

Rothfelder Stern, L.L.C.  
407 Greenwood Avenue, #301  
Trenton, New Jersey 08609  
(609) 394-1000

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

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<b>In the Matter of the Petition of Fayson Lake Water Company for Approval of an Increase in Rates and Other Appropriate Relief</b>	) ) ) )	<b>Verified Petition for Approval BPU Docket No. _____</b>
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**TO THE HONORABLE BOARD OF PUBLIC UTILITIES:**

Fayson Lake Water Company, Inc., hereinafter "Petitioner," is a New Jersey corporation and a public utility providing water service in Kinnelon, New Jersey. Its office is maintained at 160 Boonton Avenue, Kinnelon, New Jersey. 07405. This petition is submitted pursuant to N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12 to increase its rates for water service to its customers and to make other related tariff changes. In support of its request for relief Petitioner states:

1. Petitioner was authorized to be a public utility by order of the Board of Public Utilities, hereinafter "Board," in July 1957. Petitioner provides water service to approximately 890 customers in the Borough of Kinnelon, Morris County.
2. The proposed revised tariff sheets (including a second redlined version showing the changes) containing the rate increases is submitted herewith as Exhibit L. Said tariff reflects an increase in rates to enable the petitioner to meet the expenses of its operation, recover a reasonable rate of return on the investments used in its public utility operations,

and meet the debt coverage requirements of its financing. The proposed increase is designed to produce additional revenues of \$ 262,048 per year or 37.27% over existing annual revenues.

3. Petitioner had a change in rates approved by the Board effective September 27, 2018 in Docket No. WR11710104. Since that time, the rates have not been sufficient to provide for the operating expenses necessary to provide for safe, adequate, and proper public utility service. Petitioner seeks just and reasonable rates to correct the current revenue deficiencies.

4. Since 2018, Petitioner has also made the following major three additions to its plant, which is a significant part of why its current rates are insufficient.

**a. Water main replacement 2020 Waters Edge.**

In 2020, the Company replaced the water mains and the line off the main to edge of the customers property on Water's Edge Street. There were many leaks in this section and the old pipe was undersized and did not have any flushing points -- something needed to provide better quality water. Also, many valves in the street did not work or leaked after turning them. The Company installed 485 feet of pipe, 9 new curb stops, 2 fire hydrants for fire protection, and 4 new valves to isolate streets. The Company saved money on paving the road by coordinating with the town 2020 paving program. Thus, the Company only had to patch pave the roads. This project is complete and in service.

**b. Water main replacement 2023 Lakeside Trail and Sylvan Trail.**

The Company decided in 2023 to replace the water mains and the line off the main to edge of the customers property on the streets by Lakeside Trail and Sylvan Trail section. The Company had many leaks in this section and the old pipe was undersized. Many

valves in the street did not work or leaked after turning them. The Company had to replace the line because it had some galvanized pipe that is considered lead. In addition, this project will improve water quality by having new pipes that are less prone to corrosion, which helps maintain the clarity and purity of the water. The Company installed 5,970 feet of pipe, 90 new curb stops, 10 fire hydrants for fire protection and 45 new valves to isolate streets. The Company saved money on paving the road by coordinating with the town paving 2024 paving program thereby only having to patch pave the roads. This project is complete and in service.

**c. Telemetry update of the HMI 2023.**

The company decided in 2023 to update the computer that runs the plant. It had a pc with windows 7 running the plant and software that was outdated. The new software needed to be put on a new PC running windows 11. The Company now can remotely observe the usage of water in the system each day, which increases information to track leaks. This project is complete and in service.

5. Construction of the pipeline (item 4.b. above) resulted in a substantial addition to the Petitioner's debt. The rate relief requested in this case is designed to provide adequate rates, including sufficient revenues to meet the coverage requirements under the debt arrangement.

6. Copy of and notice of the filing of this petition is being given to the Clerk of the Borough of Kinnelon, the Morris County Administrator, the Morris County Board of Chosen Freeholders, New Jersey Division of Rate Counsel, and the New Jersey Division of Law.

