

7:11-1.33 Snowmobiles

No person shall use snowmobiles on lands and ice-covered waters under the jurisdiction of the Authority.

7:11-1.34 Motor vehicle speed limits

(a) No person shall travel by motor vehicle around the Authority Administration Building at a speed greater than 10 miles per hour.

(b) No person shall travel by motor vehicle on improved roadways under the jurisdiction of the Authority at a speed greater than 20 miles per hour unless posted otherwise.

7:11-1.35 Parking

No person shall park any vehicle, conveyance, or equipment except in areas designated for parking.

7:11-1.36 Application of rules to boating

Boating activities on Authority waters are also subject to the jurisdiction of the State Park Service and therefore all boating activities shall be in conformance with all rules of the State Park Service, N.J.A.C. 7:2-1.1 et seq.

7:11-1.37 Additional boating restrictions

(a) No person shall operate a power boat which has a motor size greater than 10 horsepower on Authority waters.

(b) No person shall operate a sailboat or ice sailboat with a mast height of greater than 30 feet on Authority waters.

(c) No person shall operate a boat at less than 200 feet distance from all reservoir towers.

(d) All boats are prohibited from entering areas marked with buoys, "Keep Out" signs, or "Restricted Area" signs.

(e) No person shall operate a power boat on the Delaware and Raritan Canal except that small electric motors may be used.

Amended by R.1988 d.264, effective June 6, 1988.

See: 20 N.J.R. 448(a), 20 N.J.R. 1285(a).

Added (d).

7:11-1.38 Sledding, skiing and tobogganing

No person shall sled, ski or toboggan except in designated areas only.

7:11-1.39 Ice fishing

No person shall ice fish unless in compliance with the appropriate section of the current Fish Code, N.J.A.C. 7:25-6.

7:11-1.40 Ice skating

No person shall ice skate except in designated areas under the supervision of the State Park Service.

7:11-1.41 Ice boating

No person shall ice boat or ice yacht on Spruce Run and Round Valley Reservoirs unless in compliance with all

applicable rules of the State Park Service, N.J.A.C. 7:2-8.1 et seq.

7:11-1.42 Trespassing

No person shall trespass in designated restricted areas posted with "Keep Out—No Trespassing" or "Restricted Area" signs.

7:11-1.43 Low water levels

During periods of low water levels in the reservoirs as evidenced by increased exposure of mud flats, all restricted area fence lines shall be deemed to be extended to the water's edge. This extension shall then be included in the restricted area limits and shall constitute the restricted area limits.

7:11-1.44 Delaware and Raritan Canal

(a) Swimming: In addition to all other restrictions set forth at N.J.A.C. 7:11-1.1 et seq. regarding use of Authority property, no person shall swim in the Delaware and Raritan Canal.

(b) Building of docks: No person shall build docks, of any kind or size, unless a written permit to build a dock has been given by the Authority and the State Park Service.

7:11-1.45 Explosives

No person shall use or possess explosives of any kind on any Authority property unless such activity is authorized by a permit issued by the Executive Director of the Authority or his or her designee.

7:11-1.46 Early warning systems

All early warning systems installed by the Authority to alert downstream residents of dangerous conditions involving Authority dams are the property of the Authority. No person shall damage, alter, tamper with, or disturb this equipment. Any person who causes damage, alters, tampers with or disturbs this equipment shall be subject to criminal action pursuant to N.J.S.A. 2C:17-3.

7:11-1.47 Severability

If any provision of this subchapter is adjudged invalid or unconstitutional by a court of competent jurisdiction, the remainder of the provisions shall not be affected thereby.

**SUBCHAPTER 2. SCHEDULE OF RATES,
CHARGES AND DEBT SERVICE
ASSESSMENTS FOR THE SALE OF WATER
FROM THE DELAWARE AND RARITAN
CANAL AND THE SPRUCE RUN/ROUND
VALLEY RESERVOIRS SYSTEMS**

7:11-2.1 General provisions

(a) This Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Delaware and

Raritan Canal–Spruce Run/Round Valley Reservoirs System (hereafter “the System”) shall be known and may hereafter be referred to in this subchapter as “the Schedule”.

