

NOTICE OF PUBLIC HEARING

NOTICE OF FILING OF THE PETITION OF NEW JERSEY-AMERICAN WATER COMPANY, INC. FOR APPROVAL OF PROPOSED COST RECOVERY OF LEAD SERVICE REPLACEMENT PLAN BPU Docket No. WR22010017

PLEASE TAKE NOTICE that on January 14, 2022, New Jersey-American Water Company, Inc. (“Company” or “NJAWC”) filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval of its cost recovery plan for the replacement of Company and customer side lead service lines, pursuant to N.J.S.A. 48:2-13, 48:2-16, 48:2-21, and 58:12A-45 and N.J.A.C. 14:1-5.12 (“Petition”). As part of the Petition, NJAWC included its plan to replace lead service lines in its service territory and for associated cost recovery (“LSLR Plan”). The LSLR Plan includes replacement of customer-owned lead service lines, including goosenecks and galvanized as required by N.J.S.A. 58:12A-40 et seq. (together, “LSLs”), in conjunction with main replacement and relocation projects using the Company’s prioritization model previously reviewed in prior filings with the Board, as well as through other means as the replacement program progresses over the next ten (10) years.

Following the Board’s approval of this LSLR Plan on October 12, 2022, the Company made its first semi-annual filing with the Board on November 30, 2022 (“First LSLR Plan Surcharge Filing”), which included the setting forth of the estimated amount of project costs in connection with the replacement of customer-owned LSLs for the first five (5) years. On March 10, 2025, the Company filed an update to the Petition and its First LSLR Plan Surcharge Filing, which revised the estimated range of average monthly bill impact for the first five (5) years of the LSLR Plan (“Update”).

Although not being collected as a result of this Update to the Petition, the estimated range of monthly bill impacts are projected costs to be incurred semi-annually in connection with the

replacement of customer-owned LSLs for the remainder of the first five (5) years of the LSLR Plan approved by the Board [each six (6) month period, hereinafter a “Subsequent Surcharge Period”]. The total amount to be recovered through each surcharge will also include carrying costs based on the Company’s embedded cost of long-term debt authorized by the Board in the Company’s rate proceeding applicable to the period during which costs were incurred and updated accordingly when new base rate case proceedings occur. The monthly LSLR surcharge is assessed to the following rate schedules: Rate Schedules A-1 through A-16 (“GMS”); and Rate Schedule F- OIW, Rate Schedules E, H, I, J, Rate Schedules C and D – Commodity Demand, Rate Schedule G- SOS, and Rate Schedules L-1 through L-12 – Private Fire Service (collectively, “non-GMS”).

The average monthly bill impact for the project costs associated with replacing customer-owned LSLs will vary depending on the actual amount of expense incurred during the replacement period. The actual amount charged to GMS customers will vary based on actual usage and the actual amount charged to non-GMS will vary based on actual customer count. The estimated average monthly bill impact for each Subsequent Surcharge Period may result in a surcharge of up to \$4.89 for GMS customers, and \$64.02 for non-GMS customers, depending on a variety of factors, including applicable rate schedule, customer count, usage, and the actual project costs incurred.

The typical residential water customer consuming an average of 5,642 gallons per month may see a surcharge of up to \$4.89 per month. In its surcharge filings, the Company will only seek cost recovery of the actual project costs incurred in connection with the replacement of customer-owned LSLs. The proposed changes provide no profits for the Company.

PLEASE TAKE FURTHER NOTICE virtual public hearings on the Update to the Petition will be conducted on the following date and times so that members of the public may present their views on the update to the petition:

Date: May 8, 2025

Times: 4:30 pm and 5:30 pm

Link: <https://bit.ly/4jt8L2V>

Dial-In Number: 1-862-294-2638

Phone conference ID: 730 890 174#

The virtual public comment hearings will be presided over by a hearing officer designated by the Board. Representatives of the Company, Board Staff and the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the link or dial-in information set forth above to express their views on the Update to the Petition. All comments will become part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, at least forty-eight (48) hours prior to the above hearing to the Board Secretary at board.secretary@bpu.nj.gov.

Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s Document Search tool, <https://publicaccess.bpu.state.nj.us>. Comments are considered public documents for purposes of the State’s Open Public Records Act. Only submit public documents using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board, Sherri L. Lewis. Please include “Confidential Information” in the subject line of any email.

Instructions for confidential e-filing are found on the Board's webpage,
<https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:

Sherri L. Lewis, Secretary of the Board
44 South Clinton Ave., 1st Floor
PO Box 350
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

Any relief determined by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers of the Company in such manner and, in such amounts or percentages, as the Board may deem appropriate. The Board may choose to impose a greater portion of the increase on any present or future class or classes, group or groups of customers, may exclude from any increase any of the foregoing, or may vary the amount of percentage increase applicable to any of the foregoing.

BY: MARK K. MCDONOUGH
PRESIDENT

NEW JERSEY AMERICAN WATER
1 WATER STREET
CAMDEN, NEW JERSEY 08102