7. The proposed tariff is dated March 12, 2024, to become effective April 11, 2024.

8. Pursuant to N.J.A.C. 14:1-5.12 (a) attached are the following:

- Exhibit A. Comparative balance sheet for the most recent three-year period.
- Exhibit B. Comparative income statement for the most recent three-year period.
- Exhibit C. Balance sheet at most recent date available.
- Exhibit D. Statement of the amount of revenue derived in the calendar year last preceding the institution of the matter.
- Exhibit E. Pro forma income statement reflecting operating income at present and proposed rates and an explanation of all adjustments thereon.
- Exhibit F. Itemized schedule of payments to affiliated companies.
- Exhibit G. Calculation of actual rate of return.
- Exhibit H. Calculation of indicated rate of return.
- Exhibit I. Calculation of billing revenues required.
- Exhibit J. Effective rate of return.
- Exhibit K. Proof of revenues- existing and proposed rates.
- Exhibit L. Proposed rates reflected in proposed tariff (second version that shows the changes provided as well).
- Exhibit M. Proposed form of public notice and notice to public entities.

9. Public notice of the filing of this petition and an opportunity to submit comments will be provided to customers by means of publication in a newspaper of general circulation in the Borough of Kinnelon and by means of a bill insert. A proposed form of public notice is attached hereto as Exhibit M.

10. Please provide all notices and communications with respect to this matter to:

Martin C. Rothfelder  
Rothfelder Stern, L.L.C.  
407 Greenwood Avenue, #301  
Trenton, New Jersey 08609  
(609) 394-1000  
mrothfelder@rothfelderstern.com

Frank D. Demore, Business Manager  
Fayson Lake Water Company  
160 Boonton Avenue  
Kinnelon, N.J. 07405  
telephone 973 838 6226  
flwc@optonline.net

**WHEREFORE**, Petitioner respectfully requests that your Honorable Board of Public Utilities grant the rate relief sought herein and to grant such other relief as is appropriate and consistent therewith.

Respectfully submitted,  
Rothfelder Stern, L.L.C.  
Attorneys for Petitioner



Dated: March 12, 2024

By: \_\_\_\_\_  
Martin C. Rothfelder

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In the Matter of the Petition of )  
Fayson Lake Water Company for Approval )  
of an Increase in Rates and Other )  
Appropriate Relief )

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Petition for Approval  
BPU Docket No. \_\_\_\_\_

### VERIFICATION

I, Frank D. Demore, of full age being duly sworn according to law upon my oath swear as follows:

1. I am the Business Manager of Fayson Lake Water Company, the Petitioner in this matter.
2. I have read the within petition and the exhibits thereto.
3. I believe that the information contained therein is true and correct to the best of my knowledge and belief.
4. I have not made an independent investigation of the matters noted herein.

