



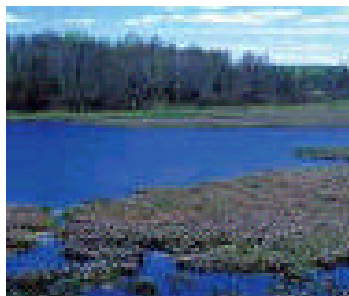
# NEW JERSEY DIVISION OF THE RATEPAYER ADVOCATE *CURRENT WATER ISSUES*

## THE RATEPAYER ADVOCATE WORKS TO ENSURE CLEAN, SAFE, AFFORDABLE WATER FOR ALL RATEPAYERS

The Division of the Ratepayer Advocate was established to represent the interests of all water, wastewater, natural gas, electric, telecommunications and cable TV utility customers whenever companies file applications before the Board of Public Utilities ("BPU") that would change rates and services. The professional efforts of the legal staff of the Ratepayer Advocate focus on ensuring that utilities provide safe and adequate services at the most reasonable rates possible. The Ratepayer Advocate is also an active participant in utility policy-making by the BPU, Legislature and State and Federal agencies including the Department of Environmental Protection ("DEP").

In 2002 the Water unit of the Ratepayer Advocate participated in many matters involving New Jersey's regulated water and wastewater utilities seeking over \$28 million in rate increases at the BPU. Many of the petitions sought reimbursement for their investments for essential new treatment works, new or replacement pipes and mains, water tank repair and replacement, wage increases, and other increased expenses such as chemicals and fuel costs. The cost of providing clean and safe water in New Jersey has indeed risen and, it is anticipated to increase in the future. Notwithstanding, last year, the Ratepayer Advocate was able to reduce the impact of the rate increases finally awarded by the BPU by approximately \$12 million.

However, there is more to the Ratepayer Advocate's mission than representation of ratepayers when companies seek to raise their rates. The Ratepayer Advocate supports coordination among all state agencies and sound planning for the future as another important way to protect consumers' interests. Utility customers' perspectives are also essential for public policy-making. As the stories that follow show, this administration is working hard to enhance New Jersey's clean, safe drinking



water supplies. The Ratepayer Advocate supports their efforts to keep clean water available and rates affordable for all people of New Jersey.

## KEEP OUR WATER CLEAN AND PLENTIFUL

A key environmental priority of the McGreevey Administration is to strengthen protection of New Jersey's water resources. The most recent drought emergency, the latest statewide drought emergency, was a clarion call to better stewardship if we are going to provide communities with safe and reliable water supplies in the future. The BPU and the Ratepayer Advocate have been involved with the efforts of water utilities to bolster their supplies. The two agencies have also been reviewing the claims of water and wastewater utilities that drought emergencies have had a negative impact on the revenues of those regulated utilities.

Water utilities generally rely on the revenues generated by "summer sales" of water to meet revenue targets for a given year. Water supply and distribution systems are designed to meet the "peak" demands that usually occur on the hottest, driest days and weeks of the year. The water sales generated during those periods are expected to pay for the infrastructure that must be built and maintained for the rest of the year. Water use restrictions, such as lawn sprinkling bans, may interfere with the ability of a water utility to recover its investment in water supply and infrastructure. These are issues that are becoming increasingly significant in the rate review petitions filed with the BPU. The Ratepayer Advocate will analyze carefully the claims of revenue shortfalls by utilities.

Maintaining adequate water supplies is not only a paramount public health concern but is also important from an economic perspective as well. Among the initiatives being undertaken to strengthen protection of clean safe waters are greater incentives for water reuse and water recycling, and long-term changes in water use practices.

## **DROUGHT EMERGENCY LIFTED: WATER CONSERVATION STILL ESSENTIAL**

On January 8, 2003, Governor James E. McGreevey lifted the statewide drought emergency that had been in place since March 5, 2002. Water use restrictions imposed by the state in March 2002, including a ban on watering lawns, were relaxed in June 2002 after a wet spring, but were reinstated after a parched July and August 2002. Before the heavy rains came in the fall of 2002, New Jersey had just experienced its driest period in more than 100 years. The 16 inches of rain that fell during the unusually soggy fall were enough to boost northern reservoirs to well above the norm for January 2003.



In lifting the drought emergency, Gov. McGreevey announced that “the short-term crisis is over, but the long-term threat remains.” McGreevey also asked all New Jerseyans to work together to protect our waterways, to end crisis-to-crisis management of our most precious resource and to stop the over-development and sprawl that threaten to destroy New Jersey’s water supplies and quality of life.

In January 2003 after the drought emergency was lifted, New Jersey remained under a drought warning because underground well supplies in south Jersey were still below average. The drought warning also gave officials the authority to block construction that would affect water supplies. However, due to the significant amounts of snow that fell in the beginning of 2003, on March 21, 2003 the drought warning was lifted. As of April 2003, no statewide water use restrictions are in effect.

To protect our water supplies against future water shortages, all consumers must be better stewards of water resources to ensure that there will be safe and reliable water supplies for the State’s growing communities and for future generations.



**GOVERNOR JAMES E. MCGREEVEY**

## **WATER CONSERVATION TIPS**



Is your water costing you more than it used to? Are you using more water than you thought? You’d be surprised how much you can save by water conservation. It not only will help save water, it will also save you money. The following tips can help you live a more water-wise lifestyle:

- \* Never pour water down the drain if there is another use for it such as watering a plant or garden, or for cleaning around your home.
- \* Repair dripping faucets by replacing washers. If your faucet is dripping at a rate of one drop per second, you will waste 2,700 gallons per year.
- \* Check for toilet tank leaks by adding food coloring to the tank. If the toilet is leaking, color will appear in the toilet bowl within 30 minutes. Check the toilet for worn out, corroded or bent parts. Most replacement parts are inexpensive, readily available and easily installed.
- \* Take shorter showers. Replace your showerhead with an ultra-low-flow version.
- \* Place a bucket in the shower to catch excess water and use to water plants. The same technique can be used when washing dishes or vegetables in the sink.
- \* Conserve water because it is the right thing to do. Conserve water even if someone else is footing the bill, such as when you are staying at a hotel.
- \* Try to do one thing each day that will result in saving water. Each saving maybe minimal but every drop counts. You can make a difference.

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