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August 14, 2019

VIA OVERNIGHT DELIVERY

Honorable Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, Suite 314
P.O. Box 350
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of Aqua New Jersey, Inc.,
Wallkill Wastewater Division, for Approval of a 2018 Purchased
Wastewater Treatment Adjustment Clause True-Up
and Other Required Approvals
BPU Docket No. WR19

Dear Secretary Cahacho-Welch:

Enclosed for filing please find an original and ten (10) copies of a Petition submitted on behalf of Aqua New Jersey, Inc., ("Petitioner") initiating the above-referenced matter. Additionally, I have enclosed an extra copy of this filing. Kindly stamp this copy "filed" and return it to me in the enclosed self-addressed, stamped envelope.

Please contact me if you have any questions regarding this proceeding. Thank you for your attention to this matter.

Respectfully submitted,


Courtney L. Schultz

Enclosures

cc: Service List (as indicated)

SERVICE LIST

In the Matter of the Petition of Aqua New Jersey, Inc.,
Wallkill Sewer Division, for Approval of a 2018 Purchased Wastewater Treatment
Adjustment Clause True-Up and Other Required Approvals
BPU Docket No. WR19_____

Michael Kammer, Director**
NJ Board of Public Utilities
Division of Water
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mike.kammer@bpu.nj.gov

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NJ Board of Public Utilities
Division of Water
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William C. Packer
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Bryn Mawr, PA 19010
wcpackerjr@aquaamerica.com

Courtney L. Schultz, Esq.
Saul Ewing Arnstein & Lehr, LLP
Centre Square West, 38th floor
1500 Market Street
Philadelphia, PA 19102
courtney.schultz@saul.com

** Hard copy will be provided

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

RECEIVED
MAIL ROOM

AUG 15 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

: :
IN THE MATTER OF THE PETITION : :
OF AQUA NEW JERSEY, INC., : :
WALLKILL SEWER DIVISION, FOR : :
APPROVAL OF A 2018 PURCHASED : :
WASTEWATER TREATMENT : :
ADJUSTMENT CLAUSE TRUE-UP : :
AND OTHER REQUIRED APPROVALS : :

BPU DOCKET NO. WWR 19-0000

RECEIVED
CASE MANAGEMENT
2019 AUG 15 A 10:48
BOARD OF PUBLIC UTILITIES
TRENTON, NJ

TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:

1. **PETITIONER, AQUA NEW JERSEY, INC.** (hereinafter “Petitioner” or the “Company”), a public utility of the State of New Jersey, with its principal business office at 10 Black Forest Road, Hamilton, New Jersey 08691, hereby petitions for approval of a true-up of purchased wastewater treatment adjustment clause (“PSTAC”) costs and revenues for calendar year 2018, and to set prospective rates for calendar year 2020 pursuant to N.J.A.C. 14:9-7.1 et seq.

2. Petitioner’s Wallkill Sewer Division (“Wallkill”), formerly the Wallkill Sewer Company, provides wastewater service to approximately 409 customers in a portion of the Township of Hardyston, County of Sussex, pursuant to an Order of the Board of Public Utilities (“Board”).

3. Wallkill purchases wastewater treatment services from the Sussex County Municipal Utilities Authority (“SCMUA”). SCMUA treats all of the wastewater collected by Wallkill pursuant to the “1982 Wallkill Sewer Company Service Contract” (as amended May 3,

1984) between the Company and SCMUA. In December¹ of each year, SCMUA estimates the annual cost of wastewater to be treated for Wallkill and bills the Company in four equal installments based on that estimate.² To the extent that any credits are due the Company, or additional payments are due SCMUA (based on actual usage during the year), those amounts are included in the estimate of costs for the upcoming fiscal year and reflected in the February payment.

PSTAC RECONCILIATION FOR 2018

4. As noted above, the purpose of this proceeding is twofold: to true-up actual 2018 PSTAC costs and revenues with estimated costs and revenues for 2018; and to set prospective rates for 2020. The rates that Wallkill was authorized to collect in 2018 were set by the Board by its Order in BPU Docket No. WR17080872 (dated November 21, 2017), attached as Exhibit A. Specifically, the Board authorized the Company to set 2018 rates to recover costs of approximately \$133,409 (consisting of the following components: estimated 2016 SCMUA treatment costs of \$155,463, actual costs of \$2,950 related to (half of) the cost of the proceeding, less \$23,913 for the actual PSTAC over-recovery for 2016 and \$1,091 for interest on that over-recovery).

5. On January 7, 2019 the Company received from the SCMUA a letter which explained that the 2018 Annual Charge for wastewater treatment was based on SCMUA's **estimated** annual charge of \$149,685 whereas, the **actual** annual charge for 2018 was \$151,711, which is comprised of a General Charge of \$34,672 and an Operating Charge of \$117,039. The

¹ Please note that the fiscal year used by SCMUA ends on November 30.

² Bills are rendered by SCMUA and paid by Wallkill four times during the year (February, May, August and November).

difference between the estimated and actual charges created a balance due to SCMUA of \$2,026, reconciliation of which was included on the February 2019 bill. The SCMUA letter is attached hereto as Exhibit B. The Company's prospective authorized revenue in 2018 was \$133,409 and the Company's actual revenue for 2018 was \$140,923, resulting in an over-recovery of \$7,514.

2019 SCMUA RATE

6. The January 7, 2019 letter from SCMUA (see Exhibit B) also included an estimate of the quarterly sewage treatment and disposal service costs for Fiscal Year 2019 in the amount of \$148,586.

2020 SCMUA Costs & 2020 PSTAC Rate

7. Wallkill's 2019 PSTAC tariff was approved by Order of the Board in Docket No. WR18080881 (dated November 19, 2018), which is attached as Exhibit C. Attached hereto as Exhibit D is Wallkill's existing 2019 PSTAC tariff, and a proposed 2020 PSTAC tariff which incorporates the proposed 2018 PSTAC reconciliation as well as prospective rates for 2020.

8. Attached hereto as Exhibit E is a schedule which supports the proposed 2020 PSTAC tariff. As discussed above, the Company's 2020 PSTAC must address the reconciliation of actual 2018 PSTAC revenues and PSTAC expenses with estimated revenues and expenses, and set prospective rates for 2020 to address estimated treatment costs. Petitioner has performed a reconciliation of the actual revenues and expenses of the 2018 PSTAC and determined that there was an over-recovery for 2018 of \$11,266. See Exhibit E (pages 1-3).

9. With respect to the setting of prospective rates for 2020, Petitioner has performed an analysis of the projected PSTAC costs for calendar year 2019, and estimated 2020 SCMUA treatment costs to be \$148,586. See Exhibit E (page 5). Additionally, as summarized on Exhibit

E (page 4), the Company has estimated the cost of this proceeding to be \$8,250 and has included half of that amount, \$4,125 in its request in this proceeding. As indicated on Exhibit E (page 7), the Company has estimated that its total PSTAC revenue requirement for 2020 is \$141,337 (which includes \$148,586 of estimated 2020 treatment costs, plus \$4,125 for the costs of this proceeding, plus a \$11,266 credit reflecting the 2018 PSTAC over-recovery reconciliation, and a credit for interest on the over-recovery of \$107).

10. As shown on Exhibit E (page 6), 2019 PSTAC rates were authorized in BPU Docket No. WR18080881 and 2019 PSTAC revenues are estimated to be approximately \$132,431. When the 2020 PSTAC revenue requirement is compared to the level of PSTAC revenues estimated for 2019, there is a revenue shortfall of \$8,907 (calculated on Exhibit E, page 7). As summarized on Exhibit E (page 9), the Company has developed a 2020 PSTAC rate to recover a total of \$141,337 in 2020 PSTAC revenues. As illustrated on Exhibit E (page 8), the increase in the 2020 revenue requirement of \$8,907 (when compared to current rates) results in an across-the-board **increase** in the present PSTAC rate of approximately 6.73% or approximately \$0.34 per 1,000 gallons.

11. Petitioner reserves the right to amend this Petition and exhibits as necessary.

12. All correspondence related to this Petition should be sent to:


Courtney L. Schultz, Esq.
Saul Ewing Arnstein & Lehr LLP
Centre Square West, 38th Floor
1500 Market Street
Philadelphia, PA 19102

William C. Packer
Aqua Pennsylvania, Inc.
762 W. Lancaster Ave.
Bryn Mawr, PA 19010

WHEREFORE, Petitioner respectfully requests that the Board approve the PSTAC true-up for 2018 set forth herein, and set prospective PSTAC rates for 2020, and grant such other relief as shall appear just and reasonable.