(b) The rates, charges and debt service assessments listed below shall be paid for raw water diverted, withdrawn, or allocated from the Delaware and Raritan Canal–Spruce Run/Round Valley Reservoirs System. These rates, charges and debt service assessments set forth in this subchapter shall be incorporated in all water use agreements.

(c) The total rate charged under this schedule shall include the General Rate Schedule for Operations and Maintenance set forth at N.J.A.C. 7:11-2.2, the Debt Service Assessments set forth at N.J.A.C. 7:11-2.3, and the Capital Fund Component set forth at N.J.A.C. 7:11-2.4. (See N.J.A.C. 7:11-2.13 Special user rates for exception.)

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).

New subsection (a) added defining use of “the Schedule” and remaining old section broken into subsections (b) and (c).

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).

7:11-2.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise:

“Authority” means the New Jersey Water Supply Authority established pursuant to N.J.S.A. 58:1B-1 et seq.

“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. 7:11-2.6).

“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 upstream allocation for a depletive water diversion and its equivalent in sustained supply at the confluence at the Millstone and Raritan Rivers (see N.J.A.C. 7:11-2.8).

“Raritan Basin System” (also referred to as “System”) means the raw water supply storage and delivery systems managed, operated and maintained by the Authority consisting of the Delaware and Raritan Canal Water Transmission Complex and the Spruce Run/Round Valley Reservoirs and all appurtenant facilities.

“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. 7:11-2.12(c) and (d)).

“Short-term service” means the supply of Raritan Basin System water for interim or short-term uses, such as growing agricultural or horticultural products or meeting extraordinary requirements in consumer demand for potable water, 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.

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.

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 149.875 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> Million Gallons per Day (MGD)	<u>Rate/Million Gallons</u> \$82.65
---	--

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.

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 a loan agreement between the Authority and the Treasurer of the State of New Jersey to pay for the bonds issued pursuant to the "Water Conservation Bond Act of 1969", P.L. 1969, c.127 (the "1969 Water Conservation Bonds") for the construction of outlet pipeline and dam rehabilitation; and the bonds sold pursuant to the "Water Supply Bond Act of 1981", P.L. 1981, c.261 (the "1981 Water Supply Bonds") for the Delaware and Raritan Canal Sediment Removal Project. It also includes the debt service on the 1988 Water System Revenue Bonds issued by the Authority.

(b) The Debt Service Assessment rate for the 1969 Water Conservation Bonds shall be based on a sales base of 149.380 million gallons per day. This Debt Service Assessment rate does not apply to Delaware and Raritan Canal customers in the Delaware River Basin.

1. 1969 Water Conservation Bond Funds:

<u>Period</u>	<u>Allocation</u> Million Gallons per Day (MGD)	<u>Rate/Million Gallons</u> \$14.12
7/1/98 to 6/30/2002		

(c) 1981 Water Supply Bond funds were borrowed from the State Treasurer to retire the tax exempt commercial paper used for temporary financing of the Delaware and Raritan Canal sediment removal program. The following Debt Service Assessment rate, based on a sales base of 149.805 million gallons per day, in addition to that included in (b) above, will be applied to all customers.

<u>Period</u>	<u>Allocation</u> Million Gallons per Day (MGD)	<u>Rate/Million Gallons</u> \$27.78
7/1/98 to 10/30/2006		

(d) The following Debt Service Assessment rate for the 1988 Water System Revenue Bonds, based on a sales base of 149.805 million gallons per day, in addition to that included in (b) and (c) above, will be applied to all customers:

<u>Period</u>	<u>Allocation</u> Million Gallons per Day (MGD)	<u>Rate/Million Gallons</u> \$57.63
7/1/98 to 6/30/99		
7/1/99 to 6/30/2000		\$57.55
7/1/2000 to 6/30/2001		\$57.44
7/1/2001 to 6/30/2002		\$57.39

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.

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:

Period	Allocation	Rate/Million Gallons
7/1/98 to 6/30/99	Million Gallons per Day (MGD)	\$28.98

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.

7:11-2.6 Daily allotment charge

(a) Effective on the date of commencement of charges as specified in the water use agreement, and except for special use described in N.J.A.C. 7:11-2.14, 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, and the Capital Fund Component as described in N.J.A.C. 7:11-2.5.

