



Agenda Date: 12/20/23
Agenda Item: 5C

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF THE ATLANTIC)	ORDER APPROVING
CITY SEWERAGE COMPANY TO INCREASE THE)	STIPULATION
LEVEL OF ITS PURCHASED SEWERAGE TREATMENT)	
ADJUSTMENT CLAUSE)	DOCKET NO. WR23100718

Parties of Record:

Courtney L. Schultz, Esq., Saul Ewing Arnstein & Lehr LLP, on behalf of the Petitioner, Atlantic City Sewerage Company
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On September 29, 2023, pursuant to N.J.A.C. 14:9-7.1 to 7.7, the Atlantic City Sewerage Company ("ACSC" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of an increase in the level of its Purchased Wastewater Treatment Adjustment Clause ("PSTAC") ("Petition"). By this Decision and Order, the Board considers a stipulation of settlement ("Stipulation") executed by Board Staff ("Staff"), the New Jersey Division of Rate Counsel ("Rate Counsel") and ACSC (collectively, "Parties") intended to resolve all issues related to the Petition.

Background/Procedural History

ACSC is a public utility corporation of the State of New Jersey, with its principal office located at 1200 Atlantic Avenue, Atlantic City, New Jersey 08404, subject to the jurisdiction of the Board.

ACSC operates a sewage collection and transmission system within its defined service territory, consisting of Atlantic City, New Jersey. Within its service territory, ACSC serves approximately 7,610 customers. ACSC does not treat any sewage. Rather, ACSC purchases its sewage treatment from the Atlantic County Utilities Authority ("ACUA").

ACSC's current PSTAC tariff was approved by the Board via Order dated December 21, 2022.¹ By the December 2022 Order, the Board approved a PSTAC rate of \$25.735 per thousand cubic feet ("Mcf").

Petition

By the Petition, the Company sought authorization to increase the PSTAC rate for the average residential customer to \$26.415 per Mcf for service rendered on or after January 1, 2024.

According to ACSC, the requested 2024 PSTAC rate was based on an estimate of the 2024 charges that ACUA will invoice to ACSC, plus an estimate of the net under-recovered PSTAC amount from 2023, and ACSC's estimate of 2024 metered flows. The estimated metered flows reflect management's judgment, based on present and forecasted conditions, and are based on the 2023 billed flows, adjusted for any significant new customer additions or losses.

The Company provided a summary calculation of the proposed PSTAC rate for 2024, designed to recover \$9,274,504, which included: i) the over-collection for 2023; ii) the adjustment for the 2023 actual ACUA treatment billings; iii) the credits paid to hand-billed customers in 2023 for a 2022 true-up; iv) the 2024 estimated ACUA treatment costs; v) the estimated 2024 ACUA flow true-up; and vi) the Company's estimate of legal, accounting, and filing costs shared equally between customers and the Company.

A Board-appointed Regulatory Officer presided over virtual public comment hearings on November 21, 2023, at 4:30 p.m. and 5:30 p.m. No members of the public appeared at the public comment hearings and the Board received no written comments.

Stipulation

Following a review of the Petition, conducting discovery, and discussions among the Parties, the Parties executed the Stipulation, which provides for the following:²

8. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of ACUA costs for calendar year 2024 which has been used to determine the applicable PSTAC rate for 2023. Thereafter, the Company submitted updated data in response to discovery requests which resulted in a decrease in the rate sought in the initial filing. As a result, the projected bill for 2024 from ACUA is \$9,144,857. In addition, the following components have been included to arrive at the net amount for recovery from customers through the 2024 PSTAC of \$9,219,398:
 - a. ACSC had a net under-recovery of \$69,541 for the 2023 PSTAC;
 - b. ACUA is projecting an additional charge to the Company of \$500,429 for 2023 billing; and
 - c. \$5,000 in filing costs for this proceeding, which reflects 50% of the total anticipated costs of \$10,000 (pursuant to the Board's 50/50 sharing of such expenses as between customers and investors).

¹ In re the Petition of the Atlantic City Sewerage Company to Increase the Level of its Purchased Sewerage Treatment Adjustment Clause, BPU Docket No. WR22090611, Order dated December 21, 2022 ("December 2022 Order").

