



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF)	ORDER ADOPTING INITIAL
AQUA NEW JERSEY, INC., MAXIM)	DECISION/STIPULATION
WASTEWATER DIVISION, FOR APPROVAL OF)	
A 2011 PURCHASED WASTEWATER)	
TREATMENT ADJUSTMENT CLAUSE TRUE-UP)	BPU DOCKET NO. WR12070686
AND OTHER REQUIRED APPROVALS)	OAL DOCKET NO. PUC 10578-12

Parties of Record:

Colleen A. Foley, Esq., on behalf of Aqua New Jersey, Inc., Maxim Wastewater Division, Petitioner

Stefanie A. Brand, Esq. Director, on behalf of the Division of Rate Counsel

BY THE BOARD:

On July 24, 2012, Aqua New Jersey, Inc., Maxim Wastewater Division ("Petitioner", "Company" or "Maxim"), a public utility of the State of New Jersey, filed a 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 2011, and to set prospective rates for calendar year 2013 (as required by N.J.A.C. 14:9-7.7).

Maxim is a wastewater utility engaged in the collection and transmission of sewage. Maxim serves approximately 2,571 customers within a portion of Howell Township, Monmouth County, New Jersey. The Ocean County Utilities Authority ("OCUA") receives and treats all of the sewage transmitted by Maxim.

By this Order, the Board considers the Initial Decision recommending adoption of 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 Purchased Sewerage Treatment Adjustment Clause (PSTAC) revenues totaling \$44,586.

BACKGROUND/PROCEDURAL HISTORY

This matter was transmitted to the Office of Administrative Law ("OAL") on June 8, 2012, as a contested case and was assigned to Administrative Law Judge ("ALJ") Elia A. Pelios. A telephonic prehearing conference was held on October 2, 2012, with ALJ Pelios. Since the

Company requested a decrease in rates, it was deemed that a public comment hearing was not required.

The parties exchanged discovery and subsequently participated in a settlement teleconference on November 29, 2012. On December 4, 2012, the Parties entered into the Stipulation.

In this proceeding, the Parties, examined the Petitioner's revenues and OCUA expenses for calendar year 2011, Maxim's projected 2013 OCUA expenses, as well as a review of the costs associated with the filing of this proceeding. Based on that review, and subsequent settlement negotiations, the Parties reached a settlement on all issues and entered into a Stipulation that, among other things, provides for an overall decrease in Maxim's PSTAC revenues totaling \$44,586, and is calculated based on the following components:

- a. An under-recovery of actual PSTAC charges of approximately \$23,230 for the calendar year ending December 31, 2011;
- b. Estimated OCUA charges for 2013 of \$949,770 based on OCUA rates effective for 2013; and
- c. Total rate case costs for this proceeding of \$18,500. These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$9,250.

As required in N.J.A.C. 14:9-7.7 and the Board's Order in Docket No. WR11080472, the Petitioner has included in its filing an estimate of OCUA costs for calendar year 2013, which estimate has been used to determine the applicable PSTAC rate for 2013.

On December 11, 2012, ALJ Pelios issued his Initial Decision recommending adoption of the Stipulation executed by the Parties, finding that they had voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues and is consistent with the law.

DISCUSSIONS AND FINDINGS¹

The Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be revised pursuant to the rates indicated on Exhibit A attached to the Stipulation (and the attached proposed tariffs). For the average residential customer, the annual flat PSTAC rate will decrease from \$388.06 to \$371.21, an annual decrease of \$16.85 or approximately 4.342%. With respect to the total annual rate for wastewater services, the overall total annual rate for the average residential customer will decrease from \$692.06 to \$675.21, a decrease of \$16.85 or approximately 2.43% annually.

Having reviewed the record in this matter, including ALJ Pelios' Initial Decision, as well as the Stipulation among the Parties to this proceeding, 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** ALJ Pelios' Initial Decision and 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:

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.

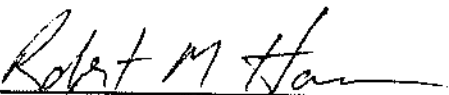
In accordance with the provisions of N.J.A.C. 14:9-7.3 (c), the Petitioner shall file with the Board, no later than 45 days after the adjustment clause has been in effect for one year, or by February 28, 2013, whichever is earlier, a PSTAC true-up filing in connection with this proceeding. This filing shall include an estimate of the OCUA costs for calendar year 2014. Copies of the true-up filing shall be served upon all Parties to the present proceeding.