2. Water diverted, withdrawn or allocated from the Raritan River Basin as supported by Spruce Run/Round Valley Reservoir water releases shall be modified by the appropriate production factor as specified in N.J.A.C. 7:11-2.8.

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.

7:11-2.7 Equivalent sustained supply: Spruce Run/Round Valley Reservoirs System

(a) In operating the Spruce Run/Round Valley Reservoirs 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 River Basin 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.

7:11-2.8 Production factor

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

(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. 7:11-2.6 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.

7:11-2.9 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.

7:11-2.10 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 Delaware and Raritan Canal-Spruce Run/Round Valley Reservoirs 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.

7:11-2.11 Standby charge

(a) A user classified under standby service, as provided in N.J.A.C. 7:11-2.10, 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 and 2.5.

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	\$82.65 plus annual debt service assessment rates for 1981 Water Supply Bonds, 1988 Water System Revenue Bonds and Capital 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	\$82.65 plus annual debt service assessment rate for 1969 Water Conservation Bonds, 1981 Water Supply Bonds, 1988 Water System Revenue Bonds and Capital 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.

7:11-2.12 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. 7:11-2.13.

2. Adjustments made under this section shall be subject to public hearing and all other requirements of N.J.A.C. 7:11-2.13.

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. 7:11-2.13.

2. Adjustments made under this section shall be subject to public hearing and all other requirements of N.J.A.C. 7:11-2.13.

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 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, the 1969 Bonds and the 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 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 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 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 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, whichever is longer.

2. For each year after the date of a new contract, the New Jersey Water Supply Authority will credit pre-existing 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.

7:11-2.13 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 either be supplied to all contractual water customers; the Department of the Treasury, Division of Ratepayer Advocate; and other interested parties upon request, or shall be made available for review at the Authority's offices in Clinton, New Jersey at the time official notice of the proposed rate adjustment is given. This information shall be deemed to be part of the record of the proceedings for purposes of preparing the hearing officer's report required under (a)7 below.

3. Requests for additional information: The contractual water customers and the Department of the Treasury, Division of the Ratepayer Advocate shall be afforded 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. Meeting with contractual customers and Division of Ratepayer Advocate: After sending official notice to the contractual water customers and the Department of the Treasury, Division of Ratepayer Advocate, regarding the proposed rate adjustment, Authority staff shall schedule a meeting to occur within 45 days with representatives from the contractual water customers and the Division of Ratepayer Advocate in order to present and explain the proposal.

i. At that time, contractual water customers and the Division of Ratepayer Advocate, will be invited to submit written questions which shall be put into the hearing record and which will be answered by Authority staff at the public hearing.

ii. In order to be answered at the public hearing, such questions must be received by the Authority no later than 15 days prior to the public hearing. The Authority staff will make every reasonable effort to answer those questions received later than 15 days prior to the public hearing at the time of the hearing. All questions will be answered as part of the hearing record at the time of the hearing or as indicated at (a)5vi below.

5. Public hearing: After meeting with the contractual customers and after giving sufficient opportunity for submission of written questions on the proposed rate adjustment, a public hearing shall be held, at which one or more members of the Authority shall serve as hearing officer(s). The public hearing agenda shall include, but not be limited to, the following:

i. Opening statement by the hearing officer(s);

ii. Staff answers to the questions raised prior to the hearing by the contractual water customers and Division of Ratepayer Advocate;

iii. Oral statements, written statements and any supporting evidence are to be presented and entered into the record by all interested parties including the contractual water customers, the Division of Ratepayer Advocate, intervenors who are judged by the hearing officer(s) to meet the criteria established in (a)5iv below, and any other party of interest;

iv. Requests for intervention for purposes of directing questions to the staff as delineated under (a)5v below;

(1) Any person other than a contractual water customer who is substantially and specifically affected by the proposed rate adjustment may move either in writing prior to the public hearing or orally during the public hearing to intervene in the proceedings for purposes of directing questions to the staff, as delineated under (a)5v below.

(2) Anyone seeking to intervene must identify themselves as well as the manner in which he/she will be affected. The hearing officer(s) will then either approve or deny the request.

(3) The Department of the Treasury, Division of Ratepayer Advocate, shall be deemed a qualified intervenor for purposes of the public hearing.

v. Questions by contractual water customers and qualified intervenors; and

(1) Agenda item (a)5iii above provides for the submission of oral statements, written statements and any supporting evidence by all interested parties.