Respectfully submitted,

Dated: August 14, 2019

By: 

Courtney L. Schultz, Esq.
Saul Ewing Arnstein & Lehr LLP
Counsel for Aqua New Jersey, Inc.

EXHIBIT A



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF AQUA NEW)
JERSEY, INC., WALLKILL SEWER DIVISION, FOR) ORDER ADOPTING
APPROVAL OF A 2016 PURCHASED WASTEWATER) STIPULATION OF SETTLEMENT
TREATMENT ADJUSTMENT CLAUSE TRUE-UP AND)
OTHER REQUIRED APPROVALS) BPU DOCKET NO. WR17080872

Parties of Record:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP on behalf of Aqua New Jersey, Inc., Wallkill Sewer Division
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 11, 2017, Aqua New Jersey, Inc., Wallkill Sewer Division ("Wallkill," "Company," or "Petitioner"), a public utility of the State of New Jersey, filed a verified petition with the Board of Public Utilities ("Board") pursuant to N.J.A.C. 14:9-7.1 et seq. for approval of a Purchased Wastewater (Sewerage) Treatment Adjustment Clause ("PSTAC") true-up for calendar year 2016, and to set prospective rates for calendar year 2018 (as required by N.J.A.C. 14:9-7.7). The Company originally filed for an overall decrease in PSTAC revenues totaling \$48,147 or approximately 26.1% below current PSTAC revenues of \$204,165.

Wallkill is a wastewater utility engaged in the collection and transmission of sewage. Wallkill serves approximately 407 customers within a portion of Hardyston Township, Sussex County, New Jersey. The Sussex County Municipal Utilities Authority ("SCMUA") receives and treats all of the sewage transmitted by Wallkill.

By this Order, the Board considers the Stipulation of Settlement ("Stipulation") executed by the Petitioner, the Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, the "Parties"), agreeing to an overall decrease in Petitioner's PSTAC revenues totaling \$50,237 or approximately 27.36% below current PSTAC revenues of \$204,165.

BACKGROUND/PROCEDURAL HISTORY

The matter was retained by the Board and since the Company requested a decrease in rates, it was deemed that a public comment hearing was not required.

Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the SCMUA.

In this proceeding, the Parties engaged in discovery and have examined the Company's actual revenues and actual SCMUA expenses for calendar year 2016, the Company's projected SCMUA expenses for 2018, as well as the costs of this proceeding. The Parties participated in a settlement conference on October 31, 2017, reached a settlement on all issues, and subsequently entered into a Stipulation. Based on the foregoing, the Parties have determined that the current PSTAC rate should be decreased to recover \$50,237 less in revenues. The \$50,237 PSTAC decrease was calculated based on the following components:

- a) an over-recovery of actual wastewater treatment charges of approximately \$23,913 for the calendar year ending December 31, 2016 (See Exhibit A, attached hereto, pages 1 to 3), with the interest on this over-recovery calculated to be \$1,091 (See Exhibit A, page 10);
- b) projected SCMUA charges for 2018 of \$155,463 based on SCMUA rates effective for 2017 (See Exhibit A, page 5);
- c) the total costs of this proceeding are deemed to be \$5,900 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$2,950 (See Exhibit A, page 7); and
- d) the pro forma PSTAC revenues at present rates are projected to be \$183,645 (See Exhibit A, page 6).

As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of SCMUA costs for calendar year 2018, which has been used to determine the applicable PSTAC rate for 2018.

DISCUSSIONS AND FINDINGS¹

Based on the estimated costs for 2018, the over-recovery for 2016 (including interest), and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be decreased as indicated in Exhibit A. The PSTAC rate will decrease from \$7.27 per thousand gallons to \$5.28 per thousand gallons, a decrease of \$1.99 per thousand gallons or approximately 27.36%. The total monthly rate for wastewater services for the average residential customer using approximately 3,900 gallons per month will decrease from \$41.87 to \$34.12, a decrease of \$7.76 or approximately 18.53% monthly.

¹ Although described 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.

Having reviewed the record in this matter, as well as the Stipulation among the Parties, the Board **HEREBY FINDS** that the Stipulation among the Parties is reasonable, in the public interest and is in accordance with the law.

Therefore, the Board **HEREBY ADOPTS** the 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 at length herein, subject to the following:

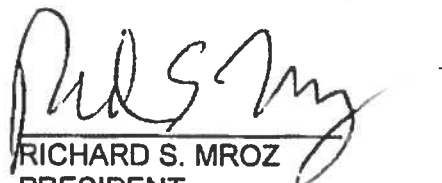
In accordance with the provisions of N.J.A.C. 14:9-7.3(c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, or by February 28, 2019, whichever is earlier, a PSTAC true-up filing in connection with this proceeding. This filing shall include estimates of the SCMUA costs for calendar year 2019. Copies of the true-up filing shall be served upon all Parties to the present proceeding.


The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order within ten (10) days from the effective date of this Order.

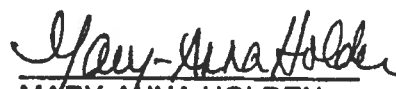
The effective date of this Order is December 1, 2017 with rates to become effective January 1, 2018.


DATED: 11/21/17


BOARD OF PUBLIC UTILITIES
BY:

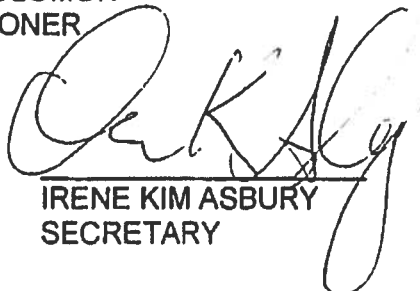

RICHARD S. MROZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

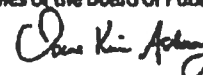

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
IRENE KIM ASBURY
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 AQUA NEW JERSEY, INC., WALLKILL SEWER
DIVISION, FOR APPROVAL OF A 2016 PURCHASED WASTEWATER TREATMENT
ADJUSTMENT CLAUSE TRUE-UP AND OTHER REQUIRED APPROVALS
BPU DOCKET NO. WR17080872**

SERVICE LIST

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

IN THE MATTER OF THE PETITION	:	STIPULATION OF SETTLEMENT
OF AQUA NEW JERSEY, INC.,	:	
WALLKILL SEWER DIVISION, FOR	:	BPU DOCKET NO. WR17080872
APPROVAL OF A 2016 PURCHASED	:	
WASTEWATER TREATMENT	:	
ADJUSTMENT CLAUSE TRUE-UP	:	
AND OTHER REQUIRED APPROVALS :	:	

APPEARANCES:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, and Kimberly A. Joyce, Esq., Aqua America, Inc., on behalf of the Petitioner, Aqua New Jersey, Inc., Wallkill Sewer Division

Debra F. Robinson, Managing Attorney, and Susan E. McClure, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Veronica Bcke, Deputy Attorney General, and Renee Greenberg, Deputy Attorney General (Christopher S. Porrino, Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:

The Parties that have participated in this proceeding are Aqua New Jersey, Inc., Wallkill Sewer Division ("Aqua," "Company," or "Petitioner"), the Division of Rate Counsel ("Rate Counsel"), and the Staff of the Board of Public Utilities ("Staff")(collectively, the "Parties"). There were no intervenors in this proceeding. As a result of an analysis of Aqua's Petition and exhibits, discovery conducted by Rate Counsel and Staff, conferences, and negotiations, the Parties to this proceeding have come to the within agreement. The Parties hereto agree and stipulate as follows:

1. Petitioner operates a sewage collection and transmission system within a portion of the Township of Hardyston, County of Sussex, New Jersey. Petitioner serves approximately 406 customers within this portion of its service territory. Aqua New Jersey, Inc. is a public utility corporation of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (the "Board"). Aqua's principal business office is located at 10 Black Forest Road, Hamilton, New Jersey 08691.

2. On August 9, 2017, pursuant to N.J.A.C. 14:9-7.1 et seq., Aqua filed the above-captioned Petition with the Board, which was later assigned BPU Docket No. WR17080872, for approval of a true-up of purchased wastewater treatment adjustment clause ("PSTAC") costs and revenues for calendar year 2016, and to set prospective rates for calendar year 2018 as required by N.J.A.C. 14:9-7.1(d) and 14:9-7.7. Aqua will true-up 2017 PSTAC revenues and rates in its 2018 PSTAC filing, and commits that it will make this filing on a timely basis.