3/11/2024  
date

Frank D. Demore  
Frank D. Demore

A

FAYSON LAKE WATER COMPANY  
COMPARATIVE BALANCE SHEETS  
AS OF DECEMBER 31, 2021, 2022 AND 2023

Exhibit A

CLASS				
<u>C</u>	<u>ACCOUNT DESCRIPTION</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
	<u>ASSETS</u>			
101	1-Water Utility Plant	4,353,896	4,353,896	4,425,204
110	2-Accumulated Reserve for Depreciation	(2,206,982)	(2,335,649)	(2,462,672)
116	3-Construction in Process	2,778		568,837
	4-Net Plant	2,149,692	2,018,247	2,531,369
131	4-Cash and Working Funds	107,324	173,191	145,750
142	5-Customer Accounts Receivable	177,522	175,516	165,459
143	6-Allowance for Uncollected Accounts	(6,633)	(11,423)	(5,609)
145	7-Accounts Receivable from Associated Co.	100,000	100,000	94,000
162	8-Prepayments		15,395	14,073
183	9-Deferred Charges	166,559	166,559	166,559
	10-Total Assets	<u>2,694,464</u>	<u>2,637,485</u>	<u>3,111,601</u>
	<u>Liabilities and Stockholder's Equity</u>			
	<u>Current and Accrued Liabilities</u>			
231	11-Accounts Payable	12,952	11,276	38,306
232	12-Notes Payable	93,127	97,260	641,580
236	13-Taxes Accrued	20,602	1,182	1,638
	15-Total Liabilities	<u>126,681</u>	<u>109,718</u>	<u>681,524</u>
	Long-Term Debt			
224	16-Notes Payable	<u>819,632</u>	<u>722,913</u>	<u>621,818</u>
	Deferred Credits			
253	17-Other Deferred Credits	<u>83,853</u>	<u>59,895</u>	<u>35,937</u>
201	18-Capital Stock	88,000	88,000	88,000
215	19-Retained Earnings	777,424	857,885	885,448
271	20-Contribution in Aid of Construction	<u>798,874</u>	<u>798,874</u>	<u>798,874</u>
	21-Total Equity	<u>1,664,298</u>	<u>1,744,759</u>	<u>1,772,322</u>
	22-Total Liabilities and Stockholder's Equity	<u>2,694,464</u>	<u>2,637,285</u>	<u>3,111,601</u>



**B**

FAYSON LAKE WATER COMPANY  
COMPARATIVE INCOME STATEMENT  
FOR THE YEARS ENDED DECEMBER 31, 2021, 2022 AND 2023

ExhibitB

CLASS C	ACCOUNT DESCRIPTION	2021	2022	2023
	<u>OPERATING REVENUES</u>			
400	OPERATING REVENUES	<u>856,566</u>	<u>867,634</u>	<u>828,157</u>
	<u>OPERATING EXPENSES</u>			
401-2	Operation Expense	343,468	379,226	434,482
402	Maintenance Expense	29,698	74,647	47,068
403-4	Depreciation and Amortization Expense	125,204	128,667	127,023
408	Taxes Other Than Income Taxes	140,688	144,916	150,655
409	Income Tax	<u>36,782</u>	<u>21,389</u>	<u>7,327</u>
	Total Operating Expense	<u>675,840</u>	<u>748,845</u>	<u>766,555</u>
	<u>OTHER INCOME</u>			
419	Interest and Dividends	43	29	29
421	Miscellaneous Nonoperating Income			
	Total Other Income	<u>43</u>	<u>29</u>	<u>29</u>
	<u>NON-OPERATING EXPENSES</u>			
427	Interest Expense	<u>42,396</u>	<u>38,357</u>	<u>34,068</u>
	Total Non Operating Expenses	<u>42,396</u>	<u>38,357</u>	<u>34,068</u>
	<u>NET INCOME</u>	<u>138,373</u>	<u>80,461</u>	<u>27,563</u>
	Operation and Maintenance Expense Accounts			
601	Salaries & Wages - Employees	\$ 126,758	117,760	\$ 162,276
604	Employee Pensions & Benefits	3,042	3,812	3,541
615	Purchased Power	43,771	42,031	38,882
618	Chemicals	4,685	6,855	8,097
620	Materials and Supplies	29,698	74,647	47,068
632	Contractual Services - Accounting	32,550	37,863	41,600
633	Contractual Services - Legal			1,381
634	Contractual Services - Management Fees	40,000	58,750	68,000
635	Contractual Services - Water Testing	7,334	10,842	12,252
636	Contractual Services - Other	8,449	320	6,348
650	Transportation Expenses	2,882	3,233	3,959
659	Insurance - Other	59,434	61,925	61,224
670	Bad Debt Expense	3,377	4,791	
675	Miscellaneous Expenses	<u>11,186</u>	<u>31,044</u>	<u>26,922</u>
	Total	<u>373,166</u>	<u>453,873</u>	<u>481,550</u>