(2) In addition, under this agenda item all contractual water customers and qualified intervenors may question the staff 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 staff may also be directed to the staff during the public hearing.

vi. Responses from staff.

(1) In the event that a response cannot be immediately given at the hearing, then a written response shall be prepared within 10 working days after the public hearing, and a copy of that written response shall be provided to all contractual water customers, the Division of Ratepayer Advocate, and attendees at the hearing and made a part of the hearing record.

(2) Within 10 working days after receipt of the answer, contractual water customers, the Division of Ratepayer Advocate, and attendees will be permitted to respond in writing to the answers of the staff for the record.

6. Hearing record: The hearing record shall remain open for at least 25 working days after the public hearing in order to allow additional written comments to be submitted.

7. Hearing Officer's Report: After the hearing record is closed, a hearing officer's report, which shall be based solely on the record of the proceedings, and which shall include findings of fact and specific responses to all issues and questions raised during the public hearing proceedings, shall be prepared and submitted to the Authority prior to the Authority taking final action on the proposal.

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

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

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).

"after" substituted for "of".

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).

Reference made to Sales Bases; reworded (a)4 regarding scheduling a meeting within 45 days; in (a)4.ii., deadline for receipt of questions changed from 45 to 15 days prior.

Recodified from 7:11-2.11 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).

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

Recodified from 7:11-2.12 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. 7:11-2.14.

Case Notes

Regulation upheld as consistent with statutes enacted to protect, enhance and husband water resources; imposition of charges for nondepletive water use is not a taking of private property without just compensation. *Johns-Manville Sales Corp. v. New Jersey Water Supply Authority*, 211 N.J.Super. 315, 511 A.2d 1194 (App.Div.1986).

7:11-2.14 Special user rates: Spruce Run/Round Valley Reservoirs System

Where the water withdrawn within the Raritan River Basin, as supported by releases from Spruce Run and Round Valley Reservoirs, is returned to the stream channel at a point reasonably considered to be in the near vicinity of the point of withdrawal, substantially undiminished in quantity and not substantially degraded in quality, all as determined by the New Jersey Water Supply Authority, the purchaser shall only pay at the rate specified under the General Rate Schedule for Operations and Maintenance as set forth at N.J.A.C. 7:11-2.3, as applied to the daily allotment. The annual Demand Charge for such use shall be determined by multiplying the daily allotment charge by 365.

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).

"and not" substituted for "or".

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. 527(a).

Title of General Rate Schedule changed to General Rate Schedule for Operations and Maintenance.

Recodified from 7:11-2.12 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 7:11-2.13 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. Former section recodified to N.J.A.C. 7:11-2.15.

7:11-2.15 Short term user rate

"Short term 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 interim, interruptible, non-guaranteed or short-term uses, such as growing agricultural or horticultural products or meeting extraordinary requirements in consumer demand for potable or industrial water, which a System water purchaser is authorized to withdraw pursuant to a contract. Such purchaser shall pay at the rate specified under the General Rate Schedule for Operations and Maintenance as set forth at N.J.A.C. 7:11-2.3 and the applicable Debt Service Assessments as set forth at N.J.A.C. 7:11-2.4 and the applicable Capital Fund Component as set forth at N.J.A.C. 7:11-2.5 as applied to the total water actually diverted during any month.

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

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

Section recodified from N.J.A.C. 7:11-2.12.

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

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

Added "basis".

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).

"Short term service" defined replacing references to D and R Canal-Spruce Run/Round Valley Reservoirs System.

Recodified from 7:11-2.13 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 7:11-2.14 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. Former section recodified to N.J.A.C. 7:11-2.16.

7:11-2.16 Late payment interest charge

Payments are due within 30 days of the billing date. All payments for service which are not made by the due date therefor and any other sums required to be paid to the Authority pursuant to a contract shall bear interest at a per annum rate equal to the prime rate, as from time to time established by Citibank, N.A. as its prime rate (with any changes in such prime rate to be effective on any date that such rate is changed) plus two percent. The late payment charge is to be calculated from the date when the bill is payable until the actual date of payment.

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

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

Section recodified from N.J.A.C. 7:11-2.13.

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).

