

"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; re-wrote "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".

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 152.201 million gallons per day has been used in setting the rate listed in (b) below.

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 179.219 million gallons per day has been used in setting the rate listed in (b) below.

(b) General rate schedule for operations and maintenance:

| Allocation Million Gallons per Day (MGD) | Rate/Million Gallons \$122.75 |
|---|----------------------------------|
| 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.

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 bond 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 1998 Water System. Revenue Refunding Bonds issued by the Authority.

(b) 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 179.149 million gallons per day, in addition to that included in (b) above, will be applied to all customers.

| Period | Allocation | Rate/Million Gallons |
|-----------------------|-------------------------------|----------------------|
| 7/1/2004 to 6/30/2005 | Million Gallons per Day (MGD) | \$28.31 |

(c) The following debt service assessment rate for the 1998 Water System Revenue Refunding Bonds, based on a sales base of 179.149 million gallons per day, in addition to that included in (b) above, will be applied to all customers:

| Period | Allocation | Rate/Million Gallons |
|-----------------------|-------------------------------|----------------------|
| 7/1/2004 to 6/30/2005 | Million Gallons per Day (MGD) | \$41.71 |
| 7/1/2005 to 6/30/2006 | Million Gallons per Day (MGD) | \$41.55 |
| 7/1/2006 to 6/30/2007 | Million Gallons per Day (MGD) | \$41.48 |
| 7/1/2007 to 6/30/2008 | Million Gallons per Day (MGD) | \$41.46 |

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.