² Although summarized in this Order, the detailed terms of the Stipulation control, subject to the findings and conclusions of the Order. Paragraphs are numbered to coincide with the Stipulation.

9. Based on the estimated costs for 2024, the under-recovery from revenues for 2023, the estimated 2023 additional charge for treatment flows from ACUA, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be increased as indicated on Exhibit A of the Stipulation, and as reflected on the tariff page attached to the Stipulation as Exhibit B, effective January 1, 2024. For the average residential customer, the PSTAC rate will increase from \$25.735 per thousand cubic feet of metered water ("Mcf") to \$26.258 per thousand cubic feet of metered water, an increase of \$0.523 per Mcf, or approximately 2.03%. With respect to the total annual rate for wastewater services, the average residential customer using approximately 8.6 Mcf will see a bill increase from \$588.66 to approximately \$593.16, an increase of \$4.50 or approximately 2.03% annually.
10. Consistent with the provisions of N.J.A.C. 14:9-7.1 to 7.7, the Parties agree that the Company will file with the Board a PSTAC petition to reconcile actual 2024 ACUA costs with the estimated ACUA costs (as reflected in the rates identified on Exhibit A and Exhibit B of the Stipulation) for the same period. Additionally, the Company will include in its filing an estimate of ACUA costs for calendar year 2025, which estimate will be used to determine the applicable PSTAC rate for 2025, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.
11. ACSC shall account for net cumulative over-recoveries and under-recoveries resulting from the PSTAC. These over-recoveries and under-recoveries will be charged or credited to the PSTAC in subsequent PSTAC proceedings. The net monthly cumulative over-recoveries and under-recoveries shall be calculated for each month, utilizing an average balance for each month. Interest on net cumulative monthly over-recoveries shall be credited to the PSTAC at an interest rate equal to the Company's return on rate base of 7.210%. Similarly, interest on net monthly under-recoveries shall be charged against the PSTAC. If the Company has another base rate case completed while this PSTAC is in effect, the return on rate base utilized in that base rate case shall become the interest rate on net monthly cumulative over-recoveries and underrecoveries, on a prospective basis. If, as of December 31, 2024, interest shall be due to the PSTAC, such interest shall in fact be credited to the PSTAC. If, as of December 31, 2024, interest shall be chargeable against the PSTAC, said interest shall be eliminated through appropriate accounting entries.

DISCUSSIONS AND FINDINGS

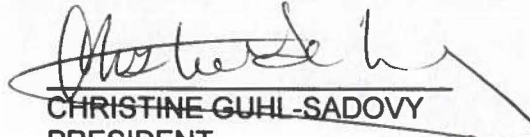
Having reviewed the record in this matter, including the Petition and the Stipulation, the Board **HEREBY FINDS** that the Parties have voluntarily agreed to the Stipulation, and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. The Board **FURTHER FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** 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.

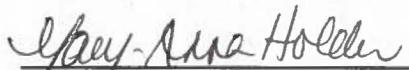
The Board **HEREBY DIRECTS** the Company to file tariff pages conforming to the terms and conditions of the Stipulation and this Order by January 1, 2024.

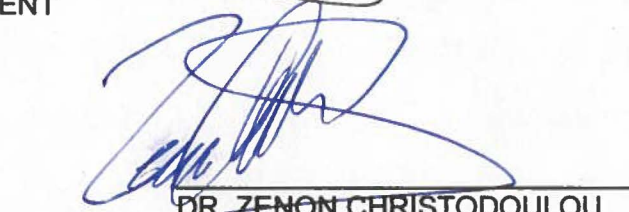
The effective date of this Order is December 27, 2023, with rates to become effective on and after January 1, 2024.