Interest charged changed from prime plus two with cap of 18 percent to prime as established by Citibank, N.A. plus two with no cap and effective the day the rate changes.

Recodified from 7:11-2.14 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 7:11-2.15 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).

SUBCHAPTER 3. RULES FOR THE USE OF WATER FROM THE DELAWARE AND RARITAN CANAL AND SPRUCE RUN/ROUND VALLEY RESERVOIR SYSTEM

7:11-3.1 Application for water supply

Application for withdrawal of water from the Delaware and Raritan Canal, or from the flow of the Raritan River or its tributaries as maintained or replaced by releases from the Spruce Run Reservoir or the Round Valley Reservoir, or application for withdrawal of water directly from either or both reservoirs shall be submitted to the New Jersey Water

Supply Authority on an "Application for Water Supply" form, copies of which will be furnished by the New Jersey Water Supply Authority upon request.

7:11-3.2 Public hearing

(a) In accordance with N.J.S.A. 58:1B-5, 58:22-9 and 13:13-12.9, a public hearing shall be held on each application before the New Jersey Water Supply Authority, except that the New Jersey Water Supply Authority may waive this requirement in the case of an application for a quantity less than 500,000 gallons per day.

(b) The applicant shall present testimony and respond to objectors and other interested parties at the public hearing required by (a) above relevant to the application for water supply including, but not limited to:

1. Justification by the applicant of the public interest and necessity involved in the proposed diversion;
2. Identification of the applicant's water supply facilities which are planned to use the surface water diverted from the Delaware and Raritan Canal and Spruce Run/Round Valley Reservoir System;
3. Certification of the proper and safe construction of all of applicant's water supply facilities and equipment; and
4. Description of the applicant's ability to maintain the sanitary conditions of the source of water diverted from the Delaware and Raritan Canal and Spruce Run/Round Valley Reservoir System.

(c) All costs and expense in connection with public hearing, including the cost of legal advertising and stenographic transcripts, shall be paid by the applicant.

7:11-3.3 Water use agreement

(a) Water shall be withdrawn from the Delaware and Raritan Canal and Spruce Run/Round Valley Reservoir System only in accordance with the terms of a formal agreement, to which this subchapter shall be attached and made a part thereof, between the New Jersey Water Supply Authority and the user.

(b) The agreement shall be executed by the user within 60 days after transmittal by the New Jersey Water Supply Authority, otherwise the application and approval shall be null and void.

Case Notes

Properly run landfill; no basis for compensation claim. *Rizzi v. New Jersey Department of Environmental Protection*, 93 N.J.A.R.2d (EPE) 108.

Homeowners' claim would be granted despite contention that they sold home without obtaining required appraisal figure and without offering it for sale according to formula set in regulation. *Allen v. Department of Environmental Protection*, 93 N.J.A.R.2d (EPE) 101.

1. \$100,000/\$300,000 bodily injury; and
2. \$50,000 property damage, and naming the New Jersey Water Supply Authority as an "Additional insured".

(b) Certificates of such coverage shall be delivered to the New Jersey Water Supply Authority with evidence of payment of premiums thereof upon delivery to the New Jersey Water Supply Authority of the water use agreement executed by the user pursuant to this subchapter.

7:11-3.25 Water quality

(a) The water supplied from the Delaware and Raritan Canal and the Spruce Run/Round Valley Reservoir System is raw water subject to all quality variations and hazard inherent in natural streams and that the New Jersey Water Supply Authority does not guarantee the quality of the water supplied under this subchapter and no claims regarding quality variations shall be made against the New Jersey Water Supply Authority and, therefore, no claims regarding quality variations will be recognized by the New Jersey Water Supply Authority.

(b) Water withdrawn for potable use shall be treated by the purchaser, in accordance with the provisions of N.J.S.A. 58:22-9 and N.J.S.A. 13:13-12.9, in a manner satisfactory to the New Jersey Department of Environmental Protection.

7:11-3.26 Discharge into Delaware and Raritan Canal

(a) The return of water to the Delaware and Raritan Canal may be allowed only if the quality of the Delaware and Raritan Canal waters is not impaired as determined by the New Jersey Water Supply Authority.

(b) Water shall not be discharged into the Delaware and Raritan Canal except upon prior application and only in accordance with the terms and conditions of a formal written approval granted by the New Jersey Water Supply Authority.

