

NOTICE OF PUBLIC HEARING

**MIDDLESEX WATER COMPANY
NOTICE OF FILING OF PETITION FOR APPROVAL OF
AN INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES
BPU DOCKET NO. WR2105_____
OAL DOCKET NO. PUC _____-2021_**

PLEASE TAKE NOTICE that on May 20, 2021, Middlesex Water Company (the “Company”), pursuant to N.J.S.A. 48:2-21, filed a Petition with the Board of Public Utilities (the “Board”) of the State of New Jersey for approval of its revised tariff sheets providing for an increase in its charges for water service. The Company believes that this increase is necessary in order for it to be able to continue to provide safe, adequate and proper service to its customers and to prevent the impairment of its financial integrity.

The Company is requesting an overall increase in revenues of \$31,297,816 or approximately 37.79 % above the adjusted annual pro forma revenues for the twelve months ending September 30, 2021 and to make other revisions of the Company’s tariff.

The Company proposes increases to rates for all classes of customers including General Water Service, Municipal Service (Public Fire Service), Private Fire Service, Service Under Contract, Special Contract Service, and Transmission Service to the South River Basin and Northeast Sector. The proposed rates for all customers are contained in the tariff sheets and Petition filed with the Board. The present and proposed rates for quarterly billing for General Water Service are set out below:

COMPARISON OF PRESENT AND PROPOSED RATES

Water Usage

In addition to the fixed charge below, a charge will be made for all water used as registered by the meter.

All Consumption	Present Rates	Proposed Rates	Increase
Rate per Thousand Cubic Feet (TCF)	\$45.9275/TCF	\$67.5026/TCF	\$21.5751/TCF
Rate per Thousand Gallons (TG)	\$ 6.1400/TG	\$ 9.0244/TG	\$ 2.8844/TG

Quarterly facilities charges have been revised as follows:

Fixed Charge

All general metered water service customers shall pay a fixed service charge based on the size of each meter installed, in addition to the charge for the water used, if any.

Quarterly Facilities Charge

Size of Meter	Present \$Rates\$	Proposed \$Rates\$	\$Increase\$
5/8"	47.25	64.95	17.70
3/4"	70.89	97.45	26.56
1"	118.14	162.39	44.25
1-1/2"	236.25	324.75	88.50
2"	378.00	519.60	141.60
3"	708.75	813.60	104.85
4"	1,181.25	1,356.00	174.75
6"	2,362.50	2,712.03	349.53
8"	3,780.00	4,339.23	559.23
10"	5,433.75	6,237.66	803.91
12"	10,153.92	11,656.17	1,502.25

Billing shall be based on the facilities charge (fixed charge) plus consumption charges for each period.

AN AVERAGE RESIDENTIAL CUSTOMER USING 2,000 CUBIC FEET (14,960 GALLONS) OF WATER PER QUARTER WILL SEE HIS/HER BILL INCREASE FROM \$139.11 TO \$199.96, AN INCREASE OF \$60.85 PER QUARTER, OR APPROXIMATELY 43.74%.

The Company proposes no increase in current rates for Private Fire Service.

The Company proposes to increase rates for Municipal Service (Public Fire Service) by increasing the annual hydrant charge from \$742.10 to \$783.72, while the inch foot charge will remain unchanged.

PLEASE TAKE FURTHER NOTICE that by this filing, the Company has included in its Petition a request to reinstitute its Distribution System Improvement Charge ("DSIC") Foundational Filing pursuant to N.J.A.C. 14:9-10.1 et seq. The DSIC is a rate recovery mechanism to encourage and support accelerated rehabilitation and replacement of certain non-revenue producing, critical water distribution components. Its purpose is to enhance safety, reliability, water quality, system flows and pressure, and/or conservation.

In BPU Docket No. WR14050508, a DSIC was implemented. At the conclusion of the Company's 2015 base rate case in BPU Docket No. WR15030391, the DSIC rate was reset to \$0.

The Company proposes its DSIC rate be increased up to a maximum surcharge of 5% semi-annually as approved projects are placed in-service pursuant to N.J.A.C. 14:9-10.4, subject to prudence review. The DSIC rate is interim, subject to refund, until the subsequent base rate case pursuant to N.J.A.C. 14:9-10.1(f).

Any relief determined by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers of the Company in such manner and, in such amounts or percentages, as the Board may deem appropriate. The Board may choose to impose a greater portion of the increase on any present or future class or classes, group or groups of customers, may exclude from any increase any of the foregoing, or may vary the amount of percentage increase applicable to any of the foregoing.

PLEASE TAKE FURTHER NOTICE that the Company intends to implement, subject to any refunds that may be ordered by the Board, the proposed tariffs for service on and after February 22, 2022 if the Board has not finally determined a just and reasonable tariff schedule prior to that date.

PLEASE TAKE FURTHER NOTICE that a virtual public hearing on the Company's Petition has been scheduled for _____, 2021 beginning at _:_ pm and _:_ pm on the following Zoom platform: _____ . An Administrative Law Judge from the Office of Administrative Law will preside over the public hearing. Members of the public are invited to attend and express their views on the proposed rate increase. Such comments will be made a part of the final record in the proceeding. Whether or not you attend the public hearing, written comments may be submitted to Hon. _____, ALJ, Office of Administrative Law, P.O. Box 049, Trenton, NJ 08625-0049 and/or Hon. Aida Camacho Welch, Secretary, Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, Trenton, NJ 08625-0350. Please include OAL Docket No. PUC _____-2021_ and BPU Docket No. WR2105_____ in your comment letter.

The complete schedules for the proposed rates are part of the Petition filed with the Board, which was served upon the New Jersey Division of Rate Counsel. The Petition was also served on the Clerks of the Municipalities and on the Clerk of the Board of Chosen Freeholders in the service area of the Company pursuant to N.J.S.A. 48:2-32.2, and a copy of this Notice will also be served on such Clerks. Further information and copies of the Petition may be obtained at the Board's offices located at 44 South Clinton Avenue, 9th Floor, Trenton, NJ 08625-0350 or at the Company's offices located at 485C Route 1 South, Suite 400, Iselin, New Jersey 08830. The Petition, testimony, and all attachments are also available for public inspection on the Company's website at <http://www.middlesexwater.com/customer-care/regulatory>.

Please submit any requests for special accommodations at least 72 hours prior to this hearing to the Company's Counsel, Jay L. Kooper, Esq., at 485C Route 1 South, Suite 400, Iselin, NJ 08830, phone 732-634-1500.

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