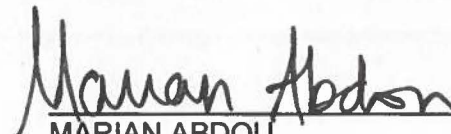
DATED: December 20, 2023

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DR. ZENON CHRISTODOULOU
COMMISSIONER


MARIAN ABDOU
COMMISSIONER

ATTEST: 
SHERRI L. GOLDEN
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 THE ATLANTIC CITY SEWERAGE COMPANY TO INCREASE THE
LEVEL OF ITS PURCHASED SEWERAGE TREATMENT ADJUSTMENT CLAUSE

DOCKET NO.WR23100718

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December 4, 2023

VIA EMAIL and E-FILING

Honorable Sherri Golden, Secretary
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Re: In The Matter Of The Petition Of The Atlantic City Sewerage Company To
Increase The Level Of Its Purchased Sewerage Treatment Adjustment Clause
BPU Docket No. WR230100718

Dear Secretary Golden:

On behalf of Petitioner, Atlantic City Sewerage Company, attached for filing, please find the Stipulation of Settlement, in the above-referenced matter, for the Board's review and approval.

Thank you for your attention to this matter.

Respectfully submitted,

/s/ Shane P. Simon
Shane P. Simon

Enclosures

cc: Service List (w/encls. via email only)

SERVICE LIST

I/M/O the Petition of Atlantic City Sewerage Company
to Increase the Level of its Purchased Sewerage Treatment Adjustment Clause
BPU Docket No. WR23100718

BPU

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

**IN THE MATTER OF THE PETITION OF THE : STIPULATION OF SETTLEMENT
ATLANTIC CITY SEWERAGE COMPANY TO :
INCREASE THE LEVEL OF ITS PURCHASED : BPU DOCKET NO. WR23100718
SEWERAGE TREATMENT ADJUSTMENT :
CLAUSE :**

APPEARANCES:

Courtney L. Schultz, Esq. and Shane P. Simon, Esq., Saul Ewing LLP, on behalf of the Petitioner, Atlantic City Sewerage Company

Brian O. Lipman, Director; Susan E. McClure, Esq., Deputy Rate Counsel, Christine Juarez, Esq., Assistant Deputy Rate Counsel; and Emily Smithman, Esq., Assistant Deputy Rate Counsel, on behalf of the Division of Rate Counsel

Meliha Arnautovic, Esq., Deputy Attorney General, (Matthew J. Platkin, 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 Atlantic City Sewerage Company (“ACSC”, “Company,” or “Petitioner”), the New Jersey Division of Rate Counsel (“Rate Counsel”), and the Staff of the Board of Public Utilities (“Staff”) (collectively, “Parties”). There were no intervenors in this proceeding. As a result of an analysis of ACSC’s Petition and exhibits, discovery conducted by Rate Counsel and Staff, and negotiations, the Parties to this proceeding have come to the within Stipulation of Settlement (“Stipulation”). The Parties hereto agree and stipulate as follows:

I. Background & Procedural History.

1. Petitioner is a public utility corporation of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities (“Board”). ACSC operates a sewage collection and transmission system within its defined service territory, consisting of Atlantic City,

New Jersey. Within its service territory, ACSC serves approximately 7,610 customers. ACSC's principal office is located at 1200 Atlantic Avenue, Atlantic City, New Jersey 08404.

2. ACSC does not treat any sewage. Rather, ACSC purchases its sewage treatment from the Atlantic County Utilities Authority ("ACUA"). Further, the Company does not meter sewage flows. Instead, customer bills are based upon the volume of water entering the customers' premises, using data provided to ACSC by the Atlantic City Municipal Utilities Authority, Atlantic City's water purveyor. Each year, ACSC bills customers (other than certain large volume customers) based on water consumption from the prior year.

3. On September 29, 2023, pursuant to N.J.A.C. 14:9-7.1 to 7.7, ACSC filed a petition with the Board for approval of an increase in the level of its purchased wastewater treatment adjustment clause ("PSTAC") as required by N.J.A.C. 14:9-7.1(d) and 14:9-7.7 ("Petition").

4. The Board retained this matter for review and disposition.

5. ACSC provided notice of the filing and a statement of its effect, and noticed its customers of public comment hearings via a public notice placed in newspapers published and circulated in the Company's service territory. Copies of the approved form of Notice and the proposed PSTAC rates were also served upon the Atlantic City and Atlantic County Executives and Clerk of the Board of County Commissioners pursuant to the Board's regulations. Proofs of service of these notices were filed with the Board in accordance with the Board's regulations.

6. Virtual public comment hearings were held on November 21, 2023, at 4:30 p.m. and 5:30 p.m., and were presided over by a Board-appointed hearing officer. No members of the public appeared at the public comment hearings and the Board received no written comments.

II. Settlement Provisions.

7. For the reasons set forth in the following paragraphs, the Parties agree that the record herein supports the findings and conclusions set forth below.

8. As required in N.J.A.C. 14:9-7.7, the Company has included in its filing an estimate of ACUA costs for calendar year 2024 which has been used to determine the applicable PSTAC rate for 2023. Thereafter, the Company submitted updated data in response to discovery requests which resulted in a decrease in the rate sought in the initial filing. As a result, the projected bill for 2024 from ACUA is \$9,144,857. In addition, the following components have been included to arrive at the net amount for recovery from customers through the 2024 PSTAC of \$9,219,398:

- a. ACSC had a net under-recovery of \$69,541 for the 2023 PSTAC;
- b. ACUA is projecting an additional charge to the Company of \$500,429 for 2023 billing; and
- c. \$5,000 in filing costs for this proceeding, which reflects 50% of the total anticipated costs of \$10,000 (pursuant to the Board's 50/50 sharing of such expenses as between customers and investors).

9. Based on the estimated costs for 2024, the under-recovery from revenues for 2023, the estimated 2023 additional charge for treatment flows from ACUA, and the costs of this proceeding, the Parties have agreed that Petitioner's current PSTAC rates on file with the Board should be increased as indicated on Exhibit A, and as reflected on the tariff page attached hereto as Exhibit B, effective January 1, 2024. For the average residential customer, the PSTAC rate will increase from \$25.735 per thousand cubic feet of metered water ("Mcf") to \$26.258 per thousand cubic feet of metered water, an increase of \$0.523 per Mcf, or approximately 2.03%. With respect to the total annual rate for wastewater services, the average residential customer using approximately 8.6 Mcf will see a bill increase from \$588.66 to approximately \$593.16, an increase of \$4.50 or approximately 2.03% annually.

10. Consistent with the provisions of N.J.A.C. 14:9-7.1 to 7.7, the Parties agree that the Company will file with the Board a PSTAC petition to reconcile actual 2024 ACUA costs with the estimated ACUA costs (as reflected in the rates identified on Exhibit A and Exhibit B) for the same period. Additionally, the Company will include in its filing an estimate of ACUA costs for calendar year 2025, which estimate will be used to determine the applicable PSTAC rate for 2025, as required in N.J.A.C. 14:9-7.1(d) and 14:9-7.7.

11. ACSC shall account for net cumulative over-recoveries and under-recoveries resulting from the PSTAC. These over-recoveries and under-recoveries will be charged or credited to the PSTAC in subsequent PSTAC proceedings. The net monthly cumulative over-recoveries and under-recoveries shall be calculated for each month, utilizing an average balance for each month. Interest on net cumulative monthly over-recoveries shall be credited to the PSTAC at an interest rate equal to the Company's return on rate base of 7.210%. Similarly, interest on net monthly under-recoveries shall be charged against the PSTAC. If the Company has another base rate case completed while this PSTAC is in effect, the return on rate base utilized in that base rate case shall become the interest rate on net monthly cumulative over-recoveries and under-recoveries, on a prospective basis. If, as of December 31, 2024, interest shall be due to the PSTAC, such interest shall in fact be credited to the PSTAC. If, as of December 31, 2024, interest shall be chargeable against the PSTAC, said interest shall be eliminated through appropriate accounting entries.

12. 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.

13. 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.

14. 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.

15. 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.

16. 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.

[Signatures to follow]

IN WITNESS WHEREOF, the Parties, each expressly intending to be legally bound, and each acknowledging that he, she or it has given full and careful consideration to all aspects of this Stipulation, have duly authorized and caused this Stipulation to be executed and to become effective as of the dates affixed hereto:

ATLANTIC CITY SEWERAGE COMPANY

12/01/2023
Date

By: /s/ Shane P. Simon
Saul Ewing LLP
Courtney L. Schultz, Esq.
Shane P. Simon, Esq.
Attorneys for Petitioner

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

11/30/23
Date

By: /s Meliha Arnautovic
Meliha Arnautovic
Deputy Attorney General

BRIAN O. LIPMAN, ESQ.
DIRECTOR – RATE COUNSEL

12/04/2023
Date

By: /s Susan E. McClure
Susan E. McClure, Esq.
Deputy Rate Counsel

EXHIBIT A

The Atlantic City Sewerage Company

CALCULATION OF 2024 TREATMENT RATE:

		<u>REFERENCE</u>	
1	Net 2023 (Over) / Under Collection	\$ (511,352)	ACSC-3 Estimate
2	Adjustment for Actual 2023 Treatment Costs	597,855	ACSC-5 Actual
3			
4	Other: Interest on net Over recovery	<u>(16,962)</u>	ACSC-3, col 12
5	Net (Over) / Under Collected Position from 2023 - Due from Ratepayer	69,541	
6	Projected 2024 Treatment Cost	8,644,428	ACSC-4 Estimate
7	Projected 2024 Charge/ (Credit) for 2023 Treatment Flows	<u>500,429</u>	ACSC-4 Estimate
8	Net Projected Treatment Cost	9,144,857	ACSC-4
9	Projected Filing Costs (shared 50/50)	<u>5,000</u>	ACSC-7 Estimate
10	Total 2024 Treatment Cost Recovery	<u>\$ 9,219,398</u>	

11 Calculation of New Treatment Rate:

12	Total 2024 Treatment Cost Recovery	\$ 9,219,398	line 10
13	Projected 2024 Mcf (divided by)	<u>351,111</u>	ACSC-2 Estimate
14	2024 Volumetric Treatment Rate	<u>\$ 26.258</u>	

15	Current Rate - effective 1/1/23	\$ 25.735	
16	New Rate	<u>\$ 26.258</u>	
17	difference in rate	\$ 0.523	2.03%
18	Volume projection	<u>351,111</u>	
19	Revenue Impact	\$ 183,631	

The Atlantic City Sewerage Company
2024 PROJECTED BILLING FLOWS (in Mcf)

	BILLING MONTH	Mcf Billed in 2023 (a)	Anticipated Additional Usage in 2024	PROJECTED 2024 Mcf	
1	January	94,121.9	-	94,121.9	Estimate
2	February	17,670.0	145.2 (b)	17,815.2	Estimate
3	March	47,506.6	54.9 (c)	47,561.5	Estimate
4	April	57,306.0	-	57,306.0	Estimate
5	May	20,738.0	-	20,738.0	Estimate
6	June	42,671.9	-	42,671.9	Estimate
7	July	24,040.5	314.7 (d)	24,355.2	Estimate
8	August	46,389.3	152.3 (e)	46,541.6	Estimate
9					
10	Total	350,444.2	667.0	351,111.2	
11				to ACSC-1, line 13	

12 **NOTE: Based on 2023 "estimated" billings unless otherwise indicated.**

- 13 (a) 2023 Flows from schedule ACSC-3, column 4.
 (b) New usage - Morris Guards Armory
 (c) New usage - Orsted O&M Facility - Project Cancelled
 (d) New usage - Starboard Enterprises Cannabis Production Facility
 (e) New usage - Townhomes & Multi-unit Residential Development

The Atlantic City Sewerage Company
2024 PROJECTED TREATMENT COST
ANNUAL BILLING

1	(1)	(2)	(3)	(4)
2				
3			<i>Estimated (a)</i>	
4	2023	2024	March	2024
5	TREATMENT	3.00% (c)	2024	TREATMENT COST
6	COST	<i>Est. Increase</i>	<i>(CREDIT)/CHARGE</i>	<i>(1)+(2)+(3)</i>
7				
8				
9	\$ 8,392,649	\$ 251,779	\$ 500,429 (b)	\$ 9,144,857
10				
11				
12				

13 (a) Actual 2023 treatment costs (column 1) will be available late December, while
 14 the final true up amount (column 3) will not be available until mid-January 2024
 15 This true-up will be applied against the Company's March Treatment Invoice.

16 (b) Based on ACUA's current projection of ACSC's 2023 flows to the ACUA
 17 treatment plant of 35.4%, which is higher than the total flows of 33.41%
 18 originally budgeted.

19 (c) Based on ACUA's current projection of ACUA's likely budget increase for
 20 2024 after conversation with ACUA VP of Finance. Final numbers will be
 21 available late December 2023.
 22
 23

The Atlantic City Sewerage Company

1	2023 TREATMENT BILLINGS ADJUSTMENT		
2	(Including the ACUA Credit/Surcharge for Prior Year)		
3			
4		<u>AMOUNT</u>	
6			
7	2023 Actual Treatment Billing	\$ 8,392,649	
8			
9	Less: Actual True-up Charge for 2022 Flows	<u>\$ 816,020</u>	
10			
11	Net Actual Cost for 2023		\$ 9,208,669
12			
13			
14			
15	LESS:		
16			
17	2023 Estimated Treatment Billing	\$ 7,971,518	
18			
19	Less: Estimated True-Up Charge for 2022 Flows		
20	included in approved filing	<u>\$ 639,296</u>	
21			
22	Net Estimated Cost for 2023		<u>\$ 8,610,814</u>
23			
24			
25	Treatment Cost Adjustment (Due To) Due From Ratepayers		<u><u>\$ 597,855</u></u> To ACSC-1

The Atlantic City Sewerage Company

	Thru	
	October 31, 2023	
	MCF	Assumptions
MONTH	AMOUNT	and Notations:
1	2023 NEW ACCOUNTS BILLED*	
2		
3		
4		
5		
6	January	548.7
7	February	43.5
8	March	5.0
9	April	29.8
10	May	12.5
11	June	5.0
12	July	10.0
13	August	747.8
14		<hr/>
15	Total	<u>1,402.3</u>

16

17 * These accounts are billed in advance with no adjustment for prior year usage required.

18

19

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The Atlantic City Sewerage Company

1			
2		<u>2024 PSTAC - PROJECTED EXPENSES</u>	
3			
4			<u>AMOUNT</u>
5			
6	Legal Fees for 2024 PSTAC	\$	8,000
7	Postage, Publication & Copying	\$	1,000
8	Transcripts	\$	1,000
9			
10	Projected 2024 PSTAC Costs	<u>\$</u>	<u>10,000</u>
11			
12			
13	Total Projected Expenses (shared 50/50)	<u>\$</u>	<u>5,000</u> To ACSC-1

**ATLANTIC CITY SEWERAGE COMPANY
ADJUSTED BILLS FOR SELECT COMMERCIAL CUSTOMERS**

Customers are generally billed based on the prior years usage for the coming year with a true-up for the prior year billing to the actual usage. There are a small number of commercial customers that have known issues with their meters or usage that have been manually billed to account for these issues. These customers will be getting the correct true up for the prior year, but will be billed at a different estimate for the coming year instead of the prior years actual.

Billing Month	(1) 2022 Billed MCF	(2) 2022 Actual MCF	(3) Variance Billed V Actual
January	16,639.0	10,277.7	(6,361.3)
February	-	-	-
March	15.9	178.6	162.7
April	4,832.9	5,413.6	580.7
May	-	-	-
June	-	-	-
July	-	-	-
August	3,100.0	1,537.7	(1,562.3)
Total	24,587.8	17,407.6	(7,180.2)

BLENDED ADJUSTMENTS

ACCT #	PROPERTY	PREV BILLED MCF TO ALLOW FOR 0 ADJ	ACTUAL MCF USED TO CREATE ADJUSTMENT	DIFFERENCE	BILLED MCF FOR 2023
12495	ARABELLA APARTMENTS (Yehuda Holding:	125.00	-	(125.00)	125.00
12482	BALLY'S	16,514.00	10,277.70	(6,236.30)	12,215.90
Jan Cycle Total		16,639.00	10,277.70	(6,361.30)	12,340.90
Feb Cycle Total		-	-	-	-
31137	ATLANTIC LOFTS, LLC	15.90	178.60	162.70	46.70
Mar Cycle Total		15.90	178.60	162.70	46.70
41920	SHOWBOAT	4,832.90	5,413.60	580.70	7,324.30
Apr Cycle Total		4,832.90	5,413.60	580.70	7,324.30
May Cycle Total		-	-	-	-
June Cycle Total		-	-	-	-
July Cycle Total		-	-	-	-
81920	PIER @ CAESARS	1,000.0	100.9	(899.1)	650.0
81770	SHERATON HOTEL	2,100.0	1,436.8	(663.2)	2,050.0
August Cycle Total		3,100.0	1,537.7	(1,562.3)	2,700.0

SUMMARY:				
	2022 billed	pull out accts billed at in 2022	actual MCF used for adjustment credit	Adjusted billing
Jan	94,242.4	16,639.0	10,277.7	87,881.1
Feb	17,856.2	-	-	17,856.2
Mar	47,987.8	15.9	178.6	48,150.5
Apr	53,290.0	4,832.9	5,413.6	53,870.7
May	20,508.4	-	-	20,508.4
Jun	43,257.6	-	-	43,257.6
Jul	23,468.2	-	-	23,468.2
Aug	43,467.8	3,100.0	1,537.7	41,905.5
	344,078.4	24,587.8	17,407.6	336,898.2

ATLANTIC CITY SEWERAGE COMPANY
2024 - Impact of Annual Rate Change on Average Customer

Impact of PSTAC Increase on Average Customer (8.6 MCF)

1	Rate 5/8" Meter	Existing	Proposed	Change \$	Change %
2	Fixed Charge (A)	\$289.10	\$289.10	\$0.00	0.00%
3	Rate/MCF				
4	Collection	\$9.098	\$9.098	\$0.00	0.00%
5	PSTAC	\$25.735	\$26.258	\$0.52	2.03%
6	Variable Charges (B)				
7	Collection	\$78.24	\$78.24	\$0.00	0.00%
8	PSTAC	\$221.32	\$225.82	\$4.50	2.03%
9	Total (A) + (B)	\$588.66	\$593.16	\$4.50	2.03%

**The Atlantic City Sewerage Company
PROJECTED ACUA TRUE-UP CHARGE IN 2023 RATE as of **October 31, 2023****

Budgeted Contribution by ACSC	33.41%
Updated Flow Projection	<u>35.40%</u>
Increase in ACSC Contribution	1.99%
Treatment Plant Total User Charges	<u>\$ 25,121,688</u>
Estimated Charge/(Credit) from ACUA in 2024 for Increased/(Decreased) Flows during Calendar Year 2023	<u>\$ 500,429</u>

to ACSC-1, line

EXHIBIT B

SCHEDULE OF RATES

Fixed Charge

All customers shall pay the following annual fixed charge, based on the size of the water meter used in rendering of water service:

Size of Meter	Total Annual Fixed Charge
5/8"	\$ 289.10
3/4	501.90
1	1,477.30
1-1/2	3,642.00
2	7,220.40
3	17,590.00
4	36,995.00
6	119,595.00
8	175,869.00
10 or larger	282,633.00

Volumetric Collection Charge

In addition to the annual fixed charge, all customers shall pay \$9.098 for each 1,000 cubic feet of metered water, measured to the nearest one-tenth.

Purchased Sewerage Treatment Adjustment Clause (PSTAC) Charge

In addition to the annual fixed charge and the volumetric collection charge, all customers shall pay \$26.258 for each 1,000 cubic feet of metered water, measured to the nearest one-tenth, for sewerage treatment costs assessed to the Company by the relevant treating wastewater facility.

Date of Issue: September 29, 2023
Issued by: WENDY E. STEWART, President & General Manager
1200 Atlantic Avenue

Effective for Service
rendered on and after
January 1, 2024

Filed pursuant to decision and Order of Board of Public Utilities in Docket No. WR23100718, dated _____.