

"Daily allotment charge" means a daily allocation charge equal to 100 percent of the value of the quantity of water specified in the water use agreement which the System water user is authorized to continuously withdraw without interruption each 24-hour period (see N.J.A.C. 7:11-2.7).

"Overdraft service" means the average daily supply of water from the Raritan Basin System during any calendar month, to the extent and from time to time available, in excess of aggregate uninterruptible service, for certain, seasonal, non-emergent, interim, interruptible, non-guaranteed users.

"Overdraft service rate" means the rate for overdraft service.

"Peaking factor" means the percentage equivalent of that volume of overdraft service available from the Raritan Basin System during any calendar month in excess of uninterruptible service, which a System water user may divert without charge.

"Point of diversion" means the location where the user's withdrawal facilities diverts the contractual water supply from the Raritan Basin System.

"Production factor" means the inverse ratio between any allocation for a depletive water diversion above the confluence of the Millstone and Raritan Rivers and its equivalent in sustained supply at the confluence at the Millstone and Raritan Rivers as follows: production factor = safe yield at the confluence/yield at the point of diversion (see N.J.A.C. 7:11-2.9).

"Retroactive debt service payment" means a payment in addition to the daily allotment charge which shall apply to all new or additional uninterruptible water supply contracts in order to proportionately reimburse pre-existing System water users for certain debt service payments previously made by them (see N.J.A.C. 7:11-2.13(c) and (d)).

"Short-term service" means the supply of Raritan Basin System water for certain interim or short-term uses, such as growing agricultural or horticultural products, meeting extraordinary requirements in consumer demand for potable or industrial water as a result of transfers arising from a declaration of drought by the Department, meeting non-seasonal extraordinary requirements in consumer demand for potable or industrial water or emergent maintenance or temporary failure of a critical component of a System water user's infrastructure provided on a non-guaranteed or interruptible basis.

"Standby service" means the supply of Raritan Basin System water for certain occasional uses, such as fire protection or other emergencies, natural or otherwise.

"System water user" (also referred to as "contractual water customer," "purchaser" and/or "user") means a party under

legal contract with the Authority for a supply of raw water from the Raritan Basin System.

"Uninterruptible service" means the supply of water from the Raritan Basin System which a System water user is authorized continuously to withdraw, without interruption, for potable or industrial water supply purposes pursuant to contract.

New Rule, R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

Former section recodified to N.J.A.C. 7:11-2.3.

Amended by R.2001 d.208, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4424(a), 33 N.J.R. 2098(a).

In "Production factor", inserted "as follows: production factor = safe yield at the confluence/yield at the point of diversion".

Amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

In "Daily allotment charge", amended the N.J.A.C. reference; rewrote "Production factor" and "Raritan Basin System".

Amended by R.2003 d.410, effective October 20, 2003.

See: 35 N.J.R. 2004(a), 35 N.J.R. 4876(a).

Deleted "Raritan Basin System".

Amended by R.2004 d.234, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5472(a), 36 N.J.R. 3073(a).

Added "Annual overdraft rate", "Overdraft service"; "Overdraft service rate", "Peaking charge" and "Uninterruptible service"; rewrote "Short-term service".

Amended by R.2006 d.231, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4719(a), 38 N.J.R. 2688(a).

In definition "Retroactive debt service payment", updated N.J.A.C. reference.

7:11-2.3 General rate schedule for operations and maintenance

(a) The general rate schedule for operations and maintenance per million gallons listed at (b) below is based on estimated annual operations and maintenance expenses consisting of all current costs, obligations and expenses of, or arising in connection with, the operation, maintenance and administration of the System, and minor additions or improvements thereof or thereto, or the performance of any water purchase contract, including, but not limited to, all of the following:

1. All routine repairs and ordinary replacements and reconstruction of the System; all wages, salaries and other personnel costs, including costs of pension, retirement, health and other employee benefit programs; all fuel, utilities, supplies and equipment; and all supervisory, engineering, accounting, auditing, legal and financial advisory services;
2. All taxes and payments in lieu of taxes;
3. All costs of insurance for the System, including any form of self insurance (or self insurance reserves) maintained by the Authority and payment of all claims not covered by the Authority's insurance;

4. All fees and expenses incurred in connection with any Credit Facility, Reserve Account Credit Facility, the issuance of any bonds or the issuance of any other indebtedness of the Authority, and all fees and expenses of counsel, fiduciaries and others in connection with any such Credit Facility, Reserve Account Credit Facility, bonds or other indebtedness of the Authority to the extent not required to be paid out of the proceeds of such bonds or other indebtedness;

5. All amounts required to be deposited into the Rebate Fund, at the time and in the manner set forth in any investment rebate instructions or otherwise in accordance with the Internal Revenue Code;

6. All amounts required to be paid into any reserve fund established for operation and maintenance expenses;

7. Allowance for depreciation with respect to equipment and property having a depreciable life of greater than three years but less than 10 years; and

8. Any other current costs, expenses or obligations required to be paid by the Authority under the provision of any agreement or instrument relating to bonds, other indebtedness of the Authority or by law. The current sales base of 182.023 million gallons per day has been used in setting the rate listed in (b) below.

(b) General rate schedule for operations and maintenance:

<u>Allocation</u>	<u>Rate/Million Gallons</u>
Million Gallons per Day (MGD)	\$145.66

Amended by R.1986 d.187, effective May 19, 1986 (operative July 1, 1986).

See: 18 N.J.R. 17(a), 18 N.J.R. 1100(a).

Sales base changed from \$150.916 to \$151.931 and million gallons rate changed from \$81.80 to \$94.64.

Amended by R.1988 d.265, effective June 6, 1988.

See: 20 N.J.R. 144(a), 20 N.J.R. 1286(a).

Sales base changed from "151.931" to "157.312".

Amended by R.1989 d.310, effective June 5, 1989 (operative July 1, 1989).

See: 21 N.J.R. 103(a), 21 N.J.R. 1527(a).

Operations and maintenance costs defined at new (a)1 through 8 and million gallon rate increased from \$94.64 to \$102.78 at (b).

Amended by R.1990 d.294, effective June 4, 1990 (operative July 1, 1990).

See: 21 N.J.R. 3836(a), 22 N.J.R. 1755(a).

Fiscal Year 1991 rate adjustments.

Amended by R.1991 d.270, effective May 20, 1991 (operative July 1, 1991).

See: 23 N.J.R. 3676(a), 23 N.J.R. 1662(c).

Deleted (b)1 and 2. Changed the General Rate Schedule from "\$96.45" to "\$109.21" per million gallons in (b).

Amended by R.1992 d.238, effective June 1, 1992 (operative July 1, 1992).

See: 23 N.J.R. 3686(d), 24 N.J.R. 2053(a).

Fiscal Year 1993 rate adjustments.

Amended by R.1993 d.240, effective June 7, 1993 (operative July 1, 1993).

See: 24 N.J.R. 4472(a), 25 N.J.R. 2267(b).

Fiscal Year 1994 rate adjustments.

Amended by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Amended by R.1995 d.291, effective June 5, 1995.

See: 26 N.J.R. 4907(a), 27 N.J.R. 2205(a).

Fiscal Year 1996 rate adjustments.

Amended by R.1996 d.256, effective June 3, 1996 (operative July 1, 1996).

See: 27 N.J.R. 4954(a), 28 N.J.R. 2905(a).

In (a)8 decreased the sales base and in (b) decreased the rate.

Recodified from 7:11-2.2 and amended by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

In (a)8, substituted "150.242 million gallons" for "150.452 million gallons"; and in (b), changed the Rate/Million Gallons from "\$85.91" to "\$76.67". Former section recodified to N.J.A.C. 7:11-2.4.

Amended by R.1998 d.270, effective June 1, 1998 (operative July 1, 1998).

See: 29 N.J.R. 5151(a), 30 N.J.R. 1988(a).

In (a)8, changed 150.242 million gallons per day to 149.875 million gallons per day; and in (b), changed Rate/Million Gallons from \$76.67 to \$82.65.

Amended by R.1999 d.180, effective June 7, 1999 (operative July 1, 1999).

See: 30 N.J.R. 4309(a), 31 N.J.R. 1484(a).

In (b), decreased rate.

Amended by R.2000 d.238, effective June 5, 2000 (operative July 1, 2000).

See: 31 N.J.R. 4199(a), 32 N.J.R. 2077(a).

In (a)8, substituted a reference to 151.875 million gallons for 149.875 million gallons; rewrote (b).

Amended by R.2001 d.208, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4424(a), 33 N.J.R. 2098(a).

In (b), increased rate.

Amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

In (a)8, substituted "151.914" for "151.875" preceding "million gallons per day"; in (b), increased the operations and maintenance rate.

Amended by R.2003 d.245, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 164(a), 35 N.J.R. 2650(a).

In (a)8, increased the current sales base; in (b), increased the operations and maintenance rate.

Amended by R.2004 d.234, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5472(a), 36 N.J.R. 3073(a).

In (a)8, substituted "179.49" for "152.131"; in (b), increased the operations and maintenance rate.

Administrative correction.

See: 36 N.J.R. 5443(a).

Amended by R.2005 d.194, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5615(a), 37 N.J.R. 2248(a).

In (a)8, substituted "179.404" for "179.219"; in (b), updated the operations and maintenance rate.

Amended by R.2006 d.231, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4719(a), 38 N.J.R. 2688(a).

Substituted "179.932" for "179.409" in (a)8; and "\$133.13" for "\$111.80" in (b).

Amended by R.2007 d.192, effective June 18, 2007.

See: 38 N.J.R. 5222(a), 39 N.J.R. 2343(a).

In (a)8, substituted "179.978" for "179.932"; and in (b), substituted "\$138.71" for "\$133.13".

Amended by R.2008 d.210, effective July 21, 2008.

See: 39 N.J.R. 5154(a), 40 N.J.R. 4316(c).

In (a)8, substituted "182.170" for "179.978"; and in the table in (b), substituted "\$142.34" for "\$138.71".

Amended by R.2009 d.196, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6891(a), 41 N.J.R. 2466(b).

In (a)8, substituted "182.154" for "182.170"; and in the table in (b), substituted "\$142.39" for "\$142.34".

Amended by R.2010 d.127, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4592(a), 42 N.J.R. 1181(a).

In (a)8, substituted "182.073" for "182.154"; and in the second column of the table in (b), substituted "\$142.55" for "\$142.39".

Amended by R.2011 d.177, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3018(b), 43 N.J.R. 1420(a).

In (a)8, substituted "182.023" for "182.073"; and in the table in (b), substituted "\$145.66" for "\$142.55".

7:11-2.4 Debt service assessments

(a) The debt service assessment rate per million gallons shall be based on the amounts and schedules of payments required under the 1998 Water System Revenue Refunding Bonds issued by the Authority to refund bonds issued to finance the Authority's 1988 Capital Improvement Program.

(b) The following debt service assessment rate for the 1998 Water System Revenue Refunding Bonds, based on a sales base of 182.023 million gallons per day, will be applied to all customers.

<u>Period</u>	<u>Allocation</u>	<u>Rate/Million Gallons</u>
7/1/2011 to	Million Gallons per Day	\$40.34
6/30/2012	(MGD)	

Amended by R.1985 d.402, effective August 5, 1985 (operative October 1, 1985).

See: 17 N.J.R. 11(a), 17 N.J.R. 1879(a).

Sales base for debt service assessment rate changed from "149,986" to "149,986"; (c) added.

Amended by R.1986 d.187, effective May 19, 1986 (operative July 1, 1986).

See: 18 N.J.R. 17(a), 18 N.J.R. 1100(a).

Substantially amended.

Amended by R.1988 d.265, effective June 6, 1988.

See: 20 N.J.R. 144(a), 20 N.J.R. 1286(a).

Substantially amended.

Amended by R.1989 d.310, effective June 5, 1989 (operative July 1, 1989).

See: 21 N.J.R. 103(a), 21 N.J.R. 1527(a).

1969 Water Conservation Bonds, rate assessment base dropped from 152.587 (MGD) to 151.768 (MGD) and rate per million gallons increased from \$13.83 to \$13.92; 1981 Water Supply Bond sales base dropped from 153.745 to 152.926 and rate per million gallons increased from \$33.15 to \$33.22; new (d) added Debt Service Assessment rate for 1988 Water System Revenue Bonds.

Amended by R.1990 d.294, effective June 4, 1990 (operative July 1, 1990).

See: 21 N.J.R. 3836(a), 22 N.J.R. 1755(a).

Fiscal Year 1991 rate adjustments.

Amended by R.1991 d.270, effective May 20, 1991 (operative July 1, 1991).

See: 23 N.J.R. 3676(a), 23 N.J.R. 1662(c).

Change in time period from "7/1/90" to "7/1/91" in (b)1. Change in sales base from "152.292" to "152.226"; change in time period from "7/1/90" to "7/1/91"; change in Rate/Million Gallon from "\$33.28" to "\$33.23" in (c). Change in sales base from "152.292" to "152.226"; change in time periods from "7/1/90" to "7/1/91" and "6/30/94" to "6/30/95"; change in Rate/Million Gallon from "\$44.97" to "\$44.99", "\$55.04" to "\$55.07" and "\$56.88" to "\$56.91" in (d).

Amended by R.1992 d.238, effective June 1, 1992 (operative July 1, 1992).

See: 23 N.J.R. 3686(d), 24 N.J.R. 2053(a).

Fiscal Year 1993 rate adjustment.

Amended by R.1993 d.240, effective June 7, 1993 (operative July 1, 1993).

See: 24 N.J.R. 4472(a), 25 N.J.R. 2267(b).

Fiscal Year 1994 rate adjustments.

Amended by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Amended by R.1995 d.291, effective June 5, 1995.

See: 26 N.J.R. 4907(a), 27 N.J.R. 2205(a).

Fiscal year 1996 rate adjustments.

Amended by R.1996 d.256, effective June 3, 1996 (operative July 1, 1996).

See: 27 N.J.R. 4954(a), 28 N.J.R. 2905(a).

In (b) and (c) decreased the sales base and increased the rate, and in (d) increased the rate.

Recodified from 7:11-2.3 and amended by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

In (b), substituted "149.747 million gallons" for "149.957 million gallons"; in (b)1, in the table, changed the period beginning date from "7/1/96" to "7/1/97"; in (c) substituted "150.172 million gallons" for "150.382 million gallons", changed the period beginning date from "7/1/96" to "7/1/97", and changed the Rate/Million Gallons from "\$33.61" to "\$33.73"; and in (d), changed the periods from "7/1/96 to 6/30/97" and "7/1/97 to 6/30/99" to "7/1/97 to 6/30/98", and "7/1/98 to 6/30/99", changed the Rates/Million gallons from "\$57.57" and "\$57.39" to "\$57.47" and "\$57.49", and added rates for the periods "7/1/99 to 6/30/2000", and "7/1/2000 to 6/30/2001". Former section recodified to N.J.A.C. 7:11-2.5.

Amended by R.1998 d.270, effective June 1, 1998 (operative July 1, 1998).

See: 29 N.J.R. 5151(a), 30 N.J.R. 1988(a).

In (b), changed 149.747 million gallons per day to 149.380 million gallons per day in the introductory paragraph, changed Period beginning date from "7/1/97" to "7/1/98" and changed Rate/Million Gallons from \$14.07 to \$14.12 in 1; in (c), changed 150.172 million gallons per day to 149.805 million gallons per day, changed Period beginning date from "7/1/97" to "7/1/98" and changed Rate/Million Gallons from \$33.73 to \$27.78; and in (d), changed Period date ranges and Rate/Million Gallons.

Amended by R.1999 d.180, effective June 7, 1999 (operative July 1, 1999).

See: 30 N.J.R. 4309(a), 31 N.J.R. 1484(a).

In (b), changed period; in (c), changed period and increased rate; and in (d), changed periods and decreased rates.

Amended by R.2000 d.238, effective June 5, 2000 (operative July 1, 2000).

See: 31 N.J.R. 4199(a), 32 N.J.R. 2077(a).

In (b) and (c), changed period and decreased rate; in (d), changed periods and decreased rates.

Amended by R.2001 d.208, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4424(a), 33 N.J.R. 2098(a).

In (b), changed period; in (c), changed period and decreased rate; in (d), deleted period, allocation and rate for 7/1/2000 to 6/30/2001 and added period, allocation and rate for 7/1/2004 to 6/30/2005.

Amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

Rewrote the section.

Amended by R.2003 d.245, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 164(a), 35 N.J.R. 2650(a).

Rewrote (b) and (c).

Amended by R.2004 d.234, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 4372(a), 36 N.J.R. 3073(a).

In (b) and (c), substituted "179.149" for "152.131" and amended the tables.

Amended by R.2005 d.194, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5615(a), 37 N.J.R. 2248(a).

Rewrote (b) and (c).

Amended by R.2006 d.231, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4719(a), 38 N.J.R. 2688(a).

In (b), substituted "179.874" for "179.334", "(a)" for "(b)" preceding "above", "2006" for "2005", "2007" for "2006" and "\$19.55" for "\$28.24"; and in (c), substituted "179.874" for "179.334" and updated table.

Amended by R.2007 d.192, effective June 18, 2007.

See: 38 N.J.R. 5222(a), 39 N.J.R. 2343(a).

Reserved (b); and rewrote (c).

Amended by R.2008 d.210, effective July 21, 2008.

See: 39 N.J.R. 5154(a), 40 N.J.R. 4316(c).

Rewrote (a); deleted former (b); recodified (c) as (b); in the introductory paragraph of (b), substituted "182.112" for "172.920"; and in the table in (b), deleted entries for "7/1/2007 to 6/30/2008", "7/1/2009 to 6/30/2010" and "7/1/2010 to 6/30/2011", and in the entry for "7/1/2008 to 6/30/2009", substituted, "\$40.66" for "\$41.16".

Amended by R.2009 d.196, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6891(a), 41 N.J.R. 2466(b).

In the introductory paragraph of (b), substituted "182.079" for "182.112"; and in the table in (b), substituted "7/1/2009 to 6/30/2010" for "7/1/2008 to 6/30/2009" and "\$40.61" for "\$40.66".

Amended by R.2010 d.127, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4592(a), 42 N.J.R. 1181(a).

In the introductory paragraph of (b), substituted "182.073" for "182.079"; in the first column of the table in (b), substituted "7/1/2010" for "7/1/2009" and "6/30/2011" for "6/30/2010"; and in the third column of the table in (b), substituted "\$40.45" for "\$40.61".

Amended by R.2011 d.177, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3018(b), 43 N.J.R. 1420(a).

In the introductory paragraph of (b), substituted "182.023" for "182.073"; and in the table in (b), substituted "7/1/2011 to 6/30/2012" for "7/1/2010 to 6/30/2011" and "\$40.34" for "\$40.45".

7:11-2.5 Capital Fund Component

(a) The Capital Fund Component is to provide for current funding of major annual maintenance and repairs of the existing facilities at a total amount of \$1,500,000 to \$2,000,000 per year. The total annual amount funded by the Capital Fund Component may be adjusted periodically for inflation; however, all capital projects beyond this amount and any enhancements or additions to the System shall be financed through the issuance of long-term debt.

(b) The Capital Fund Component rate per million gallons listed at (c) below is based on estimated annual capital expenses to properly maintain, rehabilitate or replace the facilities.

(c) Capital Fund Assessment

<u>Period</u>	<u>Allocation</u>	<u>Rate/Million Gallons</u>
7/1/2011 to	Million Gallons per Day	\$30.00
6/30/2012	(MGD)	

New Rule, R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Amended by R.1995 d.291, effective June 5, 1995.

See: 26 N.J.R. 4907(a), 27 N.J.R. 2205(a).

Fiscal year 1996 rate adjustments.

Recodified from 7:11-2.4 and amended by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

In (c), deleted the rate for the period "7/1/95 to 6/30/96", changed the period "7/1/96 to 6/30/98" to "7/1/97 to 6/30/98", and changed the Rate/Million Gallons from "\$20.00" to "\$29.22". Former section recodified to N.J.A.C. 7:11-2.6.

Amended by R.1998 d.270, effective June 1, 1998 (operative July 1, 1998).

See: 29 N.J.R. 5151(a), 30 N.J.R. 1988(a).

In (c), deleted "7/1/97 to 6/30/98" Period; and in "7/1/98" Period, changed Rate/Million Gallons from \$25.00 to \$28.98.

Amended by R.1999 d.180, effective June 7, 1999 (operative July 1, 1999).

See: 30 N.J.R. 4309(a), 31 N.J.R. 1484(a).

In (c), changed period and increased rate.

Amended by R.2000 d.238, effective June 5, 2000 (operative July 1, 2000).

See: 31 N.J.R. 4199(a), 32 N.J.R. 2077(a).

In (c), changed period and increased rate.

Amended by R.2001 d.208, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4424(a), 33 N.J.R. 2098(a).

In (c), changed period and decreased rate.

Amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

In (c), amended period and increased rate.

Amended by R.2003 d.245, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 164(a), 35 N.J.R. 2650(a).

In (c), and amended period and decreased rate.

Amended by R.2004 d.234, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5472(a), 36 N.J.R. 3073(a).

In (c), amended the period and increased the rate.

Amended by R.2005 d.194, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5615(a), 37 N.J.R. 2248(a).

In (c), amended the period and increased the rate.

Amended by R.2006 d.231, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4719(a), 38 N.J.R. 2688(a).

In (c), substituted "2006" for "2005", "2007" for "2006" and "\$21.00" for "\$20.45".

Amended by R.2007 d.192, effective June 18, 2007.

See: 38 N.J.R. 5222(a), 39 N.J.R. 2343(a).

In (c), substituted "2007" for "2006", "2008" for "2007" and "\$33.00" for "\$21.00".

Amended by R.2008 d.210, effective July 21, 2008.

See: 39 N.J.R. 5154(a), 40 N.J.R. 4316(c).

In the first column of the table in (c), substituted "7/1/2008" for "7/1/2007" and "6/30/2009" for "6/30/2008".

Amended by R.2009 d.196, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6891(a), 41 N.J.R. 2466(b).

In the first column of the table in (c), substituted "7/1/2009 to 6/30/2010" for "7/1/2008 to 6/30/2009".

Amended by R.2010 d.127, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4592(a), 42 N.J.R. 1181(a).

In the first column of the table in (c), substituted "7/1/2010" for "7/1/2009" and "6/30/2011" for "6/30/2010".

Amended by R.2011 d.177, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3018(b), 43 N.J.R. 1420(a).

In the table in (c), substituted "7/1/2011 to 6/30/2012" for "7/1/2010 to 6/30/2011" and "\$30.00" for "\$33.00".

7:11-2.6 Source Water Protection Fund Component

(a) The Source Water Protection Fund Component Rate per million gallons listed at (b) below is based on the annual source water protection expenses agreed upon by Authority

customers to acquire and otherwise protect parcels critical to the preservation of system water quality and quantity.

(b) Source Water Protection Fund Assessment

<u>Period</u>	<u>Allocation</u>	<u>Rate/Million Gallons</u>
7/1/2011 to 6/30/2012	Million Gallons per Day (MGD)	\$15.00

New Rule, R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

Former N.J.A.C. 7:11-2.6, Daily allotment charge, recodified to N.J.A.C. 7:11-2.7.

Amended by R.2003 d.245, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 164(a), 35 N.J.R. 2650(a).

In (b), amended period and increased rate.

Amended by R.2005 d.194, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5615(a), 37 N.J.R. 2248(a).

In (b), amended the period and increased the rate.

Amended by R.2006 d.231, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4719(a), 38 N.J.R. 2688(a).

In (b), substituted "2006" for "2005" and "2007" for "2006".

Amended by R.2007 d.192, effective June 18, 2007.

See: 38 N.J.R. 5222(a), 39 N.J.R. 2343(a).

In (b), substituted "2007" for "2006", "2008" for "2007" and "\$15.00" for "\$13.00".

Amended by R.2008 d.210, effective July 21, 2008.

See: 39 N.J.R. 5154(a), 40 N.J.R. 4316(c).

In the first column of the table in (b), substituted "7/1/2008" for "7/1/2007" and "6/30/2009" for "6/30/2008".

Amended by R.2009 d.196, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6891(a), 41 N.J.R. 2466(b).

In the first column of the table in (b), substituted "7/1/2009 to 6/30/2010" for "7/1/2008 to 6/30/2009".

Amended by R.2010 d.127, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4592(a), 42 N.J.R. 1181(a).

In the first column of the table in (b), substituted "7/1/2010" for "7/1/2009" and "6/30/2011" for "6/30/2010".

Amended by R.2011 d.177, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3018(b), 43 N.J.R. 1420(a).

In the table in (b), substituted "7/1/2011 to 6/30/2012" for "7/1/2010 to 6/30/2011".

7:11-2.7 Daily allotment charge

(a) Effective on the date of commencement of charges as specified in N.J.A.C. 7:11-2.15 the user shall pay a daily allotment charge amounting to 100 percent of the value of the quantity specified in the agreement for 24-hour withdrawal at the rates specified in this schedule, as it may be amended from time to time.

1. The total charge shall include the general rate schedule for operations and maintenance described in N.J.A.C. 7:11-2.3, the applicable Debt Service Assessment as described in N.J.A.C. 7:11-2.4, the Capital Fund Component as described in N.J.A.C. 7:11-2.5, and the Source Water Protection Fund Component as described in N.J.A.C. 7:11-2.6.

2. The Rate for water diverted, withdrawn or allocated from the Raritan River Basin as supported by Spruce Run/Round Valley Reservoirs water release shall be modified by the appropriate production factor as specified in N.J.A.C. 7:11-2.9.

Amended by R.1989 d.310, effective June 5, 1989 (operative July 1, 1989).

See: 21 N.J.R. 103(a), 21 N.J.R. 1527(a).

Deleted reference to rates "prevailing in the agreement . . ." and referenced the Schedule, added "for Operations and Maintenance" after General Rate Schedule.

Recodified from 7:11-2.4 and amended by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Recodified from 7:11-2.5 and amended by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

Changed N.J.A.C. references throughout the section. Former section recodified to N.J.A.C. 7:11-2.7.

Recodified from N.J.A.C. 7:11-2.6 and amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

In (a), amended the N.J.A.C. reference in the introductory paragraph, deleted "and" preceding "the Capital Fund Component" and inserted "and the Source Water Protection Fund Component as described in N.J.A.C. 7:11-2.6" following "N.J.A.C. 7:11-2.5" in 1, and substituted "The Rate for water" for "Water" and amended the N.J.A.C. reference in 2. Former N.J.A.C. 7:11-2.7, Equivalent sustained supply: Spruce Run/Round Valley Reservoirs System, recodified to N.J.A.C. 7:11-2.8.

7:11-2.8 Equivalent sustained supply: Raritan Basin System

(a) In operating the Raritan Basin System to augment natural stream flow during a period of low runoff, optimum dependable supply is attained at the confluence of the Millstone River where the combined flow from the tributaries to the Raritan River above that point becomes effective.

(b) Each application for the diversion, withdrawal or allocation of water from the Raritan Basin System with the exception of applications for diversions from the Delaware and Raritan Canal is, therefore, to be evaluated, and differentiation in rates, charges and assessments shall be made on the basis of quantities of water to be supplied, distance between the facility and point of diversion, the cost in making such water available, the place where the water is to be used, and the character of such use.

Amended by R.1985 d.402, effective August 5, 1985 (operative October 1, 1985).

See: 17 N.J.R. 11(a), 17 N.J.R. 1879(a).

"differentiation" substituted for "differentiation".

Amended by R.1989 d.310, effective June 5, 1989 (operative July 1, 1989).

See: 21 N.J.R. 103(a), 21 N.J.R. 1527(a).

Reorganized text into subsections (a) and (b).

Recodified from 7:11-2.5 by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Recodified from 7:11-2.6 by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

Former section recodified to N.J.A.C. 7:11-2.8.

Recodified from N.J.A.C. 7:11-2.7 by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

Former N.J.A.C. 7:11-2.8, Production factor, recodified to N.J.A.C. 7:11-2.9.

Amended by R.2003 d.410, effective October 20, 2003.

See: 35 N.J.R. 2004(a), 35 N.J.R. 4876(a).

In (b), inserted "System with the exception of applications for diversions from the Delaware and Raritan Canal" following "Raritan Basin".

7:11-2.9 Production factor

(a) For any depletive diversion at any location above the confluence of the Millstone and Raritan Rivers, the inverse ratio between the allocation and its equivalent in sustained supply at the confluence is expressed as the Production Factor for that allocation as follows: Production Factor = Safe yield at the confluence/yield at the point of diversion.

(b) For any depletive diversion at or below the confluence of the Raritan and Millstone Rivers, the Production Factor shall be considered to be unity (1.0).

(c) The total daily allotment charge set forth in N.J.A.C. 7:11-2.7 shall be multiplied by the production factor for a given allocation.

Recodified from 7:11-2.6 by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Recodified from 7:11-2.7 and amended by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

In (c), changed N.J.A.C. reference. Former section recodified to N.J.A.C. 7:11-2.9.

Amended by R.2001 d.208, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4424(a), 33 N.J.R. 2098(a).

In (a), added "as follows: Production Factor = Safe yield at the confluence/yield at the point of diversion."

Recodified from N.J.A.C. 7:11-2.8 and amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

In (a), substituted "the" for "any upstream" following "the inverse ratio between"; in (c), amended the N.J.A.C. reference. Former N.J.A.C. 7:11-2.9, Annual Demand Charge, recodified to N.J.A.C. 7:11-2.10.

7:11-2.10 Annual Demand Charge

The Annual Demand Charge for a given allocation shall be computed by multiplying the daily allotment charge by 365. Payment shall be made in equal monthly statements as billed.

Recodified from 7:11-2.7 by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Recodified from 7:11-2.8 by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

Former section recodified to N.J.A.C. 7:11-2.10.

Recodified from N.J.A.C. 7:11-2.9 by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

Former N.J.A.C. 7:11-2.10, Standby service, recodified to N.J.A.C. 7:11-2.11.

7:11-2.11 Standby service

(a) "Standby service" means the supply of water from the System, to the extent from time to time available, in excess of

aggregate uninterruptible service, for certain occasional uses, such as fire protection or other emergencies, natural or otherwise, which a System water user is authorized to withdraw pursuant to a contract. Such user shall pay a monthly standby charge instead of a demand charge, but shall in all other respects comply with the rules for the use of water from the Raritan Basin System.

(b) The New Jersey Water Supply Authority reserves the right to revoke such standby service classification at any time on 30 days written notice to the user.

(c) Such revocation shall not prejudice the right of the user to submit an application for normal water use either prior to or following the effective date of revocation.

Amended by R.1985 d.402, effective August 5, 1985 (operative October 1, 1985).

See: 17 N.J.R. 11(a), 17 N.J.R. 1879(a).

"days" substituted for "days'".

Amended by R.1989 d.310, effective June 5, 1989 (operative July 1, 1989).

See: 21 N.J.R. 103(a), 21 N.J.R. 1527(a).

"Standby service" more fully defined at (a).

Recodified from 7:11-2.8 by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Recodified from 7:11-2.9 by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

Former section recodified to N.J.A.C. 7:11-2.11.

Recodified from N.J.A.C. 7:11-2.10 by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

Former N.J.A.C. 7:11-2.11, Standby charge, recodified to N.J.A.C. 7:11-2.12.

Amended by R.2003 d.410, effective October 20, 2003.

See: 35 N.J.R. 2004(a), 35 N.J.R. 4876(a).

7:11-2.12 Standby charge

(a) A user classified under standby service, as provided in N.J.A.C. 7:11-2.11, shall pay a monthly minimum charge based on the capacity of the user's withdrawal system as specified below. Said purchaser shall also pay for all water withdrawn during the month in excess of such monthly standby charge, based on charges as set forth under N.J.A.C. 7:11-2.3, 2.4, 2.5 and 2.6.

Note: MGD = million gallons daily; GPM = gallons per minute.

1. For Delaware and Raritan Canal Standby Contracts within the Delaware River Basin:

<u>Maximum withdrawal capacity</u>	<u>Charge per month</u>
Each 1 MGD (700 GPM) or fraction thereof	\$145.66 plus annual Debt Service Assessments Rate for 1998 Water System Revenue Refunding Bonds, Capital Fund Component, and Source Water Protection Fund Component.

2. For Standby Contracts within the Raritan River Basin:

<u>Maximum withdrawal capacity</u>	<u>Charge per month</u>
Each 1 MGD (700 GPM) or fraction thereof	\$145.66 plus annual debt service assessments rate for 1998 Water System Revenue Refunding Bonds, Capital Fund Component, and Source Water Protection Fund Component.

Amended by R.1985 d.402, effective August 5, 1985 (operative October 1, 1985).

See: 17 N.J.R. 11(a), 17 N.J.R. 1879(a).

Deleted "debt service rate when assessed".

Amended by R.1986 d.187, effective May 19, 1986 (operative July 1, 1986).

See: 18 N.J.R. 17(a), 18 N.J.R. 1100(a).

Charges raised from \$81.80 to \$94.64 per month.

Amended by R.1988 d.265, effective June 6, 1988.

See: 20 N.J.R. 144(a), 20 N.J.R. 1286(a).

Added FY89 Debt Rate Stabilization Fund.

Amended by R.1989 d.310, effective June 5, 1989 (operative July 1, 1989).

See: 21 N.J.R. 103(a), 21 N.J.R. 1527(a).

References made to 1981 Water Supply Bonds, 1988 Water System Revenue Bonds and 1969 Water Conservation Bonds; rate change from \$94.64 to \$102.78.

Amended by R.1990 d.294, effective June 4, 1990 (operative July 1, 1990).

See: 21 N.J.R. 3836(a), 22 N.J.R. 1755(a).

Fiscal Year 1991 rate adjustments.

Amended by R.1991 d.270, effective May 20, 1991 (operative July 1, 1991).

See: 23 N.J.R. 3676(a), 23 N.J.R. 1662(c).

Deleted (a)1i and ii; changed Charge per month from "96.45" to "109.21".

Deleted (a)2i and ii; changed Charge per month from "96.45" to "109.21".

Amended by R.1992 d.238, effective June 1, 1992 (operative July 1, 1992).

See: 23 N.J.R. 3686(d), 24 N.J.R. 2053(a).

Fiscal Year 1993 rate adjustment.

Administrative Correction to (a)2.

See: 24 N.J.R. 4518(a).

Amended by R.1993 d.240, effective June 7, 1993 (operative July 1, 1993).

See: 24 N.J.R. 4472(a), 25 N.J.R. 2267(b).

Fiscal Year 1994 rate adjustment.

Recodified from 7:11-2.9 and amended by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Amended by R.1995 d.291, effective June 5, 1995.

See: 26 N.J.R. 4907(a), 27 N.J.R. 2205(a).

Fiscal year 1996 rate adjustments.

Amended by R.1996 d.256, effective June 3, 1996 (operative July 1, 1996).

See: 27 N.J.R. 4954(a), 28 N.J.R. 2905(a).

In (a)1 and 2 decreased the charge per month.

Recodified from 7:11-2.10 and amended by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

In (a), changed N.J.A.C. references; and in (a)1 and (a)2, changed the "Charge per month" from "\$85.91" to "\$76.67". Former section recodified to N.J.A.C. 7:11-2.12.

Amended by R.1998 d.270, effective June 1, 1998 (operative July 1, 1998).

See: 29 N.J.R. 5151(a), 30 N.J.R. 1988(a).

In (a)1 and 2, changed Charge per month from \$76.67 to \$82.65.

Amended by R.1999 d.180, effective June 7, 1999 (operative July 1, 1999).

See: 30 N.J.R. 4309(a), 31 N.J.R. 1484(a).

In (a), decreased rates, and substituted references to 1998 Water System Revenue Refunding Bonds for references to 1988 Water System Revenue Bonds.

Amended by R.2000 d.238, effective June 5, 2000 (operative July 1, 2000).

See: 31 N.J.R. 4199(a), 32 N.J.R. 2077(a).

In (a)1 and (a)2, increased rates.

Amended by R.2001 d.208, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4424(a), 33 N.J.R. 2098(a).

Increased charge per month throughout section.

Recodified from N.J.A.C. 7:11-2.11 and amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

In (a), substituted "2.4, 2.5 and 2.6" for "2.4 and 2.5" in the introductory paragraph, and increased the charge per month and inserted "and Source Water Protection Fund Component" following "Capital Fund Component" in 1 and 2. Former N.J.A.C. 7:11-2.12, Rate adjustment, recodified to N.J.A.C. 7:11-2.13.

Amended by R.2003 d.245, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 164(a), 35 N.J.R. 2650(a).

Rewrote the section.

Amended by R.2004 d.234, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5472(a), 36 N.J.R. 3073(a).

In (a)1 and (a)2, increased the monthly standby charge.

Amended by R.2005 d.194, effective June 20, 2005.

See: 36 N.J.R. 5615(a), 37 N.J.R. 2248(a).

In (a)1 and (a)2, changed the monthly standby charge.

Amended by R.2006 d.231, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4719(a), 38 N.J.R. 2688(a).

Substituted "\$133.13" for "\$111.80" in (a)1 and (a)2.

Amended by R.2007 d.192, effective June 18, 2007.

See: 38 N.J.R. 5222(a), 39 N.J.R. 2343(a).

In (a)1 and (a)2, substituted "\$138.71" for "\$133.13" and deleted "1981 Water Supply Bonds," preceding "1998".

Administrative correction.

See: 39 N.J.R. 5316(a).

Amended by R.2008 d.210, effective July 21, 2008.

See: 39 N.J.R. 5154(a), 40 N.J.R. 4316(c).

In the second columns of the tables in (a)1 and (a)2, substituted "\$146.37" for "\$138.71".

Amended by R.2009 d.196, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6891(a), 41 N.J.R. 2466(b).

In the second column of the tables in (a)1 and (a)2, substituted "\$142.39" for "\$146.37".

Amended by R.2010 d.127, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4592(a), 42 N.J.R. 1181(a).

In the second column of the tables in (a)1 and (a)2, substituted "\$142.55" for "\$142.39".

Amended by R.2011 d.177, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3018(b), 43 N.J.R. 1420(a).

In the tables in (a)1 and (a)2, substituted "\$145.66" for "\$142.55".

7:11-2.13 Rate adjustment

(a) The New Jersey Water Supply Authority reserves the right to review and revise the Schedule from time to time by the establishment of a new Schedule promulgated pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and any rules promulgated thereto.

1. A purchaser shall be notified of such changes not less than six months in advance of the effective date of such revision pursuant to N.J.A.C. 7:11-2.14.

2. Adjustments made under this section shall be subject to public hearing and all other requirements of N.J.A.C. 7:11-2.14.

3. Any contract for the sale of water shall be subject to any adjustment resulting from this review.

(b) The New Jersey Water Supply Authority reserves the right to review the sales bases from time to time to make adjustments, if necessary, in the Schedule. Any such adjustments shall be promulgated pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and any rules promulgated thereto.

1. If any adjustment is required, at least six months notice in advance of the effective date of such revision shall be provided to all purchasers pursuant to N.J.A.C. 7:11-2.14.

2. Adjustments made under this section shall be subject to public hearing and all other requirements of N.J.A.C. 7:11-2.14.

3. Any contract for the sale of water shall be subject to any adjustment resulting from this review.

(c) Contracts for new or additional water sales after July 1, 1983 and until the sales base equals the system safe yield, shall contain provisions requiring the retroactive payment of a full proportionate share of the total annual Debt Service Assessment payments made by the New Jersey Water Supply Authority to the State Treasurer for the 1958 Bonds, 1969 Bonds and 1981 Bonds during the period from July 1, 1983 to the effective date of any new contract.

1. The new contract shall require that the total retroactive amount is to be paid in equal monthly or quarterly increments over at least a 10-year period, or until the scheduled date by which the Authority will have completed payments to the State Treasurer with respect to the 1981 Water Supply Bonds, whichever is longer.

2. For each year after the date of a new contract, the New Jersey Water Supply Authority will credit preexisting users with a proportionate share of the annual retroactive amount paid by any new user.

(d) Contracts for new or additional water sales after July 1, 1989 and until the sales base equals the system safe yield, shall also contain provisions requiring the retroactive payment of a full proportionate share of the total annual Debt Service Assessment payments made by the New Jersey Water Supply Authority to its bond holders for the 1988 Revenue Bonds and 1998 Revenue Refunding Bonds during the period from July 1, 1989 to the effective date of any new contract.

1. The new contract shall require that the total retroactive amount is to be paid in equal monthly or quarterly increments over at least a 10-year period, or until the scheduled date by which the Authority will have completed payments to its bond holders with respect to the 1988

Water System Revenue Bonds and the 1998 Water System Revenue Refunding Bonds, whichever is longer.

2. For each year after the date of a new contract, the New Jersey Water Supply Authority will credit preexisting users with a proportionate share of the annual retroactive amount paid by any new user.

Amended by R.1984 d.109, eff. April 2, 1984.

See: 15 N.J.R. 1311(a), 16 N.J.R. 708(a).

Cross-references to N.J.A.C. 7:11-2.11 added.

Amended by R.1985 d.402, effective August 5, 1985 (operative October 1, 1985).

See: 17 N.J.R. 11(a), 17 N.J.R. 1879(a).

"such" substituted for "said".

Amended by R.1989 d.310, effective June 5, 1989 (operative July 1, 1989).

See: 21 N.J.R. 103(a), 21 N.J.R. 1527(a).

In (a) and (b) references regarding the Authority's adjustments made from time to time and new (d) added regarding contracts for new or additional water.

Recodified from 7:11-2.10 and amended by R.1994 d.306, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5742(a), 26 N.J.R. 2595(a).

Recodified from 7:11-2.11 and amended by R.1997 d.230, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5130(a), 29 N.J.R. 2551(b).

Changed N.J.A.C. references throughout the section. Former section recodified to N.J.A.C. 7:11-2.13.

Amended by R.1999 d.180, effective June 7, 1999 (operative July 1, 1999).

See: 30 N.J.R. 4309(a), 31 N.J.R. 1484(a).

In (d), inserted a reference to 1988 Revenue Bonds and 1998 Revenue Refunding Bonds in the introductory paragraph, and inserted a reference to 1998 Water System Revenue Refunding Bonds in 1.

Recodified from N.J.A.C. 7:11-2.12 and amended by R.2002 d.177, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4213(a), 34 N.J.R. 1902(b).

In (a) and (b), amended the N.J.A.C. references in 1 and 2; in (c), deleted "the 1958 bonds, the 1969 bonds and" preceding "the 1981 bonds" in the introductory paragraph. Former N.J.A.C. 7:11-2.13, Procedures for rate adjustments, recodified to N.J.A.C. 7:11-2.14.

Amended by R.2009 d.196, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6891(a), 41 N.J.R. 2466(b).

In the introductory paragraphs of (c) and (d), inserted "and until the sales base equals the system safe yield,"; in the introductory paragraph of (c), inserted "1958 Bonds, 1969 Bonds and"; and in (c)1 and (d)1, inserted "or quarterly".

7:11-2.14 Procedures for rate adjustments

(a) Prior to adopting an adjustment in the Schedule or the Sales Bases established in this subchapter, the Authority shall comply with the following ratemaking procedures and schedule:

1. Official Notice: Official notice and an explanation outlining the need for the proposed adjustment to the Schedule or the Sales Bases shall be given to all contractual water customers; the Department of the Treasury, Division of Ratepayer Advocate; and other interested parties at least six months prior to the proposed effective date.

2. Supporting documents and financial records: All appropriate supporting documents and financial records of the Authority in support of the proposed adjustment shall

administration of the Manasquan Reservoir System, and minor additions or improvements thereof or thereto.

(b) The operations and maintenance expense component of all rates is based upon the point of delivery being located at the Authority's Manasquan River intake facility, and any purchaser taking delivery of Manasquan Reservoir System water at a different point of delivery will be assessed an additional charge to cover additional operations and maintenance expense associated with establishment of and making delivery at such point of delivery. Such charges may include, but are not limited to, in the case of any purchaser establishing a point of delivery on the transmission line between the Manasquan River intake facility and the reservoir, an additional charge to cover the cost of pumping water to the reservoir to replace water delivered from the reservoir to such purchaser.

(c) Operations and maintenance expense component:

<u>Effective Date</u>	Rate/Million Gallons (based upon a 20.560 mg per day sales base)
July 1, 2011	\$347.39
Amended by R.1991 d.271, effective May 20, 1991 (operative July 1, 1991).	
See: 23 N.J.R. 3678(a), 23 N.J.R. 1664(a).	
Added "Effective Date" and "Rate/Million Gallons"; changed "July 1, 1990" to "July 1, 1991"; changed "(based upon a 14.905 mg per day sales base) \$345.09" to "(based upon a 16.097 mg per day sales base) \$314.75" in (c).	
Amended by R.1992 d.237, effective June 1, 1992 (operative July 1, 1992).	
See: 23 N.J.R. 3688(a), 24 N.J.R. 2056(a).	
Fiscal Year 1993 rate adjustment.	
Amended by R.1993 d.241, effective June 7, 1993.	
See: 24 N.J.R. 4474(a), 25 N.J.R. 2269(a).	
Fiscal Year 1994 rate adjustment.	
Administrative Correction.	
See: 25 N.J.R. 5956(a).	
Amended by R.1994 d.307, effective June 20, 1994 (operative July 1, 1994).	
See: 25 N.J.R. 5744(a), 26 N.J.R. 2598(a).	
Amended by R.1995 d.292, effective June 5, 1995.	
See: 26 N.J.R. 4910(a), 27 N.J.R. 2207(a).	
Fiscal Year 1996 rate adjustments.	
Amended by R.1996 d.257, effective June 3, 1996 (operative July 1, 1996).	
See: 27 N.J.R. 4955(a), 28 N.J.R. 2906(a).	
In (c) decreased the rate.	
Amended by R.1997 d.229, effective June 2, 1997 (operative July 1, 1997).	
See: 28 N.J.R. 5133(a), 29 N.J.R. 2553(a).	
In (c), changed "July 1, 1996" to "July 1, 1997", and "\$316.58" to "\$284.09".	
Amended by R.1998 d.271, effective June 1, 1998 (operative July 1, 1998).	
See: 29 N.J.R. 5153(a), 30 N.J.R. 1989(a).	
In (c), changed effective date from 1997 to 1998 and the Rate/Million Gallons from \$284.09 to \$263.56.	
Administrative correction.	
See: 30 N.J.R. 2476(a).	
Amended by R.1999 d.181, effective June 7, 1999 (operative July 1, 1999).	
See: 30 N.J.R. 4311(a), 31 N.J.R. 1485(a).	
In (c), changed effective date and decreased rate.	
Amended by R.2000 d.239, effective June 5, 2000 (operative July 1, 2000).	
See: 31 N.J.R. 4201(a), 32 N.J.R. 2078(a).	
In (c), changed effective date and increased rate.	

Amended by R.2001 d.209, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4426(a), 33 N.J.R. 2099(a).

In (c), changed effective date and increased Rate/Million Gallons.

Amended by R.2002 d.178, effective June 3, 2002.

See: 33 N.J.R. 4217(a), 34 N.J.R. 1905(a) (operative July 1, 2002).

Rewrote (c).

Amended by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Rewrote (c).

Amended by R.2004 d.235, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5475(a), 36 N.J.R. 3075(a).

In (c), amended the effective date and increased the rate.

Amended by R.2005 d.195, effective January 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

In (c), amended the effective date and changed the rate.

Amended by R.2006 d.232, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4721(a), 38 N.J.R. 2690(a).

Substituted "2006" for "2005" in (c).

Amended by R.2007 d.193, effective June 18, 2007.

See: 38 N.J.R. 5224(a), 39 N.J.R. 2344(a).

In (c), substituted "2007" for "2006", "20.560" for "19.032" and "\$302.52" for "\$295.41".

Amended by R.2008 d.211, effective July 21, 2008.

See: 39 N.J.R. 5156(a), 40 N.J.R. 4318(a).

In the first column of the table in (c), substituted "2008" for "2007".

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

In (b), substituted "operations" for "operation" twice; and in the table in (c), substituted "July 1, 2009" for "July 1, 2008" and "\$396.79" for "\$302.52".

Amended by R.2010 d.126, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4595(a), 42 N.J.R. 1182(a).

In the first column of the table in (c), substituted "2010" for "2009".

Amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

In the table in (c), substituted "2011" for "2010" and "\$347.39" for "\$396.79".

7:11-4.4 Debt service cost component

(a) The debt service costs component is based upon the amount to be included for debt service costs with respect to each annual payment period or portion thereof, and will be that amount accruing in the bond year (starting on August 1 of each calendar year and ending on the next following July 31) or corresponding portion thereof, commencing during the fiscal year (starting on July 1 of each calendar year and ending on the next following June 30) within which such annual payment period or portion thereof falls. The debt service costs include the aggregate amounts payable during the specified period for:

1. Interest accruing during such period on the bonds, but not including any interest accruing on the State loan bonds which is to be deferred and added to principal, until payment in respect of such deferred interest is to commence;
2. That portion of each required principal payment or mandatory redemption or sinking fund payment on the

Authority bonds (together, "principal installment") which would accrue during such period;

3. Such additional amounts as are required to provide a debt service coverage in accordance with the following schedule:

Twelve Month Period <u>Beginning on</u>	Coverage Percent of <u>Gross Debt Service</u>
2/1/91-1/31/92	105 percent
2/1/92-1/31/93	110 percent
2/1/93-1/31/94	115 percent
2/1/94-1/31/95 and thereafter	120 percent

4. Any amounts payable into any debt service reserve fund established for any Authority bonds.

(b) The following Debt Service rates based on a sales base of 16.125 million gallons per day, apply to all initial water purchase contract customers, and all delayed water purchase contract customers, who fully satisfied their contractual delayed water purchase surcharge obligations at the commencement of their contract terms:

Period	Rate/Million Gallons (Coverage 120 percent)
7/1/2011 to 6/30/2012	\$618.09

(c) A delayed water purchase surcharge will be assessed to all water purchasers who entered into a water purchase contract for an uninterrupted service commencing subsequent to the system operation date (delayed water purchase contract). This includes a purchaser under an initial water purchase contract, which provides for an increase in the amount of uninterrupted service effective subsequent to the system operation date.

1. The following debt service rate based on a sales base of 4.435 million gallons per day, applies to the delayed water purchase contracts commencing July 1, 2001, October 1, 2002, and January 1, 2005 in lieu of the debt service rate set forth in (b) above.

Period	Rate/Million Gallons (Coverage 120 percent)
7/1/2011 to 6/30/2012	\$770.90

(d) In place of the imposition upon any delayed water purchaser of delayed water purchaser surcharges with respect to any one or more items, a delayed water purchaser may, at the time of entry into a delayed water purchase contract, make a single lump sum payment in respect of such items in a manner to be agreed upon between the Authority and the delayed water purchaser.

Amended by R.1991 d.271, effective May 20, 1991 (operative July 1, 1991).

See: 23 N.J.R. 3678(a), 23 N.J.R. 1664(a).

Substantial revision of (b) with the following changes: "14.905" to "16.095"; "will be applied" to "apply"; "persons" to "water purchasers"; "enter" to "entered"; "commences" to "commenced"; "begins" to "began". Added "July 1, 1990"; "Period" and "Rate/Million Gallons". Time

frame under "Period" was changed from "2/1/91" to "7/1/91". All debt service rates were revised. Changed "persons" to "water purchasers" in (c).

Amended by R.1992 d.237, effective June 1, 1992 (operative July 1, 1992).

See: 23 N.J.R. 3688(a), 24 N.J.R. 2056(a).

Fiscal Year 1993 rate adjustment.

Amended by R.1993 d.241, effective June 7, 1993.

See: 24 N.J.R. 4474(a), 25 N.J.R. 2269(a).

Fiscal Year 1994 rate adjustment.

Administrative Correction.

See: 25 N.J.R. 5956(a).

Amended by R.1994 d.307, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5744(a), 26 N.J.R. 2598(a).

Amended by R.1995 d.292, effective June 5, 1995.

See: 26 N.J.R. 4910(a), 27 N.J.R. 2207(a).

Fiscal Year 1996 rate adjustments.

Amended by R.1996 d.257, effective June 3, 1996 (operative July 1, 1996).

See: 27 N.J.R. 4955(a), 28 N.J.R. 2906(a).

In (b) decreased the rate.

Amended by R.1997 d.229, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5133(a), 29 N.J.R. 2553(a).

In (b), changed "7/1/96 to 6/30/97" to "7/1/97 to 6/30/98", and "\$748.57" to "\$654.83".

Amended by R.1998 d.271, effective June 1, 1998 (operative July 1, 1998).

See: 29 N.J.R. 5153(a), 30 N.J.R. 1989(a).

In (a)3, rewrote the schedule; and in (b), changed the Period from "7/1/97 to 6/30/98" to "7/1/98 to 6/30/99" and the Rate/Million Gallons from \$654.83 to \$569.36.

Administrative correction.

See: 30 N.J.R. 2476(a).

Amended by R.1999 d.181, effective June 7, 1999 (operative July 1, 1999).

See: 30 N.J.R. 4311(a), 31 N.J.R. 1485(a).

In (b), changed period and increased rate.

Amended by R.2000 d.239, effective June 5, 2000 (operative July 1, 2000).

See: 31 N.J.R. 4201(a), 32 N.J.R. 2078(a).

In (b), changed period and increased rate.

Amended by R.2001 d.209, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4426(a), 33 N.J.R. 2099(a).

In (b), changed effective date and increased Rate/Million Gallons.

Amended by R.2002 d.178, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4217(a), 34 N.J.R. 1905(a).

Rewrote (b) and (c).

Amended by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Rewrote (b) and (c).

Amended by R.2004 d.235, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5475(a), 36 N.J.R. 3075(a).

In (b), amended the period and increased the rate; in (c), amended the periods throughout.

Amended by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Rewrote (b) and (c).

Amended by R.2006 d.232, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4721(a), 38 N.J.R. 2690(a).

In (b), substituted "2006" for "2005", "2007" for "2006" and "\$522.86" for "\$584.60"; in (c)1, substituted "4.435" for "2.935", deleted "and" preceding "October", inserted "and January 1, 2005", substituted "2006" for "2005", "2007" for "2006" and "\$763.61" for "\$853.85".

Amended by R.2007 d.193, effective June 18, 2007.

See: 38 N.J.R. 5224(a), 39 N.J.R. 2344(a).

Rewrote (b); and in (c)1, substituted "debt service" for "Debt Service", "2007" for "06", "2008" for "07" and "\$764.44" for "\$763.61".

Amended by R.2008 d.211, effective July 21, 2008.

See: 39 N.J.R. 5156(a), 40 N.J.R. 4318(a).

Rewrote the table in (b); in the introductory paragraph of (c)1, inserted a comma following "October 1"; and rewrote the table in (c)1.

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

In (a)4, substituted "Authority" for "authority"; in the introductory paragraph of (b), substituted a colon for a period at the end; in the table in (b), substituted "7/1/2009 to 6/30/2010" for "7/1/2008 to 6/30/2009" and "\$568.26" for "\$566.59"; and in the table in (c)1, substituted "7/1/2009 to 6/30/2010" for "7/1/2008 to 6/30/2009" and "\$763.24" for "\$762.28".

Amended by R.2010 d.126, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4595(a), 42 N.J.R. 1182(a).

In the first column of the tables in (b) and (c)1, substituted "7/1/2010" for "7/1/2009" and "6/30/2011" for "6/30/2010"; in the second column of the table in (b), substituted "\$568.69" for "\$568.26"; and the second column of the table in (c), substituted "\$756.19" for "\$763.24".

Amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

In the tables in (b) and (c)1, substituted "7/1/2011 to 6/30/2012" for "7/1/2010 to 6/30/2011"; in the table in (b), substituted "\$618.09" for "\$568.69"; and in the table in (c)1, substituted "\$770.90" for "\$756.19".

7:11-4.5 Source water protection fund component

(a) The source water protection fund component rate per million gallons listed at (b) below is established to protect water quality and quantity in the Manasquan Water Supply System.

(b) The source water protection fund component is as follows:

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/2011 to 6/30/2012	\$15.00

New Rule, R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Former N.J.A.C. 7:11-4.5, Payments, recodified to N.J.A.C. 7:11-4.6. Amended by R.2004 d.235, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5475(a), 36 N.J.R. 3075(a).

In (b), amended the period.

Amended by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

In (b), amended the period.

Amended by R.2006 d.232, effective June 19, 2006 (operative July 1, 2006).

See: 37 N.J.R. 4721(a), 38 N.J.R. 2690(a).

In (b), substituted "2006" for "2005" and "2007" for "2006".

Amended by R.2007 d.193, effective June 18, 2007.

See: 38 N.J.R. 5224(a), 39 N.J.R. 2344(a).

In (b), substituted "2007" for "2006" and "2008" for "2007".

Amended by R.2008 d.211, effective July 21, 2008.

See: 39 N.J.R. 5156(a), 40 N.J.R. 4318(a).

In the first column of the table in (b), substituted "7/1/2008" for "7/1/2007" and "6/30/2009" for "6/30/2008".

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

In the introductory paragraph of (b), substituted "component" for "assessment"; and in the first column of the table in (b), substituted "7/1/2009 to 6/30/2010" for "7/1/2008 to 6/30/2009".

Amended by R.2010 d.126, effective June 21, 2010 (operative July 1, 2010).

See: 41 N.J.R. 4595(a), 42 N.J.R. 1182(a).

In the first column of the table in (b), substituted "7/1/2010" for "7/1/2009" and "6/30/2011" for "6/30/2010".

Amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

In the table in (b), substituted "7/1/2011 to 6/30/2012" for "7/1/2010 to 6/30/2011".

7:11-4.6 New Jersey Environmental Infrastructure Financing Program debt component

(a) The New Jersey Environmental Infrastructure Financing Program debt component rate per million gallons listed at (b) below is established to fund debt service costs with respect to each annual payment period or portion thereof, and will be that amount accruing in the bond year (starting on August 1 of each calendar year and ending on the next following July 31) or corresponding portion thereof, commencing during the fiscal year (starting on July 1 of each calendar year and ending on the next following June 30) within which such annual payment period or portion thereof falls. The debt service costs include the aggregate amounts payable during the specified period for interest accruing during such period on the bonds and that portion of each required principal payment, which would accrue during such period.

(b) The New Jersey Environmental Infrastructure Financing Program debt component is as follows:

<u>Period</u>	<u>Rate/Million Gallons</u>
7/1/2011 to 6/30/2012	\$35.42

New Rule, R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Former N.J.A.C. 7:11-4.6, Payments, recodified to N.J.A.C. 7:11-4.7.

7:11-4.7 Payments

(a) The annual payment consists of the aggregate amount projected by the Authority to be payable to the Authority by the purchaser during each annual payment period for uninterruptible service. This is derived by multiplying the applicable rates and charges in the rate schedule in effect for the relevant annual payment period by the number of gallons available to purchaser on an annual uninterruptible service basis (subject to the provisions of the water purchase contract) and subject to adjustment to reflect:

1. Any delayed water purchaser surcharges applicable to the purchaser;
2. Any credits to allocate benefits of any delayed water purchaser surcharges to the purchaser; and
3. Other charges, credits or adjustments provided for in the water purchase contracts.

(b) The annual payment period shall commence on July 1 and end on the next ensuing June 30.

(c) The purchaser shall make quarterly water payments for uninterruptible service not later than the 10th day of January, April, July and October in each year for uninterruptible service with respect to the calendar quarter ending on the last day of the immediately preceding month. The amount of the quarterly water payments shall be derived by dividing the amount of the purchaser's annual payment or adjusted annual payment for any fiscal year by four or in such other or different required quarterly payments of which the Authority gives notice to the purchaser pursuant to the water purchase contract.

(d) The Authority will notify the purchaser not later than 30 days prior to the beginning of each annual payment period of the amount of the purchaser's annual payment for uninterruptible service and, if the Authority determines that the quarterly water payments under the water purchase contracts should be made on a basis other than in equal installments, in order to permit the Authority to meet its obligations as they become due, it will, concurrently with such notice, provide the purchaser with a schedule of the amounts of each of the quarterly water payments to be made by the purchaser.

Recodified from N.J.A.C. 7:11-4.5 by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Former N.J.A.C. 7:11-4.6, Uninterruptible service, recodified to N.J.A.C. 7:11-4.7.

Recodified from N.J.A.C. 7:11-4.6 by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Former N.J.A.C. 7:11-4.7, Uninterruptible service, recodified to N.J.A.C. 7:11-4.8.

7:11-4.8 Uninterruptible service

(a) The rates, charges and debt service assessments per mg of water set forth in the rate schedule for uninterruptible service under initial water purchase contracts for the fiscal year are based upon:

1. The projected annual requirements for the fiscal year, after deducting therefrom projected net revenues in connection with the ownership or operation of the Manasquan Reservoir System from sources other than payment for uninterruptible service except to the extent that such other revenues are to be applied to obligations not included in such projected annual requirements. Such other obligations include payments, credits or rebates to purchasers for:

- i. Delayed water purchase surcharges collected;
- ii. Compensation for any amounts charged to system water purchasers in prior fiscal years by reason of default in payment of any obligation under any water purchase contract which obligation is subsequently collected by the Authority; and
- iii. Distribution of the proceeds of surplus water sold.

(b) The rate is obtained by dividing the adjusted projected annual requirements set forth in (a)1 above by the number of mg per day of Manasquan Reservoir System water which are required by the terms of all water supply contracts for uninterruptible service during the fiscal year, multiplied by 365.

(c) The Authority may exclude for any period, for purposes of the computation in (a) and (b) above, the uninterruptible service provided in any water purchase contract if an event of default has occurred. This will not affect the Authority's right to enforce the provisions of the water purchase contract against the defaulting party; however, any payment received from a defaulting water purveyor for such uninterruptible service with respect to such period shall be rebated or credited to the non-defaulting purchasers.

(d) The purchaser will not be required to make payment to the extent that the Authority does not make water available under the terms of the contract for uninterruptible service.

Recodified from N.J.A.C. 7:11-4.6 by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Former N.J.A.C. 7:11-4.7, Short term service, recodified to N.J.A.C. 7:11-4.8.

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

In the introductory paragraph of (a), substituted "in" for "for".

Recodified from N.J.A.C. 7:11-4.7 by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Former N.J.A.C. 7:11-4.8, Daily overdraft service, recodified to N.J.A.C. 7:11-4.9.

7:11-4.9 Daily overdraft service

A purchaser shall pay a daily overdraft rate for each daily diversion in excess of purchaser's uninterruptible service or optional water use schedule as follows: diversions in excess of uninterruptible service or optional water use schedule multiplied by the operations and maintenance expense rate component (N.J.A.C. 7:11-4.3), the initial water purchase debt rate component (N.J.A.C. 7:11-4.4(b)), the source water protection fund rate component (N.J.A.C. 7:11-4.5), and the New Jersey Environmental Infrastructure Financing debt component (N.J.A.C. 7:11-4.6), times 120 percent.

New Rule, R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Former N.J.A.C. 7:11-4.8, Short term service, recodified to N.J.A.C. 7:11-4.10.

Amended by R.2007 d.193, effective June 18, 2007.

See: 38 N.J.R. 5224(a), 39 N.J.R. 2344(a).

Inserted "uninterruptible service or" two times, substituted "initial water purchase debt rate" for "delayed water purchase rate" and updated the second N.J.A.C. reference.

Recodified from N.J.A.C. 7:11-4.8 and amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Deleted "and" preceding "the source" and inserted "and the New Jersey Environmental Infrastructure Financing debt component (N.J.A.C. 7:11-4.6)". Former N.J.A.C. 7:11-4.9, Annual overdraft service, recodified to N.J.A.C. 7:11-4.10.

7:11-4.10 Annual overdraft service

A purchaser shall pay an annual overdraft service rate equivalent to purchaser's average daily diversion for any calendar year in excess of a purchaser's daily uninterruptible service multiplied by the operations and maintenance expense rate component (N.J.A.C. 7:11-4.3), the initial water purchase debt rate component (N.J.A.C. 7:11-4.4(b)), the source water protection fund rate component (N.J.A.C. 7:11-4.5), and the New Jersey Environmental Infrastructure Financing debt component (N.J.A.C. 7:11-4.6), times 115 percent.

New Rule, R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Former N.J.A.C. 7:11-4.9, Standby service, recodified to N.J.A.C. 7:11-4.11.

Amended by R.2007 d.193, effective June 18, 2007.

See: 38 N.J.R. 5224(a), 39 N.J.R. 2344(a).

Substituted "initial water purchase debt rate" for "delayed water purchase rate" and updated the second N.J.A.C. reference.

Recodified from N.J.A.C. 7:11-4.9 and amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Deleted "and" preceding "the source" and inserted "and the New Jersey Environmental Infrastructure Financing debt component (N.J.A.C. 7:11-4.6),". Former N.J.A.C. 7:11-4.10, Short term service, recodified to N.J.A.C. 7:11-4.11.

7:11-4.11 Short term service

(a) The rates for short-term service shall be an amount per mg of water equal to the sum of the debt service components established in N.J.A.C. 7:11-4.4 and 4.6, the operations and maintenance component established in N.J.A.C. 7:11-4.3 and the source water protection fund component as set forth in N.J.A.C. 7:11-4.5.

(b) The monthly payment for water provided to the purchaser pursuant to short-term service shall be based upon the Manasquan Reservoir System water actually consumed at the rate per mg stated in (a) above.

(c) Payment for water provided to the purchaser pursuant to short-term service shall be made within 30 days following receipt of the Authority's invoice.

(d) Payments received in any fiscal year with respect to short-term service during such year shall not be included in actual or projected revenues for such year for purposes of determining the rates applicable to that year but shall be included in revenues for the fiscal year succeeding the year in which payment is received for purposes of determining the rates for uninterruptible service in such succeeding fiscal year.

Recodified from N.J.A.C. 7:11-4.7 and amended by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

In (a), added N.J.A.C. reference. Former N.J.A.C. 7:11-4.8, Standby service, recodified to N.J.A.C. 7:11-4.9.

Recodified from N.J.A.C. 7:11-4.8 by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Former N.J.A.C. 7:11-4.10, Standby charge, recodified to N.J.A.C. 7:11-4.12.

Recodified from N.J.A.C. 7:11-4.10 and amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

In (a), substituted "components" for "component" and inserted "and 4.6". Former N.J.A.C. 7:11-4.11, Standby service, recodified to N.J.A.C. 7:11-4.12.

7:11-4.12 Standby service

(a) The rates for standby service shall consist of:

1. A standby charge established in N.J.A.C. 7:11-4.13 for each month during which standby service is available equal to the capacity, in mgd, of the purchaser's withdrawal facilities to be served by such standby service multiplied by the rate per mg for uninterruptible service set forth in N.J.A.C. 7:11-4.3, 4.4, 4.5 and 4.6; and

2. A charge for water actually consumed in any month at the rate per mg of water established by the rates for short-term service as set forth in N.J.A.C. 7:11-4.11 at the time of such consumption, minus the standby charge for such month.

(b) Payment for water provided to the purchaser pursuant to standby service shall be made within 30 days following receipt of the Authority's invoice.

(c) Payments received in any fiscal year pursuant to (a)1 and 2 above shall not be included in actual or projected revenues for that year for purposes of determining the rates applicable to such year but shall be included in revenues for the fiscal year succeeding that in which payment is received for the purpose of determining the rates for uninterruptible service in the succeeding fiscal year.

Amended by R.1991 d.271, effective May 20, 1991 (operative July 1, 1991).

See: 23 N.J.R. 3678(a), 23 N.J.R. 1664(a).

Added "Maximum withdrawal capacity" and "Charge per month"; changed "345.09" to "314.75".

Amended by R.1992 d.237, effective June 1, 1992 (operative July 1, 1992).

See: 23 N.J.R. 3688(a), 24 N.J.R. 2056(a).

Fiscal Year 1993 rate adjustment.

Amended by R.1993 d.241, effective June 7, 1993.

See: 24 N.J.R. 4474(a), 25 N.J.R. 2269(a).

Fiscal Year 1994 rate adjustment.

Amended by R.1994 d.307, effective June 20, 1994 (operative July 1, 1994).

See: 25 N.J.R. 5744(a), 26 N.J.R. 2598(a).

Amended by R.1995 d.292, effective June 5, 1995.

See: 26 N.J.R. 4910(a), 27 N.J.R. 2207(a).

Fiscal Year 1996 rate adjustments.

Amended by R.1996 d.257, effective June 3, 1996 (operative July 1, 1996).

See: 27 N.J.R. 4955(a), 28 N.J.R. 2906(a).

Decreased the charge per month.

Amended by R.1997 d.229, effective June 2, 1997 (operative July 1, 1997).

See: 28 N.J.R. 5133(a), 29 N.J.R. 2553(a).

Changed "\$316.58" to "\$284.09".

Amended by R.1998 d.271, effective June 1, 1998 (operative July 1, 1998).

See: 29 N.J.R. 5153(a), 30 N.J.R. 1989(a).

Changed the Charge per month from \$284.09 to \$263.56.

Administrative correction.

See: 30 N.J.R. 2476(a).

Amended by R.1999 d.181, effective June 7, 1999 (operative July 1, 1999).

See: 30 N.J.R. 4311(a), 31 N.J.R. 1485(a).

Decreased charge per month.

Amended by R.2000 d.239, effective June 5, 2000 (operative July 1, 2000).

See: 31 N.J.R. 4201(a), 32 N.J.R. 2078(a).

Increased charge per month.

Amended by R.2001 d.209, effective June 18, 2001 (operative July 1, 2001).

See: 32 N.J.R. 4426(a), 33 N.J.R. 2099(a).

Increased charge per month.

Amended by R.2002 d.178, effective June 3, 2002 (operative July 1, 2002).

See: 33 N.J.R. 4217(a), 34 N.J.R. 1905(a).

Rewrote the section.

Recodified from N.J.A.C. 7:11-4.8 and amended by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Rewrote the section. Former N.J.A.C. 7:11-4.9, Standby charge, recodified to N.J.A.C. 7:11-4.10.

Recodified from N.J.A.C. 7:11-4.9 by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Former N.J.A.C. 7:11-4.11, Payments for other services, recodified to N.J.A.C. 7:11-4.13.

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

In (a)1 and (a)2, updated the N.J.A.C. references; and in (a)1, deleted "per day" following "mgd".

Recodified from N.J.A.C. 7:11-4.11 and amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

In (a)1, substituted "4.13" for "4.12" and "4.5 and 4.6" for "and 4.5"; and in (a)2, substituted "4.11" for "4.10". Former N.J.A.C. 7:11-4.12, Standby charge, recodified to N.J.A.C. 7:11-4.13.

7:11-4.13 Standby charge

A purchaser classified under standby service shall pay a monthly minimum charge based on the capacity of the purchaser's withdrawal system as specified below. Said purchaser shall also pay for all water withdrawn during the month in excess of such monthly standby charge based on charges as set forth under N.J.A.C. 7:11-4.3, 4.4, 4.5 and 4.6.

<u>Maximum withdrawal capacity</u>	<u>Charge per month</u>
Each 1 MGD (700 GPM) or fraction thereof.	\$347.39 plus debt service cost component rate established in N.J.A.C. 7:11-4.4(b) plus the Source Water Protection Fund component established in N.J.A.C. 7:11-4.5 plus the NJEIP component established in N.J.A.C. 7:11-4.6.

Recodified from N.J.A.C. 7:11-4.9 and amended by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Rewrote the section. Former N.J.A.C. 7:11-4.10, Payments for other services, recodified to N.J.A.C. 7:11-4.11.

Amended by R.2004 d.235, effective June 21, 2004 (operative July 1, 2004).

See: 35 N.J.R. 5475(a), 36 N.J.R. 3075(a).

Increased the monthly minimum standby charge.

Recodified from N.J.A.C. 7:11-4.10 and amended by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Updated the charge per month. Former N.J.A.C. 7:11-4.12, Late payment interest charge, recodified to N.J.A.C. 7:11-4.14.

Amended by R.2007 d.193, effective June 18, 2007.

See: 38 N.J.R. 5224(a), 39 N.J.R. 2344(a).

Substituted "\$302.52" for "\$295.41".

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

Updated the N.J.A.C. references, and rewrote the entry in the second column of the table.

Recodified from N.J.A.C. 7:11-4.12 and amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

In the introductory paragraph, substituted "4.5 and 4.6" for "and 4.5"; and in the table, substituted "\$347.39" for "\$396.79", and inserted "plus the NJEIP component established in N.J.A.C. 7:11-4.6". Former N.J.A.C. 7:11-4.13, Payments for other services, recodified to N.J.A.C. 7:11-4.14.

7:11-4.14 Payments for other services

Payments for any other charges payable by reason of excessive withdrawals or otherwise, shall be made within 30 days following receipt of the Authority's invoice and shall be based upon Manasquan Reservoir System water actually consumed. The rate for excessive withdrawal shall be the rate set forth in N.J.A.C. 7:11-4.9.

Recodified from N.J.A.C. 7:11-4.10 and amended by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Amended N.J.A.C. reference. Former N.J.A.C. 7:11-4.11, Late payment interest charge, recodified to N.J.A.C. 7:11-4.12.

Recodified from N.J.A.C. 7:11-4.11 by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Former N.J.A.C. 7:11-4.13, Rate adjustments, recodified to N.J.A.C. 7:11-4.15.

Recodified from N.J.A.C. 7:11-4.13 and amended by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Updated the N.J.A.C. reference. Former N.J.A.C. 7:11-4.14, Late payment interest charge, recodified to N.J.A.C. 7:11-4.15.

7:11-4.15 Late payment interest charge

All amounts not paid when due shall be subject to a late payment charge at two percent above the prime rate of the bank holding short-term deposits of the Authority, prevailing on the due date, but not to exceed 18 percent per annum, from the date when due until paid.

Recodified from N.J.A.C. 7:11-4.11 by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Former N.J.A.C. 7:11-4.12, Rate adjustments, recodified to N.J.A.C. 7:11-4.13.

Recodified from N.J.A.C. 7:11-4.12 by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Former N.J.A.C. 7:11-4.14, Procedures for rate adjustments, recodified to N.J.A.C. 7:11-4.16.

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

Substituted "bank holding short-term deposits of the Authority" for "First Fidelity Bank, N.A.".

Recodified from N.J.A.C. 7:11-4.14 by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Former N.J.A.C. 7:11-4.15, Rate adjustments, recodified to N.J.A.C. 7:11-4.16.

7:11-4.16 Rate adjustments

(a) The Authority reserves the right from time to time to adopt adjustments to the rate schedule in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and this subchapter.

(b) A purchaser shall be notified of such proposed changes not less than six months in advance of the effective date of such new rates.

Recodified from N.J.A.C. 7:11-4.12 by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Former N.J.A.C. 7:11-4.13, Procedures for rate adjustments, recodified to N.J.A.C. 7:11-4.14.

Recodified from N.J.A.C. 7:11-4.13 by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Recodified from N.J.A.C. 7:11-4.15 by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

Former N.J.A.C. 7:11-4.16, Procedures for rate adjustments, recodified to N.J.A.C. 7:11-4.17.

7:11-4.17 Procedures for rate adjustments

(a) Prior to amending the schedule of rates, charges and debt service assessments established by this subchapter, the Authority shall:

1. Provide notice and an explanation outlining the need for the proposed rate adjustment to all purchasers; the Department of the Treasury, Division of the Ratepayer Advocate; the Board of Public Utilities and other interested persons at least six months prior to the proposed effective date. This notice and explanation shall be deemed to be part of the record of the proceedings.

2. Provide supporting documents and financial records of the Authority, at the Authority's cost, in support of the proposed adjustment to all purchasers; the Department of the Treasury, Division of the Ratepayer Advocate; the Board of Public Utilities and other interested persons upon request, and make such documents and records available for review at the Authority's offices in Clinton, New Jersey at the time notice of the proposed amendment to the rates is given. These supporting documents and financial records shall be deemed to be part of the record of the proceedings for purposes of preparing the hearing officer's report required under (a)9 below;

3. Afford purchasers, the Department of the Treasury, Division of the Ratepayer Advocate and the Board of Public Utilities and other interested persons the opportunity to submit written questions and requests for additional data prior to the time of the meeting required under (a)4 below. The Authority staff shall provide written answers to the questions and supply the additional data requested prior to the meeting;

4. Schedule a meeting with the purchasers, the Department of the Treasury, Division of the Ratepayer Advocate

and the Board of Public Utilities and other interested persons within 45 days after sending them notice of the proposed amendments to the rate schedule regarding the proposed amendments:

- i. At the meeting, the purchasers, the Department of the Treasury, Division of the Ratepayer Advocate, and the Board of Public Utilities and other interested persons will be invited to submit written questions which will be put into the hearing record and which will be answered by the Authority at the public hearing;

- ii. In order to be answered at the public hearing, questions must be received by the Authority no later than 15 days prior to the public hearing. The Authority will make every reasonable effort to answer those questions received less than 15 days prior to the public hearing at the time of the hearing. All questions will be answered as part of the record and the comments and responses will be included in the hearing report prepared pursuant to (a)9 below;

5. Hold a public hearing on the proposed rate adjustment. One or more members of the Authority will serve as the hearing officer. The public hearing agenda shall include, but not be limited to:

- i. An opening statement by the hearing officer;

- ii. The Authority's answers to the questions raised prior to the hearing by the purchasers, the Department of the Treasury, Division of the Ratepayer Advocate, the Board of Public Utilities and other interested persons;

- iii. Oral statements, written statements and any supporting evidence presented by interested persons; and

- iv. Questions of the Authority by the purchasers, the Department of the Treasury, Division of the Ratepayer Advocate, the Board of Public Utilities and any interested persons on any aspect of the need for, the basis of, or any provision of the proposed rate adjustment. Follow up questions relative to the answers of the Authority may also be directed to the Authority during the public hearing;

6. Attempt to answer all questions raised at the public hearing. In the event that a response cannot be immediately given at the public hearing, then a written response shall be prepared within 10 working days after the public hearing, and a copy of that written response will be provided to all contractual water purchasers, the Department of the Treasury, Division of the Ratepayer Advocate, Board of Public Utilities and attendees at the hearing and made a part of the hearing record;

7. Permit, within 10 working days after receipt of the answer, contractual water purchasers, the Department of the Treasury, Division of the Ratepayer Advocate, the Board of Public Utilities and attendees to respond in writing to the answers of the staff for the record;

8. Hold the public comment period open for at least 25 working days after the public hearing in order to allow additional written comments to be submitted; and

9. After the public comment period is closed, require a hearing officer's report, which shall include findings of fact and specific responses to all issues and questions raised during the public hearing proceedings, to be prepared and submitted to the Authority prior to the Authority taking final action on the proposal.

(b) In addition to the above requirements, the Authority will follow all the requirements for rulemaking established pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq.

Amended by R.1992 d.237, effective June 1, 1992 (operative July 1, 1992).

See: 23 N.J.R. 3688(a), 24 N.J.R. 2056(a).

Change title of Board of Public Utilities to Board of Regulatory Commissioners.

Amended by R.1995 d.292, effective June 5, 1995.

See: 26 N.J.R. 4910(a), 27 N.J.R. 2207(a).

Substituted "Division" for "Office" and "Ratepayer" for "Rate payer" throughout.

Recodified from N.J.A.C. 7:11-4.13 by R.2003 d.246, effective June 16, 2003 (operative July 1, 2003).

See: 35 N.J.R. 167(a), 35 N.J.R. 2653(a).

Recodified from N.J.A.C. 7:11-4.14 by R.2005 d.195, effective June 20, 2005 (operative July 1, 2005).

See: 36 N.J.R. 5617(a), 37 N.J.R. 2250(a).

Amended by R.2009 d.197, effective June 15, 2009 (operative July 1, 2009).

See: 40 N.J.R. 6894(a), 41 N.J.R. 2468(a).

In (a)4i, inserted a comma following "At the meeting" and inserted "the" preceding "Authority"; and in (a)7, substituted "purchasers" for "purchaser", and deleted "will be permitted" following "attendees".

Recodified from N.J.A.C. 7:11-4.16 by R.2011 d.178, effective June 20, 2011 (operative July 1, 2011).

See: 42 N.J.R. 3021(a), 43 N.J.R. 1422(a).

SUBCHAPTER 5. RULES FOR THE USE OF WATER FROM THE MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

7:11-5.1 Application for water supply

Application for withdrawal of water from the Manasquan Reservoir System shall be submitted to the New Jersey Water Supply Authority (Authority) on an "Application for Water Supply" form, copies of which will be furnished by the Authority upon request. Any application for water from the Manasquan Reservoir System shall be accompanied by a water allocation permit approval from the New Jersey Department of Environmental Protection, stating the specific amount which is to be allocated to the applicant.