(c) The application for discharge into the Delaware and Raritan Canal shall include all information required by the New Jersey Water Supply Authority for determination of conditions governing discharge.

7:11-3.27 Discharge structures

(a) Structures for the discharge of water into the Delaware and Raritan Canal shall be installed and maintained by the user thereof at its own sole cost and expense.

(b) Prior to the installation of discharge structures or facilities, the user shall furnish to the New Jersey Water Supply Authority a plan showing in such detail as may be required by the New Jersey Water Supply Authority the proposed discharge system, and shall not install or construct the same until said system shall have been approved in writing by the New Jersey Water Supply Authority.

(c) The user shall, within ten days after receipt of written demand from the New Jersey Water Supply Authority, make such repair to the user's discharge system as may be required to eliminate leakage of water from, or potential damage to the Delaware and Raritan Canal, or on his failure to do so, the New Jersey Water Supply Authority may make such repairs at the cost and expense of the user, which cost and expense the user shall pay on demand.

(d) The user shall make such changes in the user's discharge system as may from time to time be required by the New Jersey Water Supply Authority but shall not alter the approved installation of the system without the prior written approval of the New Jersey Water Supply Authority.

7:11-3.28 Disposition of facilities: Delaware and Raritan Canal

(a) Within 90 days after an agreement expires, any user of Delaware and Raritan Canal water shall remove from the property under the jurisdiction of the New Jersey Water Supply Authority all facilities installed by the user, and restore the property to its former condition in a manner satisfactory to the New Jersey Water Supply Authority, the Department and the Delaware and Raritan Canal Commission. On the user's failure to remove the facilities, the New Jersey Water Supply Authority may make such removal and restoration at the cost and expense of the user, which cost and expense the user shall pay on demand. The New Jersey Water Supply Authority may in its discretion, sell any facilities to help defray the cost of removal and restoration.

(b) Within 30 days after an agreement expires, the user may formally offer any or all withdrawal and related water supply facilities on the Delaware and Raritan Canal property to the New Jersey Water Supply Authority and the New Jersey Water Supply Authority may, at the Authority's discretion, accept the offered facilities in writing within 60 days. An offer of the facilities shall stay the 90 day period for removal of the facilities pending the New Jersey Water Supply Authority's acceptance or rejection of the offer.

SUBCHAPTER 4. SCHEDULE OF RATES, CHARGES AND DEBT SERVICE ASSESSMENTS FOR THE SALE OF WATER FROM THE MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

7:11-4.1 General provisions

(a) The schedule of rates, charges and debt service assessments for the sale of water from the Manasquan Reservoir System established in this subchapter shall constitute the rate schedule for the Manasquan Reservoir System (rate schedule).

(b) The rates, charges and debt service costs contained in this subchapter shall be paid for raw water, withdrawn or allocated from the Manasquan Reservoir System. The rates, charges and debt service costs set forth herein shall be incorporated in all water purchase contracts.

(c) The rates, charges and debt service costs established in this subchapter provide revenue to cover the annual requirements of the Manasquan Reservoir System. These annual requirements consist of the aggregate amount required during each annual payment period to pay all operation and maintenance expenses, debt service costs and special or reserve fund requirements of the Manasquan Reservoir System.

(d) The total rate charged under this rate schedule shall include the operations and maintenance expenses component under N.J.A.C. 7:11-4.3, and the debt service costs under N.J.A.C. 7:11-4.4.

(e) This rate schedule complements N.J.A.C. 7:11-5 which establishes rules for the use of water from the Manasquan Reservoir System.

7:11-4.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise:

“Authority” means the New Jersey Water Supply Authority established pursuant to N.J.S.A. 58:1B-1 et seq.

“Delayed water purchase contract” means a water purchase contract entered into for uninterruptible service, commencing subsequent to the initial operation date of the Manasquan Reservoir System.

“Delayed water purchase surcharge” means any amount by which the debt service cost component of payments to be made under any delayed water purchase contract for uninterruptible service exceeds the debt service cost component payable by initial water purchasers.

