NOTICE OF PUBLIC HEARING

IN THE MATTER OF VEOLIA WATER NEW JERSEY, INC. DISTRIBUTION SYSTEM IMPROVEMENT CHARGE FOUNDATIONAL FILING PURSUANT TO N.J.A.C. 14:9-10.4

BPU Docket No. WR24060400

TO OUR CUSTOMERS:

PLEASE TAKE NOTICE that on June 10, 2024, Veolia Water New Jersey, Inc. ("Company") filed a petition ("Petition") with the New Jersey Board of Public Utilities ("Board" or "BPU"), seeking approval of a Foundational Filing to implement a Distribution System Improvement Charge ("DSIC"), pursuant to N.J.A.C. 14:9-10.1 et seq. A DSIC is a rate recovery mechanism to encourage and support accelerated rehabilitation and replacement of certain non-revenue producing, critical water distribution components. Its purpose is to enhance safety, reliability, water quality, systems flows and pressure, and/or conservation. A DSIC rate is interim, subject to refund, until the subsequent base rate case.

The Company's Petition consists of a Foundational Filing. The Foundational Filing lists the proposed projects from 2024 through 2028. If the Foundational Filing is approved, the Company will be required to file a base rate case within three years of the effective date of the Foundational Filing. Please note that the Company proposes to collect a maximum DSIC revenue requirement of \$17,805,103 annually. The Company will implement the DSIC surcharge if, and when, it achieves specific levels of infrastructure investment and completes and places the facilities into service as required by N.J.A.C. 14:9-10.1 et seq.

The Company has proposed that the monthly DSIC surcharge be assessed to the following services and classes of customers based on the customer's meter size: General Metered Service. The maximum proposed rates shown below are expected to be assessed incrementally over a two-to-three year period, commensurate with the Company's actual DSIC program capital spending.

The maximum proposed monthly DSIC rates are contained in the Petition filed with the Board, as set forth below. These proposed rates are estimates and may change. However, the maximum annual DSIC revenue requirement, \$17,805,103, cannot be exceeded.

PROPOSED DSIC SURCHARGE RATES BASED ON METER SIZE

<u>General Metered Service</u> <u>Maximum Monthly DSIC Surcharge:</u>

Size of Meter	5/8" Equivalent*	Proposed Rates
5/8"	1.0	\$4.08
3/4"	1.5	\$6.10
1"	2.5	\$10.17
1-1/2"	5.0	\$20.38
2"	8.0	\$32.62
3"	15.0	\$61.18
4"	25.0	\$101.98
6"	50.0	\$203.98
8"	80.0	\$326.38
10"	115.0	\$469.18
12"	165.0	\$673.20

^{*}Based on American Water Works Association flow rates. A 5/8" meter is equivalent to one unit, whereas a 1-inch meter is equivalent to 2.5 units based on the amount of water that will flow through the meter size.

PLEASE TAKE FURTHER NOTICE that a virtual public hearing on the Company's Petition has been scheduled for:

Date: September 12, 2024

Times: 4:30 pm and 5:30pm

Link: https://saul.zoom.us/j/93991408159?pwd=FRI9Ou6LrueI6YItTfbNbywPaAcZ9b.1

Meeting ID: 939 9140 8159

Passcode: 704072

Dial-In Number: +1 646 558 8656

A hearing officer designated by the Board will preside over the public comment hearing. Members of the public are invited to attend and express their views on the proposed DSIC mechanism. Such comments will be made a part of the final record in the proceeding. Written comments may be submitted to the Hon. Sherri Golden, Secretary, Board of Public Utilities, 44 S. Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. Please include Docket Number WR24060400 in your comment letter.

Notice of the Petition was also served on the Clerks of Municipalities, County Executives and the Clerks of the County Boards of Freeholders in the service area of the Company. Further information and copies of the Petition may be obtained at the Board's offices located at 44 S. Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. The filing is available online at: www.myveoliawater.com.

Please submit any requests for special accommodation at least 72 hours prior to this hearing to Veolia Water New Jersey, contact person: Elda Gil, Director of Regulatory Business, elda.gil@veolia.com or (201) 750-5738.