



Agenda Date: 1/29/14
Agenda Item: 5B

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 SHORE)
WATER COMPANY FOR APPROVAL OF AN)
INCREASE IN RATES FOR SERVICE)
)
) BPU DOCKET NO. WR13080715
) OAL DOCKET NO. PUC 12402-13

Parties of Record:

Lewis Goldshore, Esq., on behalf of Shore Water Company, Petitioner
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 9, 2013, pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.12, and N.J.A.C. 14:9-7.1 et. seq., Shore Water Company. ("Shore Water", "Company" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") filed a petition seeking to increase its rates for water service amounting to approximately \$162,383 or 31.15%% above the annual revenues. The Petitioner's request included the recovery of extraordinary storm related expenses.

By this Order, the Board considers the Initial Decision recommending adoption of the Stipulation of Settlement ("Stipulation") executed by the Company, Board Staff, and the Division of Rate Counsel ("Rate Counsel") (collectively "the Parties"), agreeing to an overall increase in revenues totaling \$117,532 representing a 22% increase over Company revenues totaling \$651,767.

BACKGROUND/PROCEDURAL HISTORY

The Company is a public utility and provides water service to 1215 un-metered and 39 metered customers in the South Seaside Park section of Berkeley Township, Ocean County, New Jersey. Petitioner also provides service to Island Beach State Park.

The increase in rates was proposed "... to become effective thirty (30) days after the filing of this Petition at the office of the Secretary of the Board of Public Utilities." By letter dated August 31, 2013, the Company filed a letter with the Board stating that it will not implement rates on an

interim basis prior to the effective date of the Board's Suspension Order resulting from the Board's September 18, 2013 agenda meeting. On September 18, 2013, the Board suspended the proposed rates until January 9, 2014. On December 18, 2013, the Board issued an Order further suspending rates until May 9, 2014.

This matter was transmitted to the Office of Administrative Law ("OAL") on August 29, 2013, and Administrative Law Judge ("ALJ") W. Todd Miller was assigned to hear the case. A Pre-Hearing Conference (via telephone) was convened by ALJ Miller on October 8, 2013.

As noted above, the Petitioner's request included the recovery of extraordinary storm related expenses. By letter dated September 23, 2013, the Board notified the Clerk of the OAL that it had initiated a generic proceeding, in In the Matter of the Board's Establishment of a Generic Proceeding to Review the Prudency of Costs by NJ Utility Companies in Response to Major Storm Events in 2011 and 2012 (BPU Docket No. AX13030196, March 20, 2013) ("Generic Storm Cost Order") to evaluate and review the prudency of all 2011-2013 Major Storm Event expenditures for which a utility seeks reimbursement from ratepayers and that the Board had directed that the review of the prudency of those costs be conducted within the generic proceeding. The Board thus requested, pursuant to N.J.A.C. 1:1-3.3(a), that the rest of the base rate case, excluding storm costs, remain at the OAL.

After proper notice, a public hearing was held in the Petitioner's service territory on the evening of November 21, 2013, in Berkeley Township, Ocean County. Several members of the public attended the hearing and provided comments expressing satisfaction with the Company's service while objecting to the proposed rate increase.

Subsequent to the public hearing, the Parties to the proceeding engaged in numerous settlement negotiations and as a result of these discussions and extensive discovery, reached a settlement on all issues and subsequently executed a Stipulation.

On January 7, 2014, ALJ Miller issued an Initial Decision in this matter recommending adoption of the Stipulation executed by the Parties, finding that the Parties had voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues and is consistent with the law.

DISCUSSIONS AND FINDINGS

Among the provisions of the Stipulation¹, the Parties recommend that the Company's base rates be increased by \$117,532, representing a 22% increase over Company revenues totaling \$651,767. The Parties further recommend a rate base of \$531,922, adjusted for known and measurable changes and that the Company be authorized a return on equity of 9.75%. The overall rate of return is calculated by using the Company's current capital structure consisting of 49.78% long term debt calculated at a rate of 3.49%, and 50.22% common equity calculated at a rate of 9.75% for an overall rate of return of 8.8218%.

