



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/

IN THE MATTER OF THE BOARD'S INVESTIGATION) WATER
INTO RELIABILITY ISSUES RELATED TO)
NEW JERSEY AMERICAN'S SWIMMING RIVER) ORDER OF EXTENSION
TREATMENT PLANT PIPE BRIDGE FAILUR)
) DOCKET NO. WO12070659

Party of Record:

Michael A. Sgro, Vice President, General Counsel & Secretary, New Jersey American Water Company, Inc.

BY THE BOARD:

At its August 15, 2012, agenda meeting, the Board of Public Utilities (Board) issued an Order directing New Jersey American Water Company (NJAWC) to retain Jerry J. Notte of CH2M Hill as the Special Reliability Master (SRM). The SRM was to evaluate the design, operation, maintenance, reliability, safety and performance standards as they pertain to the Swimming River Treatment Plant Pipe Bridge. The report from the SRM, per the Scope of Work, was due to the Board on November 15, 2012. By letter dated November 5, 2012, the SRM submitted a request asking for an extension of time to December 17, 2012. The letter stated that, due to an extensive amount of correspondence and documentation that needed to be reviewed, additional time was needed to prepare a complete report. Since the submission of the request, CH2M Hill lost power at its offices for an extended period of time due to Hurricane Sandy.

NJAWC is a regulated public utility corporation engaged in the production, treatment and distribution of water and collection and treatment of wastewater within its defined service territory within the State of New Jersey. Said service territory includes portions of 18 of the State's 21 counties. NJAWC services approximately 620,000 water and 35,000 sewer service customers.

On June 29, 2012, the Swimming River Treatment Plant Pipe Bridge collapsed, severing three water mains, and touching off a county-wide water emergency in Monmouth County. The incident resulted in approximately 95,000 NJAWC customers in 22 Monmouth County communities being subject to a precautionary boil water advisory and outdoor water ban.

The Board determined, based on the incident, that a thorough investigation of the issues raised by the Swimming River Treatment Plant Pipe Bridge collapse was needed. The Board decided that the most effective way to conduct a complete investigation was with the assistance of a qualified engineering firm and a SRM. To that end, NJAWC identified Jerry J. Notte and his firm CH2M Hill as the appropriate party to conduct the review.

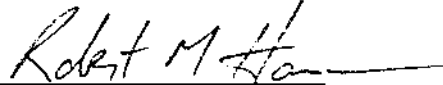
To date, Mr. Notte or associates from his firm have conducted site visits, interviews and read through several reports, e-mails and other documents pertaining to the Swimming River Treatment Plant Pipe Bridge. In addition, there have been three telephonic status conferences among the SRM, NJAWC and Board Staff—one in September, one in October, and the latest one in November. A December status conference is scheduled for December 6, 2012. During the October status conference, it became apparent that the work that needed to be completed per the Scope of Work, which was attached to the August 15, 2012, Board Order, would not be done prior to November 15, 2012.

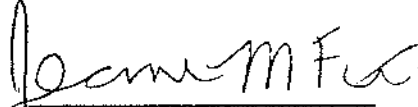
Due to Hurricane Sandy, the offices of Mr. Notte lost power for an extended period of time, further hampering his efforts to complete the draft report. Based on this new information, Board Staff recommends an extension to a later date so that a complete and thorough draft report can be provided to the Board.

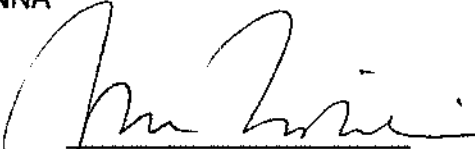
Having considered the above request and the other intervening circumstances, the Board HEREBY ORDERS that an extension be granted to the SRM to December 31, 2012, and that the SRM submits the preliminary draft report to NJAWC and the Board. This Order shall take effect on November 30, 2012.

DATED: 11/20/12

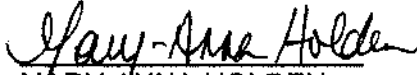
BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT


JEANNE M. FOX
COMMISSIONER

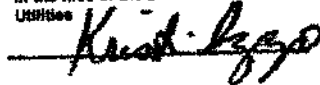

JOSEPH L. FIORDALISO
COMMISSIONER


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 BOARD'S INVESTIGATION INTO RELIABILITY ISSUES
RELATED TO NEW JERSEY AMERICAN'S SWIMMING RIVER
TREATMENT PLANT PIPE BRIDE FAILURE
DOCKET NO. WO12070659

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