3. The matter was retained by the Board for review and disposition. The Parties agreed that a public comment hearing was not required because the Petitioner had proposed a decrease in rates.

4. Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the Sussex County Municipal Utilities Authority ("SCMUA"). The current PSTAC tariff was approved by the Board in an Order in Docket No. WR16080738, dated November 30, 2016, which examined PSTAC revenues and expenses applicable to the period ending December 31, 2015 and set prospective rates for calendar year 2017.

5. In this proceeding, the Parties have examined the Company's actual revenues and actual SCMUA expenses for calendar year 2016, and the Company's projected SCMUA expenses for 2018, as well as the costs of this proceeding. Based on the foregoing, the Parties

have determined that the current PSTAC rate should be decreased to recover \$50,237 less in revenues. The \$50,237 PSTAC decrease was calculated based on the following components:

- a) an over-recovery of actual wastewater treatment charges of approximately \$23,913 for the calendar year ending December 31, 2016 (See Exhibit A, attached hereto, pages 1 to 3), with the interest on this over-recovery calculated to be \$1,091 (See Exhibit A, page 10);
- b) projected SCMUA charges for 2018 of \$155,463 based on SCMUA rates effective for 2017 (See Exhibit A, page 5);
- c) the total costs of this proceeding are deemed to be \$5,900 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$2,950 (See Exhibit A, page 7); and
- d) the pro forma PSTAC revenues at present rates are projected to be \$183,645 (See Exhibit A, page 6).

6. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of SCMUA costs for calendar year 2018, which estimate has been used to determine the applicable PSTAC rate for 2018.

7. Based on the estimated costs for 2018, the over-recovery for 2016, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be decreased as indicated on Exhibit A. For the average residential customer, the PSTAC rate will decrease from \$7.27 per thousand gallons to \$5.28 per thousand gallons, a decrease of \$1.99 per thousand gallons or approximately 27.36%. (See Exhibit A, page 8). With respect to the total monthly rate for wastewater services, the total monthly rate for the average

residential customer using approximately 3,900 gallons per month will decrease from \$41.87 to \$34.12, a decrease of \$7.76 or approximately 18.53% monthly.

8. Consistent with the provisions of N.J.A.C. 14:9-7.1 et seq., the Parties agree that the Company will file with the Board a PSTAC petition to reconcile calendar year 2017 actual SCMUA costs with the estimated SCMUA costs (as reflected in the rates identified on Exhibit A) for the same period. Additionally, the Company will include in its filing an estimate of SCMUA costs for calendar year 2019, which estimate will be used to determine the applicable PSTAC rate for 2019, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.

9. The Parties have engaged in full discovery. The Parties agree that the within Stipulation reflects a mutual balancing of various issues and positions, and that it is being entered into in the spirit of compromise and to avoid protracted and costly litigation.

10. 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.

11. The Parties agree that each term within this Stipulation reflects a 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 terms been modified in any way. In the event any particular aspect of this Stipulation is not accepted and approved by the

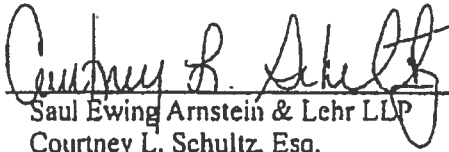
Board, then any Party hereto materially affected thereby shall not be bound to proceed under this Stipulation.

12. The Parties further agree 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. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposedly underlying 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 this Stipulation.

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

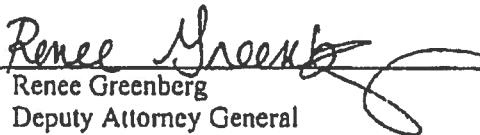
AQUA NEW JERSEY, INC.
WALLKILL SEWER DIVISION

November 6, 2017
Date

By: 
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

11/8/2017
Date

By: 
Renee Greenberg
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

11/9/2017
Date

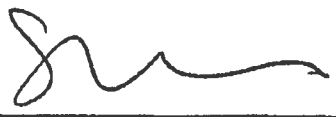
By: 
Susan McClure, Esq.
Assistant Deputy Rate Counsel

EXHIBIT A

Aqua New Jersey, Inc.
 Washitl PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2016
AJ 2016 Treatment Expenses Paid to SCMU/A:

<u>Quarter</u>	<u>Amount</u>	<u>Invoice #</u>	<u>Reference</u>
Q1	\$40,624	None	Exhibit B
Q2	\$40,624	None	Exhibit B
Q3	\$40,624	None	Exhibit B
Q4	\$40,624	None	Exhibit B
Credit	(\$21,128)	None	Exhibit B
Total 2016 Actual Treatment Expense			Lines B) (Rows 11)-(12)
	\$141,368		

Aqua New Jersey, Inc.
 Walkill PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2016

B.) 2016 Revenues Billed to Walkill Customers:

<u>Class</u>	<u>Customers</u>	<u>Meter Size</u>	<u>Gallons</u>	<u>Amount</u>	<u>Rate per 1,000 Gals.</u>	<u>% of Revenue</u>
Residential - Single Family	367	-	16,341	\$132,035	\$8.08	64.83%
Commercial, Industrial, School, Business, & Religious	39	-	8,864	\$71,621	\$8.08	35.17%
Subtotal.	406		25,205	\$203,656		100.00%

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2016

C.1 2016 Reconciliation - Over/(Under) Recovery:

	<u>Reference</u>
C.1) Actual Revenue 2016	B.1
Prospective Revenue Authorized 2016	Exhibit A
Over/(Under) Recovery 2016	A.1
C.2) Actual Expense 2016	Exhibit A, Page 2 Sub B
Projected Expense 2016	
Over/(Under) Recovery 2016	
Total Over/(Under) Recovery 2016	

\$203,656	
\$205,683	
(\$2,027)	
\$141,368	
\$167,308	
\$25,940	
\$23,913	

Aqua New Jersey, Inc.
Welding PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

D.) Cost of Filing Application:

Legal
Notification & Other
Transcripts
Total

	<u>Amount</u>
\$	5,900.00
\$	-
\$	<u>\$6,900</u>

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

E.) Prospective 2018 Rate Adjustment:

- 1.) Projected 2018 Sewage Volume (MGallons)
- 2.) 2017 Volumetric Rate
- 3.) Projected Calendar Year 2018 Revenue
- 4.) Projected 2018 SCMUA Billings (Based on 2017)
- 5.) Prospective Adj. for Rates Effective 1/1/2018

Calculation	Reference
25,261	3 Year Avg
\$7.27	MGals x 2017 Vol Rate
\$183,645	Exhibit 6
\$185,463	Lines 4.) - 5.)
<u>(\$2,818)</u>	

3 Yr. Avg. Annual Gallons
2014 25,082
2015 25,495
2016 25,205
Average 25,261

Aqua New Jersey, Inc.
 Walkill PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2018

F.) PSTAC Revenue at Present Rates (2017):

<u>Class</u>	<u>Customers</u>	<u>KGallons</u>	<u>2017 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family	367	16,377	\$7.27	\$119,081.44	64
Commercial, Industrial, School, Business, & Religious	39	8,884	\$7.27	\$64,583.60	35
Total:					
Total PSTAC Revenue at Present Rates =>				\$183,665	

Aqua New Jersey, Inc.
Waiver PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2016

G.) PSTAC Calculation:

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2018 Calendar Year Billings by SCMUA	\$155,463	E.)
2.) Over Recovery 2016	(\$23,913)	C.)
3.) Interest on Over Recovery	(\$1,091)	D.)
4.) Cost of Filing Application (\$5,900 x 50%)	\$2,950	Sum Lines 1 thru 3
5.) 2018 PSTAC Revenue Requirement	\$137,409	F.)
6.) PSTAC Revenue at Present (2017 Rates)	\$183,646	
7.) Subtotal PSTAC Request	(\$60,237)	Line 5 minus Line 6

Aqua New Jersey, Inc.
 Walkill PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2016

H.) Rate Design:

<u>Class</u>	<u>Customers</u>	<u>KGallons</u>	<u>2017 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>
Residential - Single Family	387	18,377	\$7.27	64.83%	(\$32.56)
Commercial, Industrial, School, Business, & Religious	39	8,884	\$7.27	35.17%	(\$17.66)
Total:					<u>(\$50)</u>

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

L) Proof of Revenue:

	<u>Customers</u>	<u>KGallons</u>	<u>New Rate</u>	<u>Prospective 2018 Revenue</u>
Class				
Residential - Single Family	367	16,377	\$5.28	\$86,491.90
Commercial, Industrial, School, Business, & Religious	38	8,884	\$5.28	\$46,916.60
Total:				<u>\$133,408</u>

2016 Walkill PSTAC True Up

Interest Calculation (Rate = 30 Yr Treasury @ 12/31/16 => 3.06%, @ 7/18/17 = 2.85%)

Month	Year	Refund*	APR %	Month % Rate	Interest
January	2016	\$ 1,992.75	0.0306	0.00255	5.08
February	2016	3,990.58	0.0306	0.00255	10.18
March	2016	5,988.43	0.0306	0.00255	15.27
April	2016	7,986.27	0.0306	0.00255	20.36
May	2016	9,984.11	0.0306	0.00255	25.46
June	2016	11,981.96	0.0306	0.00255	30.55
July	2016	13,979.80	0.0306	0.00255	35.65
August	2016	15,977.65	0.0306	0.00255	40.74
September	2016	17,975.49	0.0306	0.00255	45.84
October	2016	19,973.34	0.0306	0.00255	50.93
November	2016	21,971.18	0.0306	0.00255	56.03
December	2016	23,969.03	0.0306	0.00255	61.12
January	2017	24,030.15	0.0285	0.00238	57.07
February	2017	24,087.22	0.0285	0.00238	57.21
March	2017	24,144.43	0.0285	0.00238	57.34
April	2017	24,201.77	0.0285	0.00238	57.48
May	2017	24,259.25	0.0285	0.00238	57.62
June	2017	24,316.86	0.0285	0.00238	57.75
July	2017	24,374.62	0.0285	0.00238	57.89
August	2017	24,432.51	0.0285	0.00238	58.03
September	2017	24,490.53	0.0285	0.00238	58.17
October	2017	24,548.70	0.0285	0.00238	58.30
November	2017	24,607.00	0.0285	0.00238	58.44
December	2017	24,665.44	0.0285	0.00238	58.58

* 2016 Over-Recovery \$23,913 pro-rated

Total Interest to be Refunded to Customers

\$ 1,091

EXHIBIT B



SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY
 34 SOUTH RT. 94, LAFAYETTE, NJ 07848

January 7, 2019

John Hildebrandt
 Aqua New Jersey
 Wallkill Water Company
 1099 River Road
 Phillipsburg, NJ 08865

Re: Upper Wallkill System - Wallkill Sewer Company
 Actual Annual Charge - FY2018
 Quarterly Estimated Charge - FY2019
 SCMUA Sewage Treatment Services

Dear Mr. Hildebrandt:

Enclosed please find a "Certificate of Annual Charge", executed by the Chairman of the Sussex County Municipal Utilities Authority, for sewage treatment and disposal services provided by the Sussex County Municipal Utilities Authority in Fiscal Year 2018 (ending November 30, 2018).

This certificate is in accordance with the "1982 Wallkill Sewer Company Service Contract" and is for the actual adjusted FY2018 amount. As a result of the FY2018 estimated bill previously issued being less than the actual amount, an additional charge in the amount of \$2,026.00 is due to the SCMUA. This is a result of actual sewage volumes received from the Wallkill Sewer Company being a greater percentage of the total flows received than was projected in the FY2018 estimated charges.

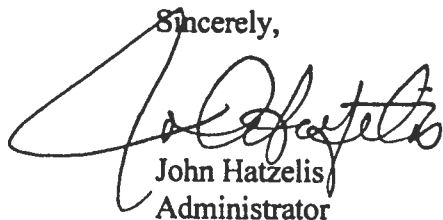
Since there will be an additional charge to the Wallkill Sewer Company for FY2018, your quarterly FY2019 payments due are as follows:

<u>Date Due</u>	<u>FY2019 Est. Payment</u>	<u>FY2018 Additional Charge</u>	<u>FY2019 Adjusted Payment</u>
2/15/19	37,146.50	\$2,026.00	\$39,172.50
5/15/19	37,146.50		\$37,146.50
8/15/19	37,146.50		\$37,146.50
11/15/19	<u>37,146.50</u>		<u>\$37,146.50</u>
	\$148,586.00	<u>\$2,026.00</u>	\$150,612.00

One copy of the report containing calculations of the said actual FY2018 charge is enclosed. The SCMUA will be sending invoices for these scheduled payments in the near future.

Should you have any questions, please feel free to call.

Sincerely,

A handwritten signature in black ink, appearing to read "John Hatzelis", written over a printed name and title.

John Hatzelis
Administrator

Enclosure

cc: Valerie Olm, SCMUA Accountant, w/encl.

G:\TK\ANNUAL CHARGES\Walkkill Sewer Co\quarterly charge 2018.doc

FINAL CERTIFICATE OF ANNUAL CHARGE
FOR SEWAGE TREATMENT AND DISPOSAL SERVICE
AT THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S
UPPER WALLKILL VALLEY WATER POLLUTION CONTROL FACILITIES

SERVICES PROVIDED IN FISCAL YEAR 2018

WALLKILL SEWER COMPANY

It is hereby certified that the Actual Annual Charge to the Wallkill Sewer Company for sewage treatment and disposal services for the Sussex County Municipal Utilities Authority's Fiscal Year 2018 is \$151,711.

This amount reflects a General Charge (principal and interest on bonds) of \$34,672 and an Operating Charge (operating and maintenance expenses) of \$117,039.

The Wallkill Sewer Company has previously been billed an amount of \$149,685 as the Estimated FY2018 Annual Charge. As a result of the estimated billing being less than the actual FY18 bill, \$2,026 is due to the SCMUA.

I further certify that I have been authorized, by Resolution of the Board of Commissioners of the Sussex County Municipal Utilities Authority, to submit this Certificate of Annual Charge to the Wallkill Sewer Company.



Thomas Madsen, Chairman

January 2, 2019

Date

RESOLUTION RE: APPROVAL AND ADOPTION OF CALCULATION OF ACTUAL ANNUAL CHARGES FOR SEWER SERVICE FOR FISCAL YEAR 2018 - UPPER WALLKILL SYSTEM

WHEREAS, per the requirements of the Sussex County Municipal Utilities Authority's Bond Resolution and Service Agreements, it is necessary that the Authority develop, and issue to its participants, prior to December 15 of each Fiscal Year, an estimate of the amounts of the Annual Charges to become payable by each participant for services to be rendered by SCMUA to each participant for sewage treatment services; and

WHEREAS, it is also required that subsequent to the completion of each Fiscal Year, a calculation of the amounts of the actual Annual Charge for the prior Fiscal Year must be carried out for each participant, and that a charge be requisitioned, based upon the difference between the estimated and actual charges; and

WHEREAS, the SCMUA Administrator has prepared a report entitled "Calculation of Actual Annual Charges for Sewage Treatment Services - Fiscal Year 2018", which calculates the Actual Charges to be payable by each participant for Fiscal Year 2018 a copy of which is attached hereto and shall be incorporated as part hereof; and

WHEREAS, the Commissioners have reviewed said report and concur with the development of Actual Annual Charges contained therein; and

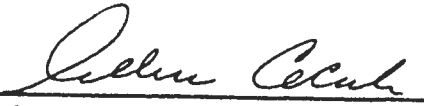
WHEREAS, the Commissioners desire to approve and adopt said report and formally submit said Actual Annual Charges to each participant as per the terms of the Service Agreements.

NOW, THEREFORE, BE IT RESOLVED by the Sussex County Municipal Utilities Authority that the attached report entitled "Calculation of Actual Annual Charges for Sewage Treatment Services - Fiscal Year 2018" is hereby approved, and is adopted as the Authority's calculation of actual Annual Charges for Fiscal Year 2018.

AND BE IT FURTHER RESOLVED that the Chairman of the Sussex County Municipal Utilities Authority is hereby authorized to issue a certificate to each Upper Wallkill participant containing the amount of the credit or additional payment resulting from the calculation of the Actual Fiscal Year 2018 Annual Charges.

AND BE IT FURTHER RESOLVED that this Resolution shall take effect upon its adoption.

Certified as a true copy of the Resolution adopted
by the Authority at their Rescheduled Meeting held on
Wednesday, January 2, 2019.


Andrea Cocula, Secretary

UPPER WALLKILL VALLEY WATER POLLUTION CONTROL FACILITY
MONTHLY AVERAGE SEWAGE FLOWS FISCAL YEAR 2018

Attachment B

FY 2018	HAMBURG	FRANKLIN	VERNON	WALLKILL	Y.M.C.A.	CRYSTAL SPRINGS	INDIAN FIELD	WALLKILL H.S.	SUSSEX	SPARTA	WANTAGE A & P	AVERAGE TOTAL	MONTHLY PRECIP
December 17	193,000	338,000	185,000	60,000	4,000	159,000	51,000	4,000	148,000	76,000	3,000	1,221,000	1.59 "
January 18	204,000	394,000	210,000	67,000	5,000	162,000	46,000	4,000	258,000	84,000	3,000	1,437,000	2.75 "
February	221,000	476,000	248,000	79,000	6,000	176,000	45,000	4,000	400,824	78,000	3,000	1,736,824	5.72 "
March	238,000	562,000	238,000	81,000	6,000	184,000	44,000	4,000	350,000	74,000	3,000	1,784,000	3.94 "
April	229,000	507,000	222,000	69,000	6,000	182,000	47,000	4,000	270,000	77,000	3,000	1,616,000	4.33 "
May	231,000	482,000	202,000	72,000	6,000	172,000	55,000	5,000	282,000	79,000	3,000	1,589,000	5.66 "
June	213,000	399,000	192,000	58,000	6,000	164,000	57,000	4,000	147,000	80,000	3,000	1,323,000	2.38 "
July	216,000	382,000	209,000	57,000	5,000	184,000	60,000	2,000	164,000	71,000	3,000	1,353,000	6.07 "
August	261,000	626,000	262,000	74,000	5,000	218,000	61,000	3,000	303,000	81,000	3,000	1,897,000	9.90 "
September	242,000	491,000	213,000	73,000	5,000	183,000	62,000	5,000	280,000	82,000	3,000	1,639,000	7.14 "
October	252,000	533,000	207,000	72,000	6,000	184,000	60,000	6,000	336,000	82,000	3,000	1,741,000	4.79 "
November	344,000	744,000	283,000	104,000	6,000	215,000	60,000	5,000	493,000	85,000	3,000	2,342,000	9.09 "

AVERAGE	<u>237,000</u>	<u>494,500</u>	<u>222,583</u>	<u>72,167</u>	<u>5,500</u>	<u>181,917</u>	<u>54,000</u>	<u>4,167</u>	<u>285,985</u>	<u>79,083</u>	<u>3,000</u>	<u>1,639,902</u>	<u>5.28 "</u>
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* - Y.M.C.A. flows are subtracted from Wallkill flows
* - A&P flows are subtracted from Sussex flows.



39621



Sussex County Municipal Utilities Authority
34 South Rt. 94
Lafayette, NJ 07848
(973-579-6998)

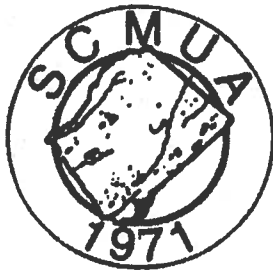
Invoice

Date
1/1/2018

P
Acct. 350971
PO-25076
Rec-24068

Aqua New Jersey Inc.
Walkill Sewer Company
Attn: John Hildabrandt
1099 River Road
Phillipsburg, NJ 08865

Description	Amount
SEWER USER FEES, 1ST QUARTER FY 2018 <div data-bbox="349 1102 1063 1291" style="border: 1px solid black; padding: 10px; text-align: center;"> <p>DUE FEBRUARY 15, 2018</p> </div> <p style="margin-top: 20px;"><i>720 162000</i></p> <p style="margin-top: 10px;"><i>[Signature]</i></p>	32,163.25
PER THE TERMS OF THE AGREEMENT WITH THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY	Total \$32,163.25



025 04092 04

Sussex County Municipal Utilities Authority
34 South Rt. 94
Lafayette, NJ 07848
(973-579-6998)

Invoice

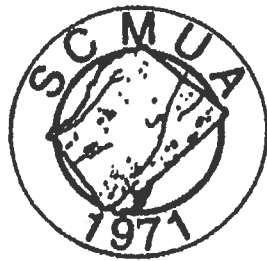
Date
4/1/2018

Pa 8-362819
PO-25475
Rec-24591

Aqua New Jersey Inc.
Wallkill Sewer Company
Attn: John Hilldabrandt
1099 River Road
Phillipsburg, NJ 08865

Description	Amount
SEWER USER FEES, 2ND QUARTER FY 2018	37,421.25
DUE MAY 15, 2018	
PER THE TERMS OF THE AGREEMENT WITH THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY	Total \$37,421.25

720 162080



025 04173 02

Sussex County Municipal Utilities Authority
34 South Rt. 94
Lafayette, NJ 07848
(973-579-6998)

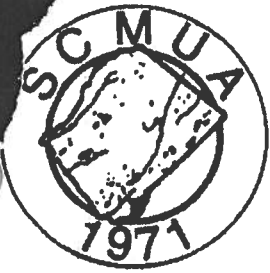
Invoice

Date
7/1/2018

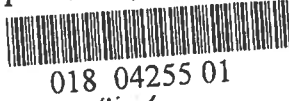
*Req. 312725
PO 75859
Re - 2508*

Aqua New Jersey Inc.
Wallkill Sewer Company
Attn: John Hildabrandt
1099 River Road
Phillipsburg, NJ 08865

Description	Amount
SEWER USER FEES, 3RD QUARTER FY 2018	37,421.25
<div data-bbox="365 1075 1062 1255" data-label="Text"><p>DUE AUGUST 15, 2018</p></div>	
<p>720 162 080 <i>[Signature]</i></p>	
PER THE TERMS OF THE AGREEMENT WITH THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY	Total \$37,421.25



Sussex County Municipal Utilities Authority
34 South Rt. 94
Lafayette, NJ 07848
(973-579-6998)



Invoice

Date
10/1/2018

*pay. 384046
PO-26240
PC-25672*

Aqua New Jersey Inc.
Walkill Sewer Company
Attn: John Hildabrandt
1099 River Road
Phillipsburg, NJ 08865

Description	Amount
SEWER USER FEES, 4TH QUARTER FY 2018	37,421.25
<div data-bbox="354 1039 1075 1222" data-label="Text"><p>DUE NOVEMBER 15, 2018</p></div>	
<i>720 162080</i> PER THE TERMS OF THE AGREEMENT WITH THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY	Total \$37,421.25

EXHIBIT C



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF AQUA NEW)
JERSEY, INC., WALLKILL SEWER DIVISION, FOR)
APPROVAL OF A 2017 PURCHASED WASTEWATER)
TREATMENT ADJUSTMENT CLAUSE TRUE-UP AND)
OTHER REQUIRED APPROVALS)

DECISION AND ORDER
APPROVING STIPULATION
OF SETTLEMENT

DOCKET NO. WR18080881

Parties of Record:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, on behalf of Aqua New Jersey, Inc., Walkkill Sewer Division
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 10, 2018, Aqua New Jersey, Inc., Walkkill Sewer Division ("Walkkill," "Company," or "Petitioner"), a public utility of the State of New Jersey, filed a verified petition with the Board of Public Utilities ("Board") pursuant to N.J.A.C. 14:9-7.1 to 7.7 for approval of a Purchased Wastewater (Sewerage) Treatment Adjustment Clause ("PSTAC") true-up for calendar year 2017, and to set prospective rates for calendar year 2019 as required by N.J.A.C. 14:9-7.7.1(d) and 7.7. The Company originally filed for an overall decrease in PSTAC revenues totaling \$3,700 or approximately -0.73% below current PSTAC revenues of \$135,541.

Walkkill is a wastewater utility engaged in the collection and transmission of sewage. Walkkill serves approximately 408 customers within a portion of Hardyston Township, Sussex County, New Jersey. The Sussex County Municipal Utilities Authority ("SCMUA") receives and treats all of the sewage transmitted by Walkkill.

By this Order, the Board considers the Stipulation of Settlement ("Stipulation") executed by the Petitioner, the Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, "Parties"), agreeing to an overall decrease in Petitioner's PSTAC revenues totaling \$5,048 or approximately 3.72% below current PSTAC revenues of \$135,541.

BACKGROUND/PROCEDURAL HISTORY

The matter was retained by the Board and since the Company requested a decrease in rates, it was deemed that a public comment hearing was not required pursuant to N.J.S.A. 48:2-21.

Petitioner's rates reflect the recovery of wastewater treatment charges imposed by SCMUA. The current PSTAC tariff was approved by the Board by Order dated November 21, 2017, in Docket No. WR17080872, which examined PSTAC revenues and expenses applicable to the period ending December 31, 2016 and set prospective rates for calendar year 2018.

STIPULATION¹

The Parties participated in a settlement conference on October 15, 2018 and subsequently entered into the Stipulation that, among other things, provides for an overall decrease in Walkill's PSTAC revenues totaling \$20,460, and is calculated based on the following components:

- a) An over-recovery of actual wastewater treatment charges of approximately \$19,873 for the calendar year ending December 31, 2017 (See Exhibit A of the Stipulation, pages 1 to 3), with interest on this over-recovery calculated to be \$919 (See Exhibit A of the Stipulation, page 10);
- b) Projected SCMUA charges for 2019 of \$149,685 based on SCMUA rates effective for 2017 (See Exhibit A of the Stipulation, page 5);
- c) The total costs of this proceeding are deemed to be \$3,200 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$1,600 (See Exhibit A of the Stipulation, page 7); and
- d) The pro forma PSTAC revenues present rates are projected to be \$135,541 (See Exhibit A of the Stipulation, page 7).

As required in N.J.A.C. 14:9-7.7, the Petitioner has included in its filing an estimate of SCMUA costs for calendar year 2019, which estimate has been used to determine the applicable PSTAC rate for 2019.

DISCUSSIONS AND FINDINGS

Based on the estimated costs for 2019, updated discovery responses, the over-recovery for 2017 with interest, and the costs of this proceeding, there is a total overall decrease in PSTAC revenues of (\$5,048). The Parties have agreed that Petitioner's current PSTAC volumetric rate on file with the Board should be revised to reflect a decrease from \$5.28 per thousand gallons to \$5.08 per thousand gallons or a decrease of approximately 3.79%, pursuant to the rates indicated on Exhibit A attached to the Stipulation (and the attached proposed tariff). This reflects a decrease in the PSTAC volumetric rate of \$0.20 or approximately 3.79%.

¹ Although described in this Order at some length, 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 average residential customer, with a 5/8" meter utilizing approximately 3,900 gallons of water per month, would see a decrease in its wastewater bill from \$34.11 to \$33.33 per month, which equates to an overall monthly decrease in the total wastewater bill of \$0.78.

Having reviewed the record in this matter, as well as the Stipulation, the Board **HEREBY FINDS** that the Stipulation is reasonable, in the public interest, and in accordance with the law.

Therefore, the Board **HEREBY ADOPTS** the Stipulation, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if fully set forth at length herein, subject to the following:

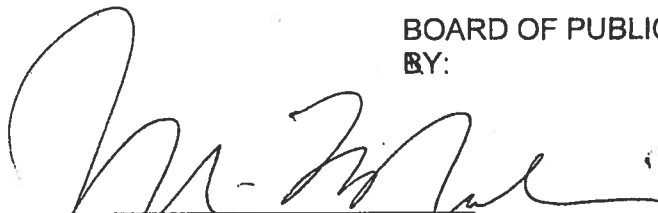
In accordance with the provisions of N.J.A.C. 14:9-7.3(c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, or by February 28, 2020, whichever is earlier, a PSTAC true-up filing in connection with this proceeding. This filing shall include estimates of the SCMUA costs for calendar year 2020. Copies of the true-up filing shall be served upon all Parties to the present proceeding.

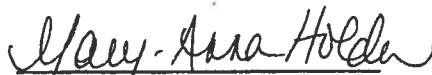
The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order within 10 days from the effective date of this Order.

The effective date of this Order is November 29, 2018 with rates to become effective January 1, 2019.

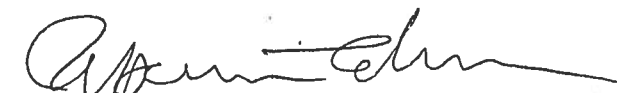
DATED: 11/19/18

BOARD OF PUBLIC UTILITIES
BY:

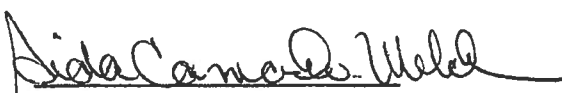

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

**IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC., WALLKILL SEWER
DIVISION, FOR APPROVAL OF A 2017 PURCHASED WASTEWATER TREATMENT
ADJUSTMENT CLAUSE TRUE-UP AND OTHER REQUIRED APPROVALS
BPU DOCKET NO. WR18080881**

SERVICE LIST

Courtney L Schultz, Esq.
Saul Ewing, Arnstein & Lehr, LLP
Centre Square West
1500 Market Street, 38th Floor
Philadelphia, PA 19102-2186
courtney.schultz@saul.com

Stefanie A. Brand, Esq., Director
New Jersey Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION	:	STIPULATION OF SETTLEMENT
OF AQUA NEW JERSEY, INC.,	:	
WALKKILL SEWER DIVISION, FOR	:	BPU DOCKET NO. WR18080881
APPROVAL OF A 2017 PURCHASED	:	
WASTEWATER TREATMENT	:	
ADJUSTMENT CLAUSE TRUE-UP	:	
AND OTHER REQUIRED APPROVALS :	:	

APPEARANCES:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, on behalf of the Petitioner, Aqua New Jersey, Inc., Walkkill Sewer Division

Debra F. Robinson, Managing Attorney, and Susan E. McClure, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Renee Greenberg, Deputy Attorney General and Peter Van Brunt, Deputy Attorney General, (Gurbir S. Grewal, Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

TO THE HONORABLE NEW JERSEY BOARD OF PUBLIC UTILITIES:

The Parties that have participated in this proceeding are Aqua New Jersey, Inc., Walkkill Sewer Division (“Aqua,” “Company,” or “Petitioner”), the Division of Rate Counsel (“Rate Counsel”), and the Staff of the Board of Public Utilities (“Staff”) (collectively, the “Parties”). There were no intervenors in this proceeding. As a result of an analysis of Aqua’s Petition and exhibits, discovery conducted by Rate Counsel and Staff, conferences, and negotiations, the Parties to this proceeding have come to the within agreement. The Parties hereto agree and stipulate as follows:

1. Petitioner operates a sewage collection and transmission system within a portion of the Township of Hardyston, County of Sussex, New Jersey. Petitioner serves approximately

408 customers within this portion of its service territory. Aqua New Jersey, Inc. is a public utility corporation of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (the "Board"). Aqua's principal business office is located at 10 Black Forest Road, Hamilton, New Jersey 08691.

2. On August 10, 2018, pursuant to N.J.A.C. 14:9-7.1 to 7.7, Aqua filed the above-captioned Petition with the Board, which was later assigned BPU Docket No. WR18080881, for approval of a true-up of purchased wastewater treatment adjustment clause ("PSTAC") costs and revenues for calendar year 2017, and to set prospective rates for calendar year 2019 as required by N.J.A.C. 14:9-7.1(d) and 14:9-7.7. Aqua will true-up 2018 PSTAC revenues and rates in its 2019 PSTAC filing, and commits that it will make this filing on a timely basis.

3. The matter was retained by the Board for review and disposition. The Parties agreed that a public comment hearing was not required because the Petitioner had proposed a decrease in rates.

4. Petitioner's rates reflect the recovery of wastewater treatment charges imposed by the Sussex County Municipal Utilities Authority ("SCMUA"). The current PSTAC tariff was approved by the Board in an Order in Docket No. WR17080872, dated November 21, 2017, which examined PSTAC revenues and expenses applicable to the period ending December 31, 2016 and set prospective rates for calendar year 2018.

5. In this proceeding, the Parties have examined the Company's actual revenues and actual SCMUA expenses for calendar year 2017, and the Company's projected SCMUA expenses for 2019, as well as the costs of this proceeding. Based on the foregoing, the Parties have determined that the current PSTAC rate should be decreased to recover \$5,048 less in revenues. The \$5,048 PSTAC decrease was calculated based on the following components:

- a) an over-recovery of actual wastewater treatment charges of approximately \$19,873 for the calendar year ending December 31, 2017 (See Exhibit A, attached hereto, pages 1 to 3), with the interest on this over-recovery calculated to be \$919 (See Exhibit A, page 10);
- b) projected SCMUA charges for 2019 of \$149,685 based on SCMUA rates effective for 2018 (See Exhibit A, page 5);
- c) the total costs of this proceeding are deemed to be \$3,200 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$1,600 (See Exhibit A, page 7); and
- d) the pro forma PSTAC revenues at present rates are projected to be \$135,541 (See Exhibit A, page 6).

6. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of SCMUA costs for calendar year 2019, which estimate has been used to determine the applicable PSTAC rate for 2019.

7. Based on the estimated costs for 2019, the over-recovery for 2017, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be decreased as indicated on Exhibit A. For the average residential customer, the PSTAC rate will decrease from \$5.28 per thousand gallons to \$5.08 per thousand gallons, a decrease of \$0.20 per thousand gallons or approximately 3.79%. (See Exhibit A, page 8). With respect to the total monthly rate for wastewater services, the total monthly rate for the average residential customer using approximately 3,900 gallons per month will decrease from \$34.11 to \$33.33, a decrease of \$0.78 or approximately 2.29% monthly.

8. Consistent with the provisions of N.J.A.C. 14:9-7.1 to 7.7, the Parties agree that the Company will file with the Board a PSTAC petition to reconcile calendar year 2018 actual SCMUA costs with the estimated SCMUA costs (as reflected in the rates identified on Exhibit A) for the same period. Additionally, the Company will include in its filing an estimate of SCMUA costs for calendar year 2020, which estimate will be used to determine the applicable PSTAC rate for 2020, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.

9. The Parties have engaged in full discovery. The Parties agree that the within Stipulation reflects a mutual balancing of various issues and positions, and that it is being entered into in the spirit of compromise and to avoid protracted and costly litigation.

10. 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.

11. The Parties agree that each term within this Stipulation reflects a 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 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.

12. The Parties further agree 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. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, the Parties shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposedly underlying 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 this Stipulation.

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

AQUA NEW JERSEY, INC.
WALLKILL SEWER DIVISION

October 31, 2018
Date

By: Courtney Schultz
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

November 5, 2018
Date

By: Renee Greenberg
Renee Greenberg
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR – RATE COUNSEL

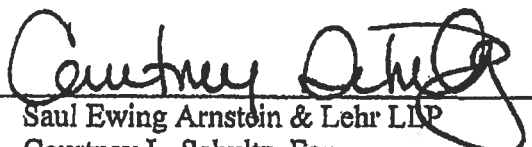
Date

By: _____
Susan McClure, Esq.
Assistant Deputy Rate Counsel

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

AQUA NEW JERSEY, INC.
WALKKILL SEWER DIVISION

October 31, 2018
Date

By: 
Saul Ewing Arnstein & Lehr LLP
Courtney L. Schultz, Esq.
Attorney for Petitioner

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Date

By: _____
Renee Greenberg
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

11/5/18
Date


By: 
Susan McClure, Esq.
Assistant Deputy Rate Counsel

EXHIBIT A

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/Trus-Up
For Calendar year ending December 31, 2017

A.J. 2017 Treatment Expenses Paid to SCMUJA:

Quarter	Amount	Invoice #	Reference
Q1	\$38,866	None	Exhibit B
Q2	\$38,866	None	Exhibit B
Q3	\$38,866	None	Exhibit B
Q4	\$38,866	None	Exhibit B
Credit	(\$5,258)	None	Exhibit B
Total 2017 Actual Treatment Expense			
			\$150,206

Lines 8.) thru 11.) - 12.)

Aqua New Jersey, Inc.
Waikill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2017
BJ 2017 Revenues Billed to Waikill Customers:

Class	Customers	Meter Size	Gallons	Amount	Rate per 1,000 Gals.	% of Revenue
Residential - Single Family	369	-	17,480	\$127,080	\$7.27	66.43%
Commercial, Industrial, School, Business, & Religious	39	-	8,832	\$64,209	\$7.27	33.57%
Subtotal:	408		26,312	\$191,288		100.00%

Acua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2017

C.) 2017 Reconciliation - Over/(Under) Recovery

C.1) Actual Revenue 2017	\$191,288	<u>Reference</u>
Prospective Revenue Authorized 2017	\$183,705	B.)
Over/(Under) Recovery 2017	\$7,583	Exhibit A
C.2) Actual Expense 2017	\$150,206	A.)
Projected Expense 2017	\$162,496	Exhibit A; Page 2 Sub B
Over/(Under) Recovery 2017	\$12,290	
Total Over/(Under) Recovery 2017	\$19,873	

Acqua New Jersey, Inc.
Waikiki PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2017

D.) Cost of Filing Application:

Legal
Notification & Other
Transcripts
Total

	<u>Amount</u>
\$	3,200.00
\$	-
\$	-
\$	<u>\$3,200</u>

Aqua New Jersey, Inc.
Walkbill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2017

E.1 Prospective 2019 Rate Adjustment:

- 1.) Projected 2019 Sewage Volume (KGallons)
- 2.) 2018 Volumetric Rate
- 3.) Projected Calendar Year 2019 Revenue
- 4.) Projected 2019 SCMJUA Billings (Based on 2018)
- 5.) Prospective Adj. for Rates Effective 1/1/2019

Calculation	Reference
25,671	3 Year Avg
\$5.28	
\$135,541	KGalls x 2017 Vol Rate
\$149,685	Exhibit B
\$14,144	Lines 4.) - 3.)

3 Yr. Avg. Annual Gallons	
2015	25,495
2016	25,205
2017	26,312
Average	25,671

Aqua New Jersey, Inc.
 Walkhill PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2017

F.J. PSTAC Revenue at Present Rates (2018):

Class	Customers	KGallons	2018 Current Rate	PSTAC Revenue at Present Rates	% of Revenue
Residential - Single Family	369	17,054	\$5.28	\$90,044.80	65.43%
Commercial, Industrial, School, Business, & Religious	39	8,617	\$5.28	\$45,496.32	33.57%
Total				<u>\$135,541.12</u>	
Total PSTAC Revenue at Present Rates =>				<u>\$135,541</u>	

Aqua New Jersey, Inc.
 Walkill PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2017

G.) PSTAC Calculation:

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2019 Calendar Year Billings by SCMJUA	\$149,685	E.)
2.) Over Recovery 2018	(\$19,873)	C.)
3.) Interest on Over Recovery	(\$915)	
4.) Cost of Filing Application (\$3,200 x 50%)	\$1,600	D.)
5.) 2019 PSTAC Revenue Requirement	\$130,493	F.)
6.) PSTAC Revenue at Present (2018 Rates)	\$135,541	
7.) Subtotal PSTAC Request	(\$5,048)	Line 5 minus Line 6

Aqua New Jersey, Inc.
 Walkill PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2017

HJ Rate Design:

Class	Customers	KGallons	2018 Current Rate	% of Revenue	Assessment	New Rate	% Change
Residential - Single Family	369	17,054	\$5.28	66.43%	(\$3,353.84)	\$5.08	-3.79%
Commercial, Industrial, School, Business, & Religious	39	8,617	\$5.28	33.57%	(\$1,694.57)	\$5.08	-3.79%
Total:					<u>(\$5,048)</u>		

Aqua New Jersey, Inc.
 Walkill PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2017

I.J. Proof of Revenue:

<u>Class</u>	<u>Customers</u>	<u>KGallons</u>	<u>New Rate</u>	<u>Prospective 2019 Revenue</u>
Residential - Single Family	369	17,054	\$5.08	\$86,634.01
Commercial, Industrial, School, Business, & Religious	39	8,617	\$5.08	\$43,772.97
Total:				\$130,407

2017 Walkill PSTAC True Up

Interest Calculation (Rate = 30 Yr Treasury @ 12/29/17 => 2.74%, @ 7/24/18 = 3.08%)

Month	Year	Refund*	APR %	Month % Rate	Interest
January	2017	\$ 1,656.08	0.0274	0.00228	3.78
February	2017	3,315.95	0.0274	0.00228	7.57
March	2017	4,975.82	0.0274	0.00228	11.36
April	2017	6,635.69	0.0274	0.00228	15.15
May	2017	8,295.57	0.0274	0.00228	18.94
June	2017	9,955.44	0.0274	0.00228	22.73
July	2017	11,615.31	0.0274	0.00228	26.52
August	2017	13,275.19	0.0274	0.00228	30.31
September	2017	14,935.06	0.0274	0.00228	34.10
October	2017	16,594.94	0.0274	0.00228	37.89
November	2017	18,254.81	0.0274	0.00228	41.68
December	2017	19,914.68	0.0274	0.00228	45.47
January	2018	19,960.15	0.0308	0.00257	51.23
February	2018	20,011.38	0.0308	0.00257	51.36
March	2018	20,062.75	0.0308	0.00257	51.49
April	2018	20,114.24	0.0308	0.00257	51.63
May	2018	20,165.87	0.0308	0.00257	51.76
June	2018	20,217.63	0.0308	0.00257	51.89
July	2018	20,269.52	0.0308	0.00257	52.03
August	2018	20,321.54	0.0308	0.00257	52.16
September	2018	20,373.70	0.0308	0.00257	52.29
October	2018	20,426.00	0.0308	0.00257	52.43
November	2018	20,478.42	0.0308	0.00257	52.56
December	2018	20,530.98	0.0308	0.00257	52.70

* 2017 Over-Recovery \$19,873 pro-rated

Total Interest to be Refunded to Customers

\$ 919

EXHIBIT D

PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE

APPLICABILITY:

In addition to the Base Service Charge set forth in Rate Schedule No. 5, the following Purchased Sewerage Treatment Adjustment Clause rates, in accordance with N.J.A.C. 14:9-8.1 et seq., are applicable to the use of sewer service for Customers served by the Company in Hardyston Township.