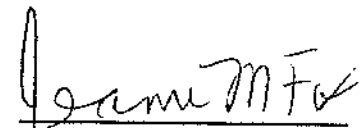
The Board **HEREBY ACCEPTS** the tariff pages attached to the Stipulation as filed with the Board, to be effective as of the effective date stated below.

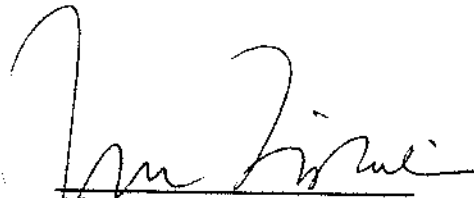
The effective date of this Order is December 28, 2012.

DATED: 12/19/12

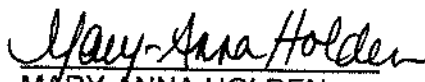
BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT

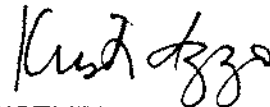

JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

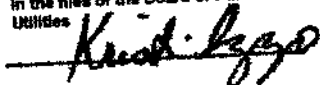

NICHOLAS ASSELTA
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:


KRISTI IZZO
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., Maxim Wastewater Division,
For Approval of a 2011 Purchased Wastewater Treatment Adjustment Clause True-Up and
Other Required Approvals
BPU Docket No. WR12070686
OAL Docket No. PUC 10578-12

SERVICE LIST

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Board of Public Utilities
Division of Water
44 S. Clinton Avenue, 9th Floor
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**State of New Jersey
OFFICE OF ADMINISTRATIVE LAW**

INITIAL DECISION SETTLEMENT

OAL DKT. NO. PUC 10578-12

AGENCY DKT. NO. WR12070686

**I/M/O THE PETITION OF AQUA NEW JERSEY,
INC. MAXIM WASTEWATER DIVISION, FOR
APPROVAL OF A 2011 PURCHASED
WASTEWATER TREATMENT ADJUSTMENT
CLAUSE TRUE-UP AND OTHER REQUIRED
APPROVALS**

Colleen A. Foley, Esq., for petitioner (Saul Ewing LLP, attorneys)

**Alex Moreau, Deputy Attorney General, for respondent (Jeffrey S. Chiesa,
Attorney General of New Jersey, attorney)**

**Susan E. McClure, Esq., for Division of Rate Counsel, appearing pursuant to
N.J.A.C. 1:1-5.4(a)2,**

Record Closed: December 5, 2012

Decided: December 11, 2012

BEFORE ELIA A. PELIOS, ALJ:

This proceeding involves a petition by Aqua New Jersey, Inc. Maxim Wastewater Division, for approval of a 2011 purchased wastewater treatment adjustment clause

true-up and other required approvals. The petition was transmitted to the Office of Administrative Law on August 7, 2012, for determination as a contested case. As petitioner is requesting a decrease in rates, no public hearings were held pursuant to N.J.S.A. 48:2-32.4.

The parties filed, on December 5, 2012, a Stipulation of Settlement (J-1) which resolves all issues in this proceeding. Said Stipulation of Settlement has been signed by all parties, indicates the terms of settlement, and is attached and fully incorporated herein.

I have reviewed the terms of settlement and I FIND:

1. The parties have voluntarily agreed to the settlement as evidenced by their signatures or their representatives' signatures on the attached document.

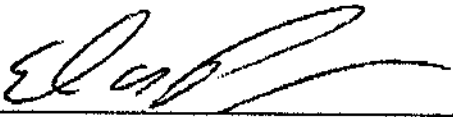
2. The settlement fully disposes of all issues in controversy between the parties and is consistent with the law.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

December 11, 2012

DATE



ELIA A. PELIOS, ALJ

Date Received at Agency:

Date Mailed to Parties:

/mel

EXHIBITS

Jointly Submitted

J-1 Stipulation of Settlement

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

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC., MAXIM WASTEWATER DIVISION, FOR APPROVAL OF A 2011 PURCHASED WASTEWATER TREATMENT ADJUSTMENT CLAUSE TRUE UP AND OTHER REQUIRED APPROVALS	STIPULATION OF SETTLEMENT BPU DOCKET NO. WR12070686 OAL DOCKET NO. PUC 10578-12
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APPEARANCES:

Colleen A. Foley, Esq., Saul Ewing LLP, and Kimberly A. Joyce, Esq., Aqua America, Inc., on behalf of the Petitioner, Aqua New Jersey, Inc., Maxim Wastewater Division

Susan McClure, Esq., Assistant Deputy Rate Counsel, and Christine Juarez, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Alex Moreau, Deputy Attorney General, and T. David Wand, Deputy Attorney General (Jeffrey S. Chiesa, 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 as follows: the Maxim Wastewater Division of Aqua New Jersey, Inc. ("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 the 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, the Maxim Wastewater Division of Aqua New Jersey, Inc., operates a sewage collection and transmission system within a portion of the Township of Howell, New

Jersey. Petitioner serves approximately 2,571 customers within 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 July 24, 2012, 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 Docket No. WR12070686, for approval of a purchased sewerage treatment adjustment clause ("PSTAC") true-up for calendar year 2011, and to set prospective rates for 2013 (as required by N.J.A.C. 14:9-7.7).

3. On August 7, 2012, the matter was transmitted to the Office of Administrative Law, and ultimately assigned to Administrative Law Judge Elia A. Pelios (OAL Docket No. PUC 10578-12). A telephone Pre-Hearing Conference was conducted by Judge Pelios on October 2, 2012. A letter summarizing the matters agreed to during the Pre-Hearing Conference was filed with Judge Pelios on October 5, 2012.

4. With the agreement of Judge Pelios and the Parties, a public comment hearing was not conducted because the Petitioner's request proposed a decrease in the present PSTAC tariff rate.

5. Petitioner's current rates reflect the recovery of wastewater treatment charges imposed by the Ocean County Utilities Authority ("OCUA"). The current PSTAC tariff was approved by the Board in an Order in Docket No. WR11080472, dated December 15, 2011, which examined PSTAC revenues and expenses applicable to the period ending December 31, 2010 and set prospective rates for calendar year 2012.

6. In this proceeding, the Parties have examined the Company's actual revenues and actual OCUA expenses for calendar year 2011, the Company's projected OCUA expenses for

2013, 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 \$44,586 less in revenues.

The \$44,586 PSTAC decrease was calculated based on the following components:

- a. an under-recovery of actual wastewater treatment charges of approximately \$23,230 for the calendar year ending December 31, 2011 (See Exhibit A, attached hereto, pages 1 to 3);
- b. estimated OCUA charges for 2013 of \$949,770 based on OCUA rates effective for 2013 (See Exhibit A, page 5); and
- c. the total costs of this proceeding are \$18,500 (See Exhibit A, page 4). These costs will be shared 50/50 between ratepayers and shareholders, resulting in a cost to customers of \$9,250 (See Exhibit A, page 7).

7. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of OCUA costs for calendar year 2013, which estimate has been used to determine the applicable PSTAC rate for 2013.

8. Based on the estimated costs for 2013, the under-recovery for 2011, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be revised pursuant to the rates indicated on Exhibit A (and the attached proposed tariffs). For the average residential customer, the annual flat PSTAC rate will decrease from \$388.06 to \$371.21, an annual decrease of \$16.85 or approximately 4.342%. With respect to the total annual rate for wastewater services, the total annual rate for the average residential customer will decrease from \$692.06 to \$675.21, a decrease of \$16.85 or approximately 2.43% annually.

9. 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 2012 actual OCUA costs with the estimated OCUA 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 OCUA costs for calendar year 2014, which estimate will be used to determine the applicable PSTAC rate for 2014, as required in N.J.A.C. 14:9-7.7. The Company agrees to make the filing described in this Paragraph no later than July 30, 2013, or within 45 days of receipt of a notice from the OCUA regarding applicable sewerage treatment rates for 2014, whichever is earlier. Thereafter, the Parties agree that the Company will make annual filings consistent with the provisions of N.J.A.C. 14:9-7.1 et seq.

10. 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.

11. 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.

12. 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.

13. 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.

14. 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.

MAXIM WASTEWATER DIVISION OF
AQUA NEW JERSEY, INC.

December 4, 2012
Date

By: Colleen A. Foley
Saul Ewing LLP
Colleen A. Foley, Esq.
Attorney for Petitioner

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

Date

By: _____
Alex Moreau
Deputy Attorney General

STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL

Date

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

14. 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.