C

FAYSON LAKE WATER COMPANY  
BALANCE SHEETS  
AS OF DECEMBER 31, 2023

CLASS C	ACCOUNT DESCRIPTION	2023
	<u>ASSETS</u>	
101	1-Water Utility Plant	4,425,204
110	2-Accumulated Reserve for Depreciation	(2,462,672)
116	3-Construction in Process	568,837
	4-Net Plant	2,531,369
131	4-Cash and Working Funds	145,750
142	5-Customer Accounts Receivable	165,459
143	6-Allowance for Uncollected Accounts	(5,609)
145	7-Accounts Receivable from Associated Co.	94,000
162	8-Prepayments	14,073
183	9-Deferred Charges	166,559
	10-Total Assets	<u>3,111,601</u>
	<u>Liabilities and Stockholder's Equity</u>	
	<u>Current and Accrued Liabilities</u>	
231	11-Accounts Payable	38,306
232	12-Notes Payable	641,580
236	13-Taxes Accrued	1,638
	15-Total Liabilities	<u>681,524</u>
	Long-Term Debt	
224	16-Notes Payable	<u>621,818</u>
253	Deferred Credits	
	17-Other Deferred Credits	<u>35,937</u>
201	18-Capital Stock	88,000
215	19-Retained Earnings	885,448
271	20-Contribution in Aid of Construction	798,874
	21-Total Equity	<u>1,772,322</u>
	22-Total Liabilities and Stockholder's Equity	<u>3,111,601</u>

D

**Exhibit D**

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FAYSON LAKE WATER COMPANY  
Statement of Revenue Derived  
For the Year Ended December 31, 2023

Metered Sales to General Customers (Including Hydrants)	\$719,429
Miscellaneous	
Turn Off/On and other Miscellaneous Fees	1,285
Lease Tower Lines - Carrier #1	39,524
Lease Tower Lines - Carrier #2	43,961
Lease Tower Lines - Carrier #3	<u>23,958</u>
Total Revenue Derived	<u><u>\$828,157</u></u>

E

**Exhibit E**

**FAYSON LAKE WATER COMPANY  
STATEMENT OF INCOME AT PRESENT AND PROPOSED RATES**

	Actual Audited 12 Month Ended 12-31-2023	PRO FORMA			
		Under Present Rates		Under Proposed Rates	
		Adjustments to Column (1)	Pro-Forma Amounts	Adjustments to Column (3)	Pro-Forma Amount
OPERATING REVENUES	828,157		828,157	268,899	1,097,056
OPERATING EXPENSES					
Operation Labor	162,276		162,276	6,491	168,767
Utilities	38,882		38,882	1,555	40,437
Chemicals	8,097		8,097	324	8,421
Maintenance of Distribution System	47,068		47,068	1,83	48,951
Contractual Services-Accounting	41,600		41,600	1,864	43,264
Contractual Services-Legal	981		1,081	10,055	11,436
Contractual Services-Management	68,200		68,200	2,720	70,720
Contractual Services-Water Testing	1,52		12,348	490	12,742
Contractual Services-Other	6,348		6,348	254	6,602
Transportation Expenses	3,959		3,959	158	4,117
Insurance Expense	61,224		61,224	2,449	63,673
Employee Pensions and Health Benefits	3,541		3,541	142	3,683
Miscellaneous General Expenses	26,922		26,922	1,077	27,999
Depreciation and Amortization expense	127,023		127,023	35,649	162,672
Rate case amortization expense				12,500	12,500
Loan Debt Service Coverage Amount				20,000	20,000
Franchise, gross receipts and excise tax	94,711		94,711	36,454	131,165
Taxes - other than income, licenses and fees	55,944		55,944	2,238	58,182
Total operating expenses before federal income taxes	759,228		759,228	136,102	895,330
Utility operating income (loss) before federal income taxes	68,929		68,929	132,797	201,726
Non-operating income (expenses)					
Interest income					
Interest expense	(34,068)		(34,068)	(75,181)	(110,323)
Net Income before federal income tax	34,861		34,861	57,616	91,403
Federal income taxes	(7,327)		(7,327)	(11,868)	(19,195)
Net income after federal income taxes	27,534		27,534	45,748	72,298



**F**

FAYSON LAKE WATER COMPANY

Exhibit F

Statement of Payