that the Company submits an annual year-end true-up as described above and an annual petition for adjustment of the PWAC amount in accordance with N.J.A.C. 14:9-7.4.

8. This Stipulation is the product of negotiations by the Parties, and it is an express condition of the settlement embodied by this Stipulation that it be presented to the Board in its entirety without modification or condition. It is also the intent of the Parties to this Stipulation that this settlement, once accepted and approved by the Board, shall govern all issues specified and agreed to herein. The Parties to this Stipulation specifically agree that if adopted in its entirety by the Board, no appeal shall be taken by them from the order adopting same as to those issues upon which the Parties have stipulated herein. The Parties agree that the within Stipulation reflects mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation as a whole, since the Parties hereto expressly and jointly state that they would not have signed this Stipulation had any individual terms been modified in any way. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, then any Party hereto materially affected thereby shall not be bound to proceed under this Stipulation. The Parties further agree that the purpose of this Stipulation is to reach fair and reasonable rates, and that it will avoid costly litigation of certain issues, and that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Parties shall be prohibited from, or prejudiced in, arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter.

9. It is specifically understood and agreed that this Stipulation has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Company,

Staff and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of the Stipulation.

10. All rates are subject to audit by the Board.

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

MIDDLESEX WATER COMPANY

January 15, 2025  
Date

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

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

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Steven A. Chaplar,  
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.  
DIRECTOR – DIVISION OF RATE COUNSEL

\_\_\_\_\_  
Date

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



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MIDDLESEX WATER COMPANY

\_\_\_\_\_  
Date


By:

\_\_\_\_\_  
Jay L. Kooper, Esq.  
Vice President, General Counsel & Secretary

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

January 15, 2025  
Date

By:

  
\_\_\_\_\_  
Steven A. Chaplar,  
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.  
DIRECTOR – DIVISION OF RATE COUNSEL

\_\_\_\_\_  
Date

By:

\_\_\_\_\_  
Susan McClure, Esq.  
Managing Attorney, Water and Wastewater

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MIDDLESEX WATER COMPANY

\_\_\_\_\_  
Date

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

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

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Steven A. Chaplar,  
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.  
DIRECTOR – DIVISION OF RATE COUNSEL

\_\_\_\_\_  
Date

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

**MIDDLESEX WATER COMPANY  
PURCHASED WATER ADJUSTMENT CLAUSE  
PROPOSED COST PER UNIT OF VOLUME  
BPU DOCKET NO. WR24100782**

PURCHASED WATER COSTS PURSUANT TO BPU DOCKET NO. WR23050292	\$ 7,145,545
NEW COST OF PURCHASED WATER (EXHIBIT E, PAGE 2 OF 3)	7,448,785
INCREASE IN BASE PURCHASED WATER COST	<u>\$ 303,240</u>
RATE PROCEEDINGS COSTS (EXHIBIT G)	\$ 27,918
INCREMENTAL PURCHASED WATER COSTS (EXHIBIT E, PAGE 3 OF 3)	\$ 127,783
REVENUE TAX FACTOR @ (EXHIBIT H) 14.0871%	\$ 75,252
SUM OF ALLOWABLE EXPENSES	<u><u>\$ 534,192</u></u>
BASE CONSUMPTION - MILLION GALLONS (MG)	MG
BASE CONSUMPTION PURSUANT TO BPU DOCKET NO. WR23050292	<u>12,347.1</u>
LESS: EAST BRUNSWICK PURSUANT TO BPU DOCKET NO. WR23050292	<u>(2,647.4)</u>
BASE CONSUMPTION FOR RECOVERY OF PWAC	<u><u>9,699.8</u></u>
CURRENT PWAC RATE PER TCF (RATE SCHEDULE NO. 1, SHEET NO. 33A)	\$0.0000
CURRENT PWAC RATE PER MG (RATE SCHEDULE NO. 5, SHEET NO. 40A)	\$0.0000
PROPOSED PWAC RATE PER TCF (RATE SCHEDULE NO. 1, SHEET NO. 33A)	\$0.5267
PROPOSED PWAC RATE PER MG (RATE SCHEDULE NO. 5, SHEET NO. 40A)	\$20.6200

MIDDLESEX WATER COMPANY

B.P.U. No. 1 - WATER

Eighteenth Revised Sheet No. 33A  
Cancelling

Seventeenth Revised Sheet No. 33A

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RATE SCHEDULE NO. 1 (Continued)

GENERAL WATER SERVICE – GS

PURCHASED WATER ADJUSTMENT CLAUSE (PWAC) CHARGES

A charge of \$ 0.5267 per thousand cubic feet will be made to recover the increased purchased water costs.

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Date of Issue: October 7, 2024

Effective for service

Rendered on and after:

Issued by: Nadine Leslie, President  
485C Route 1 South  
Suite 400  
Iselin, New Jersey 08830-0452

March 1, 2025

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_, 2025, in  
Docket No. WR24100782.

MIDDLESEX WATER COMPANY

B.P.U. No. 1 - WATER

Eighteenth Revised Sheet No. 40A  
Cancelling  
Seventeenth Revised Sheet No. 40A

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RATE SCHEDULE NO. 5

SERVICE UNDER CONTRACT - SC

PURCHASED WATER ADJUSTMENT CLAUSE (PWAC) CHARGES

A charge of \$20.62 per million gallons will be made to recover the increased purchased water costs.

---

Date of Issue: October 7, 2024

Issued by: Nadine Leslie, President  
485C Route 1 South  
Suite 400  
Iselin, New Jersey 08830-0452

Effective for service  
Rendered on and after:

March 1, 2025

Filed pursuant to an Order of the Board of Public Utilities, State of New Jersey dated \_\_\_\_\_, 2025, in  
Docket No. WR24100782.

MIDDLESEX WATER COMPANY  
PURCHASED WATER ADJUSTMENT CLAUSE  
BPU DOCKET NO. WR24100782

			PROPOSED RATES	
			PWAC RATE	REVENUE
RESIDENTIAL	USAGE (CCF)	476,023,598	0.0005267	250,722
COMMERCIAL	USAGE (CCF)	257,381,992	0.0005267	135,563
INDUSTRIAL	USAGE (CCF)	139,923,203	0.0005267	73,698
SUBTOTAL				459,982
PRIVATE FIRE	USAGE (CCF)	12,923,447	0.0005267	6,807
PUBLIC FIRE	USAGE (CCF)		0.0005267	
SUBTOTAL				6,807
SUB-TOTAL				466,789
EAST BRUNSWICK	USAGE (MG)	2,647.359	N/A	0
EDISON / HIGHLAND PARK	USAGE (MG)	979.505	20.62	20,197
RAHWAY	USAGE (MG)	194.802	20.62	4,017
OLD BRIDGE MUA	USAGE (MG)	998.539	20.62	20,590
MARLBORO	USAGE (MG)	1,092.568	20.62	22,529
SUBTOTAL				67,333
ROUNDING				70
TOTAL PWAC REVENUE				534,192



**MIDDLESEX WATER COMPANY  
PURCHASED WATER ADJUSTMENT CLAUSE  
PROPOSED COST PER UNIT OF VOLUME  
BPU DOCKET NO. WR24100782**

PURCHASED WATER COSTS PURSUANT TO BPU DOCKET NO. WR23050292	\$ 7,145,545
NEW COST OF PURCHASED WATER (EXHIBIT E, PAGE 2 OF 3)	7,448,785
INCREASE IN BASE PURCHASED WATER COST	<u>\$ 303,240</u>
RATE PROCEEDINGS COSTS (EXHIBIT G)	\$ 27,918
INCREMENTAL PURCHASED WATER COSTS (EXHIBIT E, PAGE 3 OF 3)	\$ 127,783
REVENUE TAX FACTOR @ (EXHIBIT H) 14.0871%	\$ 75,252
SUM OF ALLOWABLE EXPENSES	<u><u>\$ 534,192</u></u>
BASE CONSUMPTION - MILLION GALLONS (MG)	MG
BASE CONSUMPTION PURSUANT TO BPU DOCKET NO. WR23050292	<u>12,347.1</u>
LESS: EAST BRUNSWICK PURSUANT TO BPU DOCKET NO. WR23050292	<u>(2,647.4)</u>
BASE CONSUMPTION FOR RECOVERY OF PWAC	<u><u>9,699.8</u></u>
CURRENT PWAC RATE PER TCF (RATE SCHEDULE NO. 1, SHEET NO. 33A)	\$0.0000
CURRENT PWAC RATE PER MG (RATE SCHEDULE NO. 5, SHEET NO. 40A)	\$0.0000
PROPOSED PWAC RATE PER TCF (RATE SCHEDULE NO. 1, SHEET NO. 33A)	\$0.5267
PROPOSED PWAC RATE PER MG (RATE SCHEDULE NO. 5, SHEET NO. 40A)	\$20.6200

MIDDLESEX WATER COMPANY  
PURCHASED WATER ADJUSTMENT CLAUSE  
BPU DOCKET NO. WR24100782

**SCHEDULE OF BASE COSTS OF PURCHASED WATER**  
PER MWC BPU DOCKET NO. WR23050292

<u>PURVEYOR</u>	<u>RATE PER MG</u>	<u>RATE PER MONTH</u>	<u>MINIMUM TAKE OR PAY AMOUNTS (MG)</u>	<u>COST</u>
<u>NEW JERSEY AMERICAN WATER</u>				
BASE RATE TARIFF SCHEDULE G (BPU DOCKET NO. 22010019)	\$2,699.20		1,095.0	\$2,955,624
PWAC RATE SCHEDULE O-1 (BPU DOCKET NO. WR22110693)	\$473.10			\$518,045
TOTAL NEW JERSEY AMERICAN WATER COST PER MG	\$3,172.30			
BASELINE ADDITIONAL WATER PURCHASES	\$3,172.30		23.5	\$74,549
LSLRC FIXED CHARGE PER MONTH (BPU DOCKET NO. WR22010017)		\$21.05		\$252.60
TOTAL NEW JERSEY AMERICAN WATER				\$3,548,470
<u>NEW JERSEY WATER SUPPLY AUTHORITY</u>				
BASE RATE - TIER 1 (27 MGD)	\$365.00		9,855.0	\$3,597,075
BASE RATE - TIER 2 (Purchases Above Base Contract)	\$438.00			\$0
TOTAL NEW JERSEY WATER SUPPLY AUTHORITY				\$3,597,075
			<u>10,973.5</u>	<u>\$7,145,545</u>

**SCHEDULE OF PROJECTED REVISED PURCHASED WATER COSTS**

<u>PURVEYOR</u>	<u>RATE PER MG</u>	<u>MINIMUM TAKE OR PAY AMOUNTS (MG)</u>	<u>COST</u>
<u>NEW JERSEY AMERICAN WATER</u>			
BASE RATE TARIFF SCHEDULE G (BPU DOCKET WR24010056)	\$2,986.60	1,095.0	\$3,270,327
PWAC RATE SCHEDULE O-1 (BPU DOCKET NO. WR23110791)	\$456.80		\$500,196
TOTAL NEW JERSEY AMERICAN WATER COST PER MG	\$3,443.40		
BASELINE ADDITIONAL WATER PURCHASES	\$3,443.40	23.5	\$80,920
LSLRC FIXED CHARGE PER MONTH (BPU DOCKET NO. WR22010017) (Fixed Service Charge Effective 7/1/2024)		\$21.24	\$254.88
SPECIAL PROGRAM CHARGE (BPU DOCKET NO. WR23050275) (Fixed Service Charge Effective 6/1/2024)		\$0.99	\$11.88
TOTAL NEW JERSEY AMERICAN WATER			\$3,851,710
<u>NEW JERSEY WATER SUPPLY AUTHORITY</u>			
BASE RATE - TIER 1 (27 MGD)	\$365.00	9,855.0	\$3,597,075
BASE RATE - TIER 2 (Purchases Above Base Contract)	\$438.00		\$0
TOTAL NEW JERSEY WATER SUPPLY AUTHORITY			\$3,597,075
		<u>10,973.5</u>	<u>\$7,448,785</u>

