## NOTICE OF PUBLIC HEARING MIDDLESEX WATER COMPANY NOTICE OF FILING OF A PETITION FOR APPROVAL OF A DISTRIBUTION SYSTEM IMPROVEMENT CHARGE BPU Docket No. WR2305\_\_\_\_

PLEASE TAKE NOTICE that on May \_\_, 2023, Middlesex Water Company (the "Company"), pursuant to <u>N.J.A.C.</u> 14:9-10.1 <u>et seq.</u>, filed a Petition with the Board of Public Utilities (the "Board" or "BPU") of the State of New Jersey seeking approval to implement a Distribution System Improvement Charge ("DSIC"). A 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, systems flows and pressure, and/or conservation. A DSIC rate is interim, subject to refund, until the subsequent base rate case.

The Company's Petition consists of a Foundational Filing. The Foundational Filing lists the projects the Company believes are eligible for recovery through the DISC surcharge for the period 2023 through 2026. Please note the Company has requested that a maximum quarterly DSIC surcharge of \$9.69 per meter equivalent be authorized. The Company will implement the DSIC surcharge if, and when, it achieves specific levels of infrastructure investment and places the facilities into service as required by N.J.A.C. 14:9-10.4.

The Company has proposed that the DSIC surcharge be assessed to the following services and classes of customers based on the customer's meter size or service connection: General Metered Service and Private Fire Protection Service. Pursuant to BPU regulations, public fire service charges are not affected by this surcharge. It is important to note that any surcharges implemented as a result of the DSIC will be revised on customer bills on a semi-annual basis. The maximum surcharges shown below are not intended or expected to be reached until the conclusion of both the Foundational Filing proceeding and subsequent semi-annual DSIC filings. The Company expects the rates to be assessed incrementally over a three year period commensurate with the Company's actual DSIC program capital spending.

PROPOSED DSIC SURCHARGE RATES <sup>1</sup>		
General Metered Service		
Maximum Proposed DSIC Surcharge:		
	Proposed	Proposed
Meter Size	Monthly Rate	Quarterly Rate
5/8"	\$ 3.23	\$ 9.69
3/4"	\$ 4.85	\$ 14.55
1"	\$ 8.08_	\$ 24.24

The maximum proposed DSIC rates allowable for recovery pursuant to <u>N.J.A.C.</u> 14:9-10.1 <u>et</u> <u>seq.</u> are set out below:

<sup>&</sup>lt;sup>1</sup> The maximum surcharge is 5%, implemented in semi-annual increments as approved projects are placed into service, likely over a 12 - 36 month period.

		\$
1-1/2"	\$ 16.16	48.48
2"	\$ 25.86	\$ 77.58
3"	\$ 48.48	\$ 145.44
4"	\$ 80.80	\$ 242.40
6"	\$ 161.61	\$ 484.83
8"	\$ 258.57	\$ 775.71
10"	\$ 371.70	\$ 1,115.10
12"	\$ 694.91	\$ 2,084.73

PLEASE TAKE FURTHER NOTICE that a virtual public hearing on the Company's Petition has been scheduled for \_\_\_\_\_, 2023 beginning at 4:30 pm and 5:30 pm on the following Zoom platform:

## [INSERT HEARING INFORMATION INCLUDING ZOOM LINK AND CALL-IN NUMBERS]

A Hearing Officer designated by the Board will preside over the public comment hearing. Members of the public are invited to attend and express their views on the proposed DSIC mechanism. Such comments will be made a part of the final record in the proceeding. Written comments may be submitted to the Hon. Sherri L. Golden, Secretary, Board of Public Utilities, 44 S. Clinton Avenue, 9th Floor, Trenton, New Jersey 08625; or the New Jersey Division of Rate Counsel, 140 E. Front Street, 4<sup>th</sup> Floor, Trenton, New Jersey 08625. Please include Docket Number WR2305 in your comment letter.

Notice of the Petition was also served on the Clerks of Municipalities, and the Clerks of the County Boards of County Commissioners in the service area of the Company. Further information and copies of the Petition may be obtained at the Board's offices located at 44 S. Clinton Avenue, 9th Floor, Trenton, New Jersey 08625 or at the Company's offices located at 485C Route One South, Suite 400, Iselin, New Jersey 08830. A copy of the Petition is available for public inspection on the Company's website at <u>http://www.middlesexwater.com/customer-care/regulatory</u>.

Please submit any requests for special accommodation, including interpreters, at least 72 hours prior to this hearing to the Company's counsel: Jay L. Kooper, 485C Route One South, Suite 400 Iselin, New Jersey 08830, phone 732-634-1500.

MIDDLESEX WATER COMPANY 485C Route One South, Suite 400 Iselin, New Jersey 08830