By letter dated December 27, 2013, the Parties submitted a letter to the Board's Secretary in Docket No. WO13070325. Previously, on June 26, 2013, the Company had submitted a letter listing costs incurred for Superstorm Sandy. The December 27, 2013 letter states that the Parties had considered the Board Generic Storm Cost Order in Docket No. AX13030196,

¹ Although described in the 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.

especially as it relates to the Company's storm-related costs, and that the Parties agree the appropriate forum is this current docket. The Parties herein have agreed upon a five-year amortization of \$35,978 of Superstorm Sandy related costs.

The Parties agree that the attached changed tariff pages (Exhibit B) of the Stipulation, reflecting an increase for public fire charges, and increases reflecting the allocations agreed upon by the parties for all classes of customers as contained in the attached Exhibits, should be adopted by the Administrative Law Judge and the Board in their entirety. As a result of the stipulated rate adjustment:

- a) Unmetered customer charges will increase from the annual current rate of \$372.00 to \$454.00, an increase of \$82.00 per year or 22.04% and represents a monthly increase of \$6.83 per customer.
- b) Public fire hydrant charges will increase from the annual current rate of \$186.40 to \$227.41 or 22.0%.
- c) Private fire protection charges will increase as follows: for 3-inch service from the annual current rate of \$1,475.84 to \$1,800.52 and for 4-inch service from the annual current rate of \$2,459.48 to \$3,000.56.

The Parties agree the new rates will become effective on such date as the Board may direct.

The Board is mindful of the impact any rate increase has on its customers. However, having reviewed the record in this matter, including ALJ Miller's Initial Decision and the Stipulation, the Board **FINDS** that the Parties have voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. In reaching this decision, the Board must balance the needs of the ratepayer to receive safe, adequate and proper service at reasonable rates, while allowing the utility the opportunity to earn a fair rate of return. See FPC v. Hope Natural Gas, 320 U.S. 591 (1944); N.J.S.A. 48:2-21 and N.J.S.A. 48:3-1. The Board further **FINDS** that after reviewing the record, Shore Water's Sandy costs do not meet the criteria of the generic proceeding and are properly included in this rate case. Therefore, the Board **FINDS** the Initial Decision, which adopts the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the 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 they were fully set forth at length herein, subject to the following:

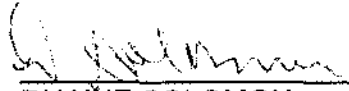
- a. The tariff sheets attached to the Stipulation containing rates and charges conforming to the Stipulation and designed to produce the additional revenues to which the Parties have stipulated herein are **HEREBY ACCEPTED**; and
- b. The stipulated increase and the tariff design allocations for each customer classification are **HEREBY ACCEPTED**.

Based upon the forgoing, the Board **HEREBY APPROVES** an overall increase in revenues in the amount of \$117,532, representing a 22% increase over Company revenues totaling \$651,767.

This Order shall be effective on January 29, 2014.

DATED: 1/29/14

BOARD OF PUBLIC UTILITIES
BY:


DIANNE SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
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 SHORE WATER COMPANY
FOR APPROVAL OF AN INCREASE IN RATES FOR SERVICE
BPU DOCKET NO. WR13080715

SERVICE LIST

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State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 12402-13

AGENCY DKT. NO. WR13080715

**IN THE MATTER OF THE PETITION OF SHORE
WATER COMPANY FOR APPROVAL
OF AN INCREASE IN RATES FOR
SERVICE.**

Lewis Goldshore, Esq., for Shore Water Company

Stefanie A. Brand, Esq., Director, Division of Rate Counsel

Mark Critchley, Deputy Attorney General, for New Jersey Board of Public Utilities (John J. Hoffman, Acting Attorney General of New Jersey, attorney)

Record Closed: January 7, 2014

Decided: January 7, 2014

BEFORE **W. TODD MILLER**, ALJ:

This matter was transmitted to the Office of Administrative Law on August 29, 2013, for determination as a contested case, pursuant to N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14F-1 to -13.