**MAXIM WASTEWATER DIVISION OF
AQUA NEW JERSEY, INC.**

December 4, 2012
Date

By: Colleen A. Foley
Saul Ewing LLP
Colleen A. Foley, Esq.
Attorney for Petitioner

**JEFFREY S. CHIESA
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities**

December 4, 2012
Date

By: Alex Moreau
Alex Moreau
Deputy Attorney General

**STEFANIE A. BRAND, ESQ.
DIRECTOR - RATE COUNSEL**

December 4, 2012
Date

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

Acqua New Jersey, Inc.
 March PSTAC Reconciliations/True-Up
 For Calendar year ending December 31, 2011

A.1 2011 Treatment Expenses Paid to OCJA:

Quarter	Gallons Billed	Amount	Invoice #	Reference
Q1	62.50	\$239,063	1800012704	
Q2	62.50	\$239,063	1800013052	
Q3	62.50	\$239,063	1800013318	
Q4	62.50	\$239,063	1800013657	
Credit		(\$21,803)		
Total 2011 Actual Treatment Expense		250.00	\$934,448	Exhibit B

Aqua New Jersey, Inc.
 Maxien PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2011

B.1.2011 Revenues Billed to Maxien Customers:

Class	Customers	Meter Size	Amount	Rate	% of Revenue
Residential - Single Family	2,506		\$822,994	\$384.10	95.83%
Commercial, Industrial, School, Business, & Religious	26	3/4"	\$9,467	\$384.10	0.99%
Commercial, Industrial, School, Business, & Religious	1	1"	\$607	\$607.23	0.06%
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$0	\$1,249.93	0.00%
Commercial, Industrial, School, Business, & Religious	8	2"	\$15,503	\$1,937.91	1.61%
Commercial, Industrial, School, Business, & Religious	-	3"	\$0	\$3,751.03	0.00%
Commercial, Industrial, School, Business, & Religious	1	4"	\$6,084	\$6,083.75	0.53%
Subtotal:	2,571		\$954,634		99.12%

Customer #	Meter Size	Min. Bill	Over Minimum	Min. Gallons	Gallons Billed	% of Revenue
991679	2"	\$3,562	2,179	526	2,705	
991661	3/4"	\$567	15	98	114	
991662	3/4"	\$567	53	98	152	
991661	3/4"	\$567	54	98	153	
Subtotal Gallons:			2,301			
Rate / 1,000 gallons			\$3,686			
Subtotal Commercial Revenues over Minimum			\$8,481			0.88%
Total Revenues Billed 2011:			\$963,115			

**Aqua New Jersey, Inc.
March PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2011**

C.1 2011 Reconciliation - Over/(Under) Recovery:

C.1)	*	Reference B.) Exhibit A
Actual Revenue 2011	\$963,116	
Prospective Revenue Authorized 2011	\$977,166	
Over/(Under) Recovery 2011	<u>(\$14,050)</u>	
C.2)		A.) Exhibit A
Actual Expense 2011	\$934,448	
Projected Expense 2011	\$925,288	
Over/(Under) Recovery 2011	<u>(\$9,160)</u>	
Total Over/(Under) Recovery 2011	(\$23,230)	

**Aqua New Jersey, Inc.
Maxim PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2011**

P.J. Cost of Filings Association:

Legal
Notification & Other
Case Preparation & Discovery
Transcripts
Total

<i>Amount</i>
\$14,000
\$0
\$4,500
\$0
<u>\$18,500</u>

**Aqua New Jersey, Inc.
 Mastin PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2011**

E.I. Prospective 2013 Rate Adjustment:

- 1.) Projected 2013 Sewage Volume (in millions)
- 2.) Proposed 2013 OCUA Bulk Rate
- 3.) Projected Calendar Year 2013 Billings by OCUA
- 4.) Projected 2012 OCUA Billings
- 5.) Prospective Adj. for Rates Effective 1/1/2013

Calculation	Reference
244.66	
\$3,862	Exhibit C
\$949,770	Lines 1.) x 2.)
\$949,770	Lines 3.) - 4.)
<u>\$0</u>	

**Aqua New Jersey, Inc.
 Maxien PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2011**

F.I.PSTAC Revenue at Present Rates (2012):

Class	Customers	Meter Size	2012 Current Rate	PSTAC Revenue at Present Rates	% of Revenue
Residential - Single Family	2,536	-	\$388.06	\$983,732.10	95.80%
Commercial, Industrial, School, Business, & Religious	26	3/4"	\$388.06	\$10,089.56	0.98%
Commercial, Industrial, School, Business, & Religious	1	1"	\$847.19	\$847.19	0.06%
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$1,332.18	\$0.00	0.00%
Commercial, Industrial, School, Business, & Religious	8	2"	\$2,085.43	\$16,623.44	1.61%
Commercial, Industrial, School, Business, & Religious	-	3"	\$3,887.86	\$0.00	0.00%
Commercial, Industrial, School, Business, & Religious	1	4"	\$6,482.77	\$6,482.77	0.63%
Total:					
Commercial Metered Service Rate / 1,000 gallons =	2,301		\$4.077	\$9,381.18	0.91%

Total PSTAC Revenue at Present Rates =>

\$1,026,636.24

Aqua New Jersey, Inc.
Maximum PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2011

9.) PSTAC Calculations:

- 1.) Projected 2013 Calendar Year Billings by OCUA
- 2.) Under Recovery 2011
- 3.) Cost of Filing Application (\$18,500 x 50%)
- 4.) 2013 PSTAC Revenue Requirement
- 5.) PSTAC Revenue at Present (2012 Rates)
- 6.) Subtotal PSTAC Adjustment 2013

Amount	Reference
\$949,770	E.)
\$23,230	C.)
\$9,250	D.)
\$982,250	Sum Lines 1 thru 3
\$1,026,336	F.)
(\$44,586)	Line 4 minus Line 5

Aqua New Jersey, Inc.
Median PSTAC Reconciliation/True-Up
For Calendar year ending December 31, 2011

H.I. Rate Details:

Class	Customers	Meter Size	2012 Current Rate	% of Revenue	Assessment	2013 New Rate	% Change
Residential - Single Family	2,535	-	\$388.08	95.60%	(\$42,714.83)	\$371.21	-4.342%
Commercial, Industrial, School, Business, & Religious	26	3/4"	\$388.08	0.98%	(\$438.10)	\$371.21	-4.342%
Commercial, Industrial, School, Business, & Religious	1	1"	\$847.18	0.05%	(\$28.10)	\$819.09	-4.342%
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$1,332.18	0.00%	\$0.00	\$1,274.34	-4.342%
Commercial, Industrial, School, Business, & Religious	8	2"	\$2,065.43	1.61%	(\$717.47)	\$1,975.75	-4.342%
Commercial, Industrial, School, Business, & Religious	-	3"	\$3,997.86	0.00%	\$0.00	\$3,824.27	-4.342%
Commercial, Industrial, School, Business, & Religious	1	4"	\$8,462.77	0.63%	(\$280.62)	\$8,182.15	-4.342%
Total:					(\$44,179)		
Commercial Metered Service Rate / 1,000 gallons =			\$4.077	0.91%	(\$407.34)	\$3.900	-4.342%
Total Revenue Assessed					(\$44,566)		

**Apex New Jersey, Inc.
 Maxem PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2011**

A. Proof of Revenue:

Class	Customers/Gallons	Meter Size	New Rate	Prospective 2013 Revenue
Residential - Single Family	2,535	-	\$371.21	\$941,017.27
Commercial, Industrial, School, Business, & Religious	26	3/4"	\$371.21	\$9,651.46
Commercial, Industrial, School, Business, & Religious	1	1"	\$618.08	\$618.08
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$1,274.34	\$0.00
Commercial, Industrial, School, Business, & Religious	8	2"	\$1,975.75	\$15,805.97
Commercial, Industrial, School, Business, & Religious	-	3"	\$3,824.27	\$0.00
Commercial, Industrial, School, Business, & Religious	1	4"	\$6,182.15	\$6,182.15
Commercial over Minimum Gallons	2,301	Kgals	\$3.800	\$8,973.84
Total:				\$982,250 *

Acqua New Jersey, Inc.
 Maximum PSTAC Reconciliation/True-Up
 For Calendar year ending December 31, 2011

1) Customer Incentive: Combined Base Rate + PSTAC Rate

Class	Customers	Meter Size	2012 Old Rate	2013 New Rate	% Change
Residential - Single Family	2,535	-	\$602.06	\$675.21	-2.43%
Commercial, Industrial, School, Business, & Religious	26	3/4"	\$682.06	\$675.21	-2.43%
Commercial, Industrial, School, Business, & Religious	1	1"	\$685.06	\$678.21	-1.88%
Commercial, Industrial, School, Business, & Religious	-	1 1/2"	\$1,662.19	\$1,634.09	-1.69%
Commercial, Industrial, School, Business, & Religious	8	2"	\$2,866.18	\$2,868.34	-1.98%
Commercial, Industrial, School, Business, & Religious	-	3"	\$5,110.43	\$5,020.75	-1.75%
Commercial, Industrial, School, Business, & Religious	1	4"	\$9,072.86	\$8,869.27	-1.81%
Total:			\$7,127	\$8,747	-5.33%

Commercial Metered Service Rate / 1,000 gallons =

PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE

In addition to the Base Service Charge set forth in Rate Schedule No. 1, the Purchased Sewerage Treatment Adjustment Clause rates, in accordance with N.J.A.C. 14:9-8.1 et seq., shall be:

FLAT RATE SERVICE

<u>Type of Property</u>	<u>Purchased Sewerage Treatment Adjustment Clause</u>	
	<u>Annual</u>	<u>Monthly</u>
Single Family Dwelling	\$371.21	\$30.93
Two Family Dwelling	619.09	51.59
Apartment Dwelling (1 st Apt.)	371.21	30.93
Each Additional Apartment	371.21	30.93
Town House Dwelling Unit	371.21	30.93

Business, Commercial, Industrial, Religious and School Use

Minimum charges for sewer service shall be based on water service size as follows:

<u>Service Size (Inches)</u>	<u>Purchased Sewerage Treatment Adjustment Clause</u>	
	<u>Annual</u>	<u>Monthly</u>
¾	\$371.21	\$30.93
1	619.09	51.59
1 ½	1,274.34	106.19
2	1,975.75	164.65
3	3,824.27	318.69
4	6,182.15	515.18

METERED SERVICE

\$3.900 per thousand gallons

When water meter readings are available, the customers shall be billed at \$3.900 per thousand gallons, or the minimum PSTAC charge, whichever is greater. If the water is privately supplied, Aqua New Jersey, Inc. shall be permitted to install a meter at the source of supply.

The above charges are based upon the Board of Public Utilities' estimate of Aqua New Jersey, Inc.'s twelve (12) month average cost of purchased sewerage treatment. The estimated twelve (12) month average cost shall be periodically redetermined by the Board in accordance with true-up procedures set forth in N.J.A.C. 14:9-8.1 et seq.

Issued by: Aqua New Jersey, Inc.
 10 Black Forest Road
 Hamilton NJ 08691

Effective: January 1, 2013

Issue date:

Filed pursuant to Decision and Order of the Board of Public Utilities in Docket No. WR12070686 dated _____.

AQUA NEW JERSEY, INC.
B.P.U. NO. 7 - SEWER

EIGHTH REVISED SHEET NO. 18
SUPERCEDING SEVENTH REVISED SHEET NO. 18

RATE SCHEDULE NO. 1
BILLS TO BE RENDERED MONTHLY

Type of Property:	Annual Base Service Charge	Monthly Base Service Charge
Single Family Dwelling	\$304.00	\$25.33
Two Family Dwelling	608.00	50.66
Apartment Dwelling (1 st Apt.)	304.00	25.33
Each Additional Apartment	304.00	25.33
Town House Dwelling Unit	304.00	25.33

Air Conditioning Units using water for cooling agent (See Paragraph 11.3,
Special Provisions) SPECIAL PROVISIONS

Subscriber with sewerage in excess of B.O.D and T.S.S limits imposed by
Ocean County Utilities Authority (See Paragraphs 11.1 and 11.2, Special
Provisions) SPECIAL PROVISIONS

Business, Commercial, Industrial, Religious, and School Use:

Service Size (Inches)	Annual Base Service Charge	Monthly Base Service Charge
5/8"	\$203.00	16.92
3/4"	304.00	25.33
1"	507.00	42.25
1 1/2"	1,015.00	84.58
2"	1,624.00	135.33
3"	3,045.00	253.75
4"	5,075.00	422.92

When water meter readings are available, the customer shall be billed at
\$3.05 per thousand gallons, or the minimum monthly service charge,
whichever is greater. If the water is privately supplied, Aqua New Jersey,
Inc. shall be permitted to install a meter at the source of supply.

Purchased Sewerage Treatment Adjustment Clause (PSTAC)
Rates are found on Eleventh Revised Sheet No. 19

Issued by: Aqua New Jersey, Inc.
10 Black Forest Road
Hamilton NJ 08691

Effective: January 1, 2012

Issue date:

Filed pursuant to Decision and Order of the Board of Public Utilities in
Docket No. WR11080472 dated _____.