**MIDDLESEX WATER COMPANY  
PURCHASED WATER ADJUSTMENT CLAUSE  
BPU DOCKET NO. WR24100782**

**Incremental Purchased Water Costs (Contract Requirement)**

		Take/Pay	Days in	
NJAWC - 9/15/24 thru 3/1/25 <sup>1</sup>	Base Rate	Volume (MGD)	Period	Total Cost
Base Rate (Effective 9/15/24)	\$ 2,986.60	3.0	167	\$ 1,496,287
Base Rate (In MWC Rates Effective 1/1/24)	<u>\$ 2,699.20</u>	3.0	167	<u>\$ 1,352,299</u>
Change	\$ 287.40			\$ 143,988
		Take/Pay	Days in	
NJAWC - 4/1/24 thru 3/1/25 <sup>1</sup>	PWAC Rate	Volume (MGD)	Period	Total Cost
PWAC Rate (Effective 4/1/24)	\$ 456.80	3.0	334	\$ 457,714
PWAC Rate (In MWC Rates Effective 1/1/24)	<u>\$ 473.10</u>	3.0	334	<u>\$ 474,046</u>
Change	\$ (16.30)			\$ (16,332)
		Fixed Charge	Months in	
NJAWC - 7/1/24 thru 3/1/25 <sup>1</sup>		per Month	Period	Total Cost
LSLRC (Effective 7/1/24)	\$ 254.88	8		\$ 2,065
LSLRC (In MWC Rates Effective 1/1/24)	<u>\$ 252.60</u>	8		<u>\$ 2,046</u>
Change	\$ 2.28			\$ 18
		Fixed Charge	Months in	
NJAWC - 6/1/24 thru 3/1/25 <sup>1</sup>		per Month	Period	Total Cost
Special Program Charge (Effective 6/1/2024)	\$ 11.88	9		\$ 108
Special Program Charge (In MWC Rates Effective 1/1/24)	<u>\$ -</u>	9		<u>\$ -</u>
Change	\$ 11.88			\$ 108
Total Deferred Purchased Water Costs				<u>\$ 127,783</u>

<sup>1</sup> Assumes MWC PWAC rate effective date of 3/1/25.

**MIDDLESEX WATER COMPANY  
PURCHASED WATER ADJUSTMENT CLAUSE  
RATE PROCEEDINGS COSTS  
BPU DOCKET NO. WR24100782**

MWC 2024 PWAC Proceeding Costs

Court Reporter	\$650	
Public Hearing Notices	750	
Public Hearing Rental Space	150	
Misc Supplies	100	
Total	<u>\$1,650</u>	
50% Sharing	<u>50%</u>	\$825

NJAWC Base Rate Case Intervention Costs (1)	<u>\$27,093</u>
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Total Costs	<u><u>\$27,918</u></u>
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(1) Costs incurred as an active intervenor in the New Jersey American Water Company (NJAWC) base rate proceeding (BPU Docket No. WR24010056).

**MIDDLESEX WATER COMPANY  
PURCHASED WATER ADJUSTMENT CLAUSE  
TAX GROSS UP CALCULATION  
BPU DOCKET NO. WR24100782**

		@ 7/1/2024 89.952618%
	Total Tax Rates	Public/Private ROW Adjustment
Franchise - Excise	0.6250%	0.5622%
Franchise	5.0000%	4.4976%
Gross Receipts - Excise	0.9375%	0.9375%
Gross Receipts	7.5000%	7.5000%
Total GRAFT Rate	14.0625%	13.4973%
NJBPU/RC Assessment (A)	0.2631%	0.2631%
Bad Debt	0.3267%	0.3267%
Total		14.0871%

(A)

NJBPU:	0.00217589228476	2024 Assessment Invoice
Rate Counsel:	0.000455380760000	2024 Assessment Invoice
	0.002631273044760	