The parties have agreed to a settlement and have prepared a Settlement Agreement indicating the terms thereof, which is attached and fully incorporated herein.

I have reviewed the record and the terms of settlement and I **FIND**:

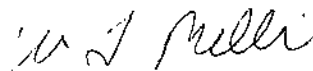
1. The parties have voluntarily agreed to the settlement as evidenced by their signatures or their representatives' signatures.

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

I **CONCLUDE** that this agreement meets the requirements of N.J.A.C. 1:1-19.1 and that the settlement should be approved. I approve the settlement and therefore **ORDER** that the parties comply with the settlement terms and that these proceedings be concluded.

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.



January 7, 2014 _____
DATE

W. TODD MILLER, ALJ

Date Received at Agency: _____

Date Mailed to Parties: _____

/ds/lam

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION
OF SHORE WATER COMPANY FOR
APPROVAL OF AN INCREASE IN RATES FOR SERVICE

BPU Docket No. WR13080715
OAL Docket No. PUC 12402-13

STIPULATION

APPEARANCES

Lewis Goldshore, Esq., Attorney for Petitioner, Shore Water Company;

Susan E. McClure, Esq., Assistant Deputy Rate Counsel on behalf of the Division of Rate Counsel;

Mark Critchley, Jennifer Hsia, and Alex Moreau, Deputy Attorneys General, on behalf of the staff of New Jersey Board of Public Utilities (John Jay Hoffman, Acting Attorney General of New Jersey);

TO THE HONORABLE COMMISSIONERS AT THE BOARD OF PUBLIC UTILITIES:

PROCEDURAL HISTORY

1. Petitioner, Shore Water Company, Inc. (hereinafter referred to as "Petitioner" or "Company") is a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") and franchised to provide water service in a portion of the Township of Berkeley, Ocean County, New Jersey.
2. Petitioner provides water service to 1,215 un-metered customers and 39 metered customers in the South Seaside Park section of Berkeley Township, Ocean County, New Jersey, as well as to Island Beach State Park.
3. On August 9, 2013, Petitioner filed a petition with the Board, pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.12, and N.J.A.C. 14:9-7.1 et seq., for approval to revise and increase its rates for water service, to seek additional revenues to reflect Petitioner's need to make necessary capital improvements and repairs to its sixty-one (61) year old water system, as well as to reflect increased costs to the Petitioner's operations since its last case proceeding approved on April 14, 2010.
4. The total revenue requirement increase requested in the petition would have yielded

additional operating revenues to the Company of approximately \$162,383.00 or 31.151% over current base rates.

5. On August 29, 2013, the Board transmitted the matter to the Office of Administrative Law ("OAL") as a contested case where the matter was assigned to the Honorable W. Todd Miller, Administrative Law Judge ("ALJ").

6. A telephonic pre-hearing conference was held before ALJ Miller on October 8, 2013, and a pre-hearing order was entered on that date. In accordance with the pre-hearing order the times and dates for a public hearing in Petitioner's service area and evidentiary hearings were scheduled.

7. The Parties to the proceeding include the Staff of the Board of Public Utilities ("Board Staff"), the Company and the Division of Rate Counsel ("Rate Counsel").

8. A public hearing was held in this matter in Berkeley Township, Ocean County on November 21, 2013, pursuant to appropriate public notice. Representatives of the Township of Berkeley and the general public offered testimony at that time, which generally concerned the customers' satisfaction with the Company's service but objections to increased rates.

9. During the course of this proceeding, Petitioner was served with, and responded to, discovery requests by Rate Counsel and by Board Staff. The Parties engaged in a settlement conference on December 4, 2013.

10. Petitioner's last base rate case was filed with the Board on July 31, 2009, in BPU Docket No. WR09070575 and was resolved by means of a Stipulation, which was subsequently approved by the OAL pursuant to an Initial Decision and adopted by the Board pursuant to its Order dated April 14, 2010.

STIPULATED MATTERS

11. (a) As a result of an analysis of the petition and exhibits, Petitioner's responses to discovery propounded by Rate Counsel and Board Staff, as well as their discussions and negotiations in this matter, the Parties have reached a Stipulation agreeing to an overall increase in the Company's revenue requirement in the amount of \$117,532 or 22% above current rate revenues. This revenue requirement increase is necessary to ensure that Petitioner will continue to provide safe, adequate and proper water service to its customers.

(b) By letter dated December 27, 2013, the Parties submitted a letter to the Board's Secretary in Docket No. WO13070325. The December 27, 2013 letter revised a previously submitted letter, dated December 3, 2013. Previously, on June 26, 2013, the Company had submitted a letter listing costs incurred for Superstorm Sandy. The December 27, 2013 letter states that the Parties considered the Board's generic storm cost Order in Docket No. AX13030196, especially as it

relates to the Company's storm-related cost, and that the Parties agree that the appropriate forum to resolve storm costs is this current docket. The Parties herein have agreed upon a five-year amortization of \$35,978 of Superstorm Sandy related costs.

12. Attached hereto and made a part hereof is Schedule A, entitled, "Shore Water Company, Rate Adjustments," detailing the basis of the rate adjustment to which the Parties have stipulated herein.

13. Attached hereto and made part hereof as Schedule B are revised tariff sheets, conforming to this Stipulation and reflecting the rate adjustment agreed upon by the Parties. The new rates will become effective on such date as the Board shall direct.

14. As a result of the rate adjustment stipulated herein:

(a) un-metered customer charges will increase from the annual current rate of \$372.00 to \$454.00, an increase of \$82.00 per year or 22.04% and represents a monthly increase of \$6.83 per customer;

(b) public hydrant charges will increase from the annual current rate of \$186.40 to \$227.41 or 22.00%;

(c) private fire protection charges will increase as follows: for 3" service from the annual current rate of \$1,475.84 to \$1,800.52 and for 4" service from the annual current rate of \$2,459.48 to \$3,000.56;

(d) the annual rates for general metered service will increase as follows: for 5/8" meters from \$82.04 to \$100.08; for 3/4" meters from \$123.12 to \$150.20; for 1" meters from \$204.96 to \$250.04; for 1 1/2" meters from \$410.08 to \$500.28; for 2" meters from \$655.84 to \$800.12; for 3" meters from \$1,230.24 to \$1,500.88; for 4" meters from \$2,050.36 to \$2,501.44; for 6" meters from \$4,100.68 to \$5,002.80; and for 8" meters from \$6,561.08 to \$8,004.52; and

(e) the consumption charges per 1,000 gallons will increase from the current rate of \$4.3552 to \$5.2207 or 19.87280%.

The State of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which established a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates.

For additional information respecting the rate adjustments, see Schedule C.

15. Petitioner will file a new tariff sheet with the Board, with copies to the Parties, in conformity with this Stipulation, to become effective on such date as the Board may direct.

MISCELLANEOUS

16. This Stipulation applies only to this proceeding and is thus executed by the Parties without prejudice to the positions asserted by each in this case and without prejudice to the positions which the Parties may choose to assert in future proceedings. The Parties further agree that the purpose of this Stipulation is to reach a fair and reasonable change in the Company's rates and to conclude the pending litigation. This Stipulation is not in any way intended to restrict or bind any of the Parties hereto with respect to substantive positions they may choose to assert in any pending or future rate proceeding in this or any other forum. Therefore the Parties acknowledge that the Stipulation herein has been made exclusively for this proceeding before the OAL and the Board.

17. In the event of any modification, amendment or alteration of this Stipulation by the Board, the Parties individually reserve the right to either deem the Stipulation void (in which case the Parties would revert to the status quo prior to the execution of this Stipulation, which in this matter would be submission of testimony and proceeding with evidentiary hearings) or to consent to the modification(s) in writing.

18. 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 Company, Board Staff or Rate Counsel 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.

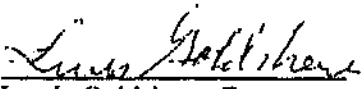
19. All rates are subject to audit by the Board.

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

WHEREFORE, the Parties hereto do respectfully submit the Stipulation and request that ALJ Miller issue an appropriate initial decision settlement for the Board to review and issue a decision and Order approving the Stipulation in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

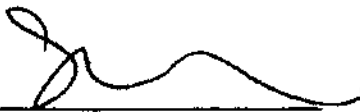
Dated: 1/6/14

SHORE WATER COMPANY

By: 
Lewis Goldshore, Esq.
Attorney for the Petitioner


Dated: 1/7/14

STEFANIE A. BRAND, ESQ.
DIRECTOR, DIVISION OF RATE COUNSEL

By: 
Susan McClure, Esq.
Assistant Deputy Rate Counsel

Dated: 1/6/14

JOHN J. HOFFMAN
ACTING ATTORNEY GENERAL OF NEW JERSEY
ATTORNEYS FOR THE STAFF OF THE
NEW JERSEY BOARD OF PUBLIC UTILITIES

By: 
Mark Critchley, Esq.
Deputy Attorney General

SCHEDULE A

**SHORE WATER COMPANY
REQUIRED REVENUE INCREASE**

<u>ITEM</u>	<u>AMOUNT</u>
RATE BASE:	\$531,922
RATE OF RETURN	8.8218% (including ROE at 9.75%)
OPERATING INCOME REQUIRED	\$46,959
TOTAL OPERATING EXPENSES	\$604,808
TOTAL REVENUE REQUIREMENT FROM WATER SERVICE CUSTOMERS	\$651,767
REVENUES AT PRESENT RATES FROM WATER SERVICE CUSTOMERS	\$534,235
REVENUE DEFICIENCY	\$117,532
PERCENTAGE INCREASE REQUIRED	22.00005% (rounded to 22%)

SCHEDULE B

SHORE WATER COMPANY
BPU No. 5 WATER

Seventh Revised Sheet No. 4
Superseding Sixth Revised Sheet No. 4

RATE SCHEDULE NO. 1

APPLICABLE TO USE FOR SERVICE FOR: Domestic Use – unmetered

CHARACTER OF SERVICE: Continuous

APPLICABILITY: This flat rate schedule is applicable to premises for dwelling purposes. Bills shall be rendered annually in advance. The following is the flat rate charge per annum:

Flat Rate Service Charge per Annum \$454.00

Customers supplied with water under a Flat Rate Contract will not be permitted to use the water for any other purposes other than is stated in the application or agreement permit from the company.

Water will not be furnished where pipes are inferior, the plumbing defective or the faucets, water closets, or other fixtures leaking or imperfect and when such conditions are discovered, the supply of water will be cut off or a meter installed at the customer's expense unless immediate repairs are made.

TERMS OF PAYMENT: Effective 2001, customers shall have the option of paying their water bills in two installments with 50 percent of the bill payable by March 1st and the remaining 50 percent by July 1st.

SPECIAL PROVISIONS: Bills for service to condominium units shall be sent to condominium owners association or to individual condominium unit owners, whoever is the customer of record as determined by the application for water service.

REFUNDS: No refunds of the flat rate charge will be made after September 1 of the service year.

Pro-Rated Billings: New or rebuilt homes will be billed on a pro-rata basis from the date of occupancy granted by the township of Berkeley.

ISSUED:

EFFECTIVE:

BY: SHORE WATER COMPANY
105 – 23RD Avenue
So. Seaside Park, NJ

SAMUEL FAIELLO, PRESIDENT

The State of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which established a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates.

THIS TARIFF FILED PURSUANT TO A DECISION OF THE BOARD OF PUBLIC UTILITIES IN
DOCKET NO. _____ DATED _____

BPU No. 5 WATER
SHORE WATER COMPANY
BPU No. 5 WATER

Seventh Revised Sheet No. 5
Superseding Sixth Revised Sheet No. 5

RATE SCHEDULE NO. 2

APPLICABLE TO USE FOR SERVICE FOR:

PUBLIC FIRE PROTECTION

CHARACTER OF SERVICE:

CONTINUOUS EXCEPT AS LIMITED BY THE STANDARD TERMS AND CONDITIONS

RATE:

\$56.85 per Fire Hydrant per Quarter

TERMS OF PAYMENT:

ALL CHARGES FOR SERVICE UNDER THIS RATE SCHEDULE NO. 2 SHALL BE PAYABLE QUARTERLY IN ADVANCE AND ARE DUE AND PAYABLE IN FULL WITHOUT DISCOUNT WITHIN 15 DAYS OF THE DATE RENDERED.

ISSUED:

EFFECTIVE:

BY: SHORE WATER COMPANY
105 - 23RD Avenue
So. Seaside Park, NJ

SAMUEL FAIELLO, PRESIDENT

THIS TARIFF FILED PURSUANT TO A DECISION OF THE BOARD OF PUBLIC UTILITIES IN DOCKET NO. _____ DATED _____

BPU No. 5 WATER

SHORE WATER COMPANY
BPU No. 5 WATER

Second Revised Sheet No. 6
Superseding First Revised Sheet No. 6

RATE SCHEDULE NO. 3

GENERAL METERED SERVICE

APPLICABILITY: Applicable to the use of water supplied through meters in the entire territory served by the Company.

CHARACTER OF SERVICE: Continuous

RATE: FIXED SERVICE CHARGES

<u>SIZE OF METER</u>	<u>CHARGE PER QUARTER</u>	<u>SIZE OF METER</u>	<u>CHARGE PER QUARTER</u>
5/8"	\$ 25.02	3"	\$ 375.22
3/4"	37.55	4"	625.36
1"	62.51	6"	1,250.70
1.5"	125.07	8"	2,001.13
2"	200.03		

CONSUMPTION CHARGES

\$5.2207 PER 1,000 GALLONS

TERMS OF PAYMENT: All general metered water service customers shall pay a fixed service charge based on the size of the meter installed by the Company. Whenever service is established or discontinued, the applicable fixed service charge shall be pro-rated to the date of establishment or discontinuance of service. In addition to the fixed service charge, a charge will be made for all water used, as registered by the meter. Bills are due and payable in full without discount within 15 days of the date the statement is rendered.

COMMERCIAL AND METERED CONDOMINIUM ACCOUNTS: All bills for service shall be rendered quarterly, arrears.

ISSUED:

EFFECTIVE:

BY: SHORE WATER COMPANY
105 - 23RD Avenue
So. Seaside Park, NJ
SAMUEL FAIELLO, PRESIDENT

The State of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which established a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates.

THIS TARIFF FILED PURSUANT TO A DECISION OF THE BOARD OF PUBLIC UTILITIES IN
DOCKET NO. _____ DATED _____

SHORE WATER COMPANY
BPU No. 5 WATER

Fourth Revised Sheet No. 9
Superseding Third Revised Sheet No. 9

RATE SCHEDULE NO. 6

PRIVATE FIRE PROTECTION

Applicability:

Applicable to customers for private fire protection service.

Character of Service:

Continuous, except as limited by "Standard Terms and Conditions".

Rate:

Sprinkler connections with hose hydrant connected to them:

<u>SIZE OF SERVICE</u>	<u>PER QUARTER</u>
3"	\$450.13
4"	\$750.14

Bills for private protection will be rendered quarterly, in advance.

Terms of Payment: Bills are due and payable in full without discount within 15 days of the date rendered.

ISSUED:

EFFECTIVE:

BY: SHORE WATER COMPANY
105 – 23RD Avenue
So. Seaside Park, NJ

SAMUEL FAIELLO, PRESIDENT

THIS TARIFF FILED PURSUANT TO A DECISION OF THE BOARD OF PUBLIC UTILITIES IN
DOCKET NO. _____ DATED _____

BPU No. 5 WATER

SCHEDULE C
SHORE WATER COMPANY
CALCULATION OF PRO FORMA REVENUE
UNDER PRESENT AND PROPOSED RATES

	NUMBER OF UNITS	PRESENT ANNUAL RATES	PRO FORMA PRESENT REVENUES	PROPOSED ANNUAL RATES	PRO FORMA PROPOSED REVENUES		
UNMETERED	1215	\$372.00	\$451,980.00	\$454.00	\$551,810.00	\$82.00	22.04%
PUBLIC HYDRANTS	42	\$188.40	\$7,825.80	\$227.41	\$9,551.22	\$41.01	22.00%
PRIVATE FIRE							
3"	1	\$1,475.84	\$1,475.84	\$1,800.53	\$1,800.53	\$324.69	22.00%
4"	2	\$2,459.47	\$4,918.94	\$3,000.57	\$6,001.14	\$541.10	22.00%
METERED CUSTOMERS							
5/8"	0	\$82.04	\$0.00	\$108.08	\$0.00		
3/4"	10	\$123.12	\$1,231.20	\$150.21	\$1,502.10		
1"	11	\$204.98	\$2,152.08	\$250.04	\$2,625.41		ADJUSTED FOR SEASONAL SHUT OFFS
1 1/2"	0	\$410.08	\$0.00	\$500.29	\$0.00		
2"	14	\$655.84	\$8,269.92	\$800.12	\$10,801.82		ADJUSTED FOR SEASONAL SHUT OFFS
3"	0	\$1,230.24	\$0.00	\$1,500.88	\$0.00		
4"	1	\$2,090.36	\$2,090.36	\$2,501.44	\$2,501.44		
6"	3	\$4,100.88	\$10,251.70	\$5,002.82	\$12,507.04		ADJUSTED FOR SEASONAL SHUT OFFS
8"	0	\$6,581.08	\$0.00	\$8,004.52	\$0.00		
CONSUMPTION	10087	\$4.35	\$43,830.03	\$5.52	\$52,580.39		
MISC SERVICE REVENUE			\$306.00		\$308.00		
TOTAL REVENUE			\$534,234.87		\$651,768.69		

	ACTUAL PRESENT	STIPULATED	% INCREASE	\$ INCREASE
METERED SERVICE CHARGE (QUARTERLY)				
5/8X3/4"	\$20.51	\$25.02	22.00%	\$4.51
3/4"	30.78	\$37.55	22.00%	\$6.77
1"	51.24	\$62.51	22.00%	\$11.27
1 1/2"	102.52	\$125.07	22.00%	\$22.55
2"	163.98	\$200.03	22.00%	\$36.07
3"	307.56	\$375.22	22.00%	\$67.66
4"	512.59	\$625.38	22.00%	\$112.77
6"	1025.17	\$1,250.71	22.00%	\$225.54
8"	1640.27	\$2,001.13	22.00%	\$360.86
CONSUMPTION RATE/1000 GALLONS	4.3452	5.2107	19.92%	\$0.87
UNMETERED SERVICE CHARGE (ANNUAL)	372.00	454.00	22.04%	82.00
PRIVATE FIRE CHARGES (QUARTERLY)				
3"	368.98	\$450.13	22.00%	\$81.17
4"	814.87	\$750.14	22.00%	\$135.27
PUBLIC FIRE HYDRANT CHARGE (QUARTERLY)	46.6	\$58.85	22.00%	\$10.25