“Force Majeure” means acts of God, strikes, lockouts or other industrial disturbances, orders of the Government of the United States or the State or any agency or instrumentality thereof or of any civil or military authority, acts of terrorism, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, explosions, breakage or accidents to machinery, pipelines, dams or canals, partial or entire failure of water supply, arrests, civil disturbances, acts of any public enemy, and any other causes not reasonably within the control of the party claiming inability to timely comply with its obligations.

“Initial water purchase contract” means a water purchase contract providing for uninterruptible service commencing on the initial operation date of the Manasquan Reservoir System.

“Manasquan Reservoir Intake Facility” means the location on the Manasquan River at Hospital Road in the Township of Wall, County of Monmouth, where water is diverted by the Authority from the Manasquan River to supply purchasers or for pumping to the Manasquan Reservoir System for storage.

“Manasquan Reservoir System” means the water supply system constructed by the Authority in Monmouth County, the major components of which are a 740 acre, four-billion gallon reservoir facility in Howell Township, a raw water intake facility and pump station located adjacent to the Manasquan River in Wall Township, and a five mile transmission pipeline connecting the reservoir and the intake facility, together with all component plants, structures and other real or personal property, and additions and improvements thereto.

“Point of delivery” means the location where the Manasquan Reservoir System’s delivery equipment interconnects with the purchaser’s interconnection system.

“Purchaser” means the party who contracts with the Authority to purchase water from the Manasquan Reservoir System.

“Purchaser interconnection system” means the buildings, structures, piping, valves, meters and other control apparatus and equipment, located on properties or facilities owned by the Authority, installed by or on behalf of, and owned by, the purchaser to connect purchasers’ water supply system with the Manasquan Reservoir System.

“Short-term service” means the supply of Manasquan Reservoir System water for interim or short-term uses, such as growing agricultural or horticultural products or meeting extraordinary requirements in consumer demand for potable water, provided on a non-guaranteed or interruptible basis.

“Standby service” means the supply of Manasquan Reservoir System water for certain occasional uses, such as fire protection or other emergencies, natural or otherwise.

“Uninterruptible service” means the supply of Manasquan Reservoir System water which the purchaser is authorized to continuously withdraw without interruption, for public water supply purposes.

7:11-4.3 Operations and maintenance expense component

(a) The operations and maintenance expense component per million gallons set forth in (c) 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 Manasquan Reservoir System, and minor additions or improvements thereof or thereto.

(b) The operation 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 operation 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 16.097 mg per day sales base) \$263.56
July 1, 1998	
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).	

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 Beginning on	Coverage Percent of Gross Debt Service
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 16.097 million gallons per day, apply to all water purchasers who entered into a water purchase contract before July 1, 1990, the date upon which the Authority commenced operation of the Manasquan Reservoir System (Initial Water Purchase Contract) and began to make uninterruptible service available to the purchasers ("System Operation Date").

Period	Rate/Million Gallons (Coverage 120 percent) \$569.36
7/1/98 to 6/30/99	

(c) A delayed water purchase surcharge will be assessed to all water purchasers who enter into a water purchase contract for an uninterruptible 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 uninterruptible service effective subsequent to the system operation date.

(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).

7:11-4.5 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.

7:11-4.6 Uninterruptible service

(a) The rates, charges and debt service assessments per mg of water set forth for 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.

7:11-4.7 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 component established in N.J.A.C. 7:11-4.4, and the operations and maintenance component established in N.J.A.C. 7:11-4.3.

(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.

7:11-4.8 Standby service

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

1. A standby charge established in N.J.A.C. 7:11-4.9 for each month during which standby service is available equal to the capacity, in mgd per day, 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 and 4.4; 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. 7:11-4.7 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.

7:11-4.9 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 and 4.4.

<u>Maximum withdrawal capacity</u>	<u>Charge per month</u>
Each 1 MGD (700 GPM) or fraction thereof	\$263.56 plus annual debt service assessment rate established in N.J.A.C. 7:11-4.4

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).

7:11-4.10 Payments for other services

Payment 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. 7:11-4.7.

7:11-4.11 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

First Fidelity Bank, N.A., prevailing on the due date, but not to exceed 18 percent per annum, from the date when due until paid.

7:11-4.12 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.

7:11-4.13 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 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 purchaser, the Department of the Treasury, Division of the Ratepayer Advocate, the Board of Public Utilities and attendees will be permitted 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.

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.