RATE:

Usage Charge Rate/1000 gallons

General Metered Consumption

\$5.08

*The above charges are based upon the Board of Public Utilities' ("Board") estimate of Aqua New Jersey, Inc.'s 12-month average cost of purchased sewerage treatment by the Company's Wallkill Sewer Division. The estimated 12-month average cost shall be periodically re-determined by the Board in accordance with true-up procedures set forth in N.J.A.C. 14:9-7.1 et seq.

TERMS OF PAYMENT:

Pursuant to N.J.A.C. 14:3-3a.3, PAYMENT FOR ALL BILLS RENDERED IS DUE FIFTEEN (15) DAYS AFTER THE ORIGINAL POSTMARK DATE OF THE BILL. Bills for sewer service will be rendered at the close of each quarterly billing period.

Issued: December 12, 2018

Effective Date: January 1, 2019

By: John Hildabrant, President
10 Black Forest Road
Hamilton, NJ 08691

Filed pursuant to decision and Order of Board of Public Utilities dated November 19, 2018, in Docket No. WR18080881.

RATE SCHEDULE NO. 5A
PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE

APPLICABILITY:

In addition to the Base Service Charge set forth in Rate Schedule No. 5, the following Purchased Sewerage Treatment Adjustment Clause rates, in accordance with N.J.A.C. 14:9-8.1 et seq., are applicable to the use of sewer service for Customers served by the Company in Hardyston Township.

RATE:

Usage Charge Rate/1000 gallons

General Metered Consumption \$5.42

*The above charges are based upon the Board of Public Utilities' ("Board") estimate of Aqua New Jersey, Inc.'s 12-month average cost of purchased sewerage treatment by the Company's Wallkill Sewer Division. The estimated 12-month average cost shall be periodically re-determined by the Board in accordance with true-up procedures set forth in N.J.A.C. 14:9-7.1 et seq.

TERMS OF PAYMENT:

Pursuant to N.J.A.C. 14:3-3a.3, PAYMENT FOR ALL BILLS RENDERED IS DUE FIFTEEN (15) DAYS AFTER THE ORIGINAL POSTMARK DATE OF THE BILL. Bills for sewer service will be rendered at the close of each quarterly billing period.

Issued:

Effective Date: January 1, 2020

By: John Hildabrant, President
10 Black Forest Road
Hamilton, NJ 08691

Filed pursuant to decision and Order of Board of Public Utilities dated _____, in Docket No. WR19_____.

EXHIBIT E

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

A.) 2018 Treatment Expenses Paid to SCMUA:

	<u>Quarter</u>	<u>Amount</u>	<u>Invoice #</u>	<u>Reference</u>
	Q1	\$37,421	None	Exhibit B
	Q2	\$37,421	None	Exhibit B
	Q3	\$37,421	None	Exhibit B
	Q4	\$37,421	None	Exhibit B
	Credit	\$2,026	None	Exhibit B
Total 2018 Actual Treatment Expense	-	\$151,711		Lines 8.) thru 11.) - 12.)

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

B.) 2018 Revenues Billed to Walkill Customers:

<u>Class</u>	<u>Customers</u>	<u>Meter Size</u>	<u>Gallons</u>	<u>Amount</u>	<u>Rate per 1,000 Gals.</u>	<u>% of Revenue</u>
Residential - Single Family	369	-	17,712	\$93,519	\$5.28	66.36%
Commercial, Industrial, School, Business, & Religious	40	-	8,978	\$47,404	\$5.28	33.64%
Subtotal:	409		26,690	\$140,923		100.00%

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

C.) 2018 Reconciliation - Over/(Under) Recovery:

		<u>Reference</u>
C.1) Actual Revenue 2018	\$140,923	B.)
Prospective Revenue Authorized 2018	<u>\$133,409</u>	Exhibit A; Ex. A, Page 7
Over/(Under) Recovery 2018	<u>\$7,514</u>	
C.2) Actual Expense 2018	\$151,711	A.)
Projected Expense 2018	<u>\$155,463</u>	Exhibit A; Page 2 Sub B
Over/(Under) Recovery 2018	<u>\$3,752</u>	
Total Over/(Under) Recovery 2018	\$11,266	

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

D.) Cost of Filing Application:

	<u>Amount</u>
Legal	\$ 7,500.00
Notification & Other	\$ 500.00
Transcripts	\$ 250.00
Total	<u>\$8,250</u>

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

E.) Prospective 2020 Rate Adjustment:

- 1.) Projected 2020 Sewage Volume (KGallons)
- 2.) 2019 Volumetric Rate
- 3.) Projected Calendar Year 2020 Revenue
- 4.) Projected 2020 SCMUA Billings (Based on 2019)
- 5.) Prospective Adj. for Rates Effective 1/1/2020

<u>Calculation</u>	<u>Reference</u>
26,069	3 Year Avg
<u>\$5.08</u>	
<u>\$132,431</u>	KGals x 2019 Vol Rate
<u>\$148,586</u>	Exhibit B
<u><u>\$16,155</u></u>	Lines 4.) - 3.)

3 Yr. Avg. Annual Gallons	
2016	25,205
2017	26,312
2018	26,690
Average	26,069

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

F.) PSTAC Revenue at Present Rates (2019):

<u>Class</u>	<u>Customers</u>	<u>KGallons</u>	<u>2019 Current Rate</u>	<u>PSTAC Revenue at Present Rates</u>	<u>% of Revenue</u>
Residential - Single Family	371	17,300	\$5.08	\$87,883.45	66.36%
Commercial, Industrial, School, Business, & Religious	40	8,769	\$5.08	\$44,547.07	33.64%
Total:					
Total PSTAC Revenue at Present Rates =>				<u><u>\$132,431</u></u>	

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

G.) PSTAC Calculation:

	<u>Amount</u>	<u>Reference</u>
1.) Projected 2020 Calendar Year Billings by SCMUA	\$148,586	E.)
2.) Over Recovery 2018	(\$11,266)	C.)
3.) Interest on Over Recovery	(\$107)	
4.) Cost of Filing Application (\$8,250 x 50%)	\$4,125	D.)
5.) 2020 PSTAC Revenue Requirement	<u>\$141,337</u>	Sum Lines 1 thru 3
6.) PSTAC Revenue at Present (2019) Rates	<u>\$132,431</u>	F.)
7.) Subtotal PSTAC Request	<u>\$8,907</u>	Line 5 minus Line 6

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

H.) Rate Design:

<u>Class</u>	<u>Customers</u>	<u>KGallons</u>	<u>2019 Current Rate</u>	<u>% of Revenue</u>	<u>Assessment</u>	<u>New Rate</u>	<u>% Change</u>
Residential - Single Family	369	17,300	\$5.08	66.36%	\$5,910.79	\$5.42	6.73%
Commercial, Industrial, School, Business, & Religious	40	8,769	\$5.08	33.64%	\$2,996.11	\$5.42	6.73%
Total:					<u>\$8,907</u>		

Aqua New Jersey, Inc.
Walkill PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2018

I.) Proof of Revenue:

<u>Class</u>	<u>Customers</u>	<u>KGallons</u>	<u>New Rate</u>	<u>Prospective 2020 Revenue</u>
Residential - Single Family	369	17,300	\$5.42	\$93,794.24
Commercial, Industrial, School, Business, & Religious	40	8,769	\$5.42	\$47,543.17
Total:				<u><u>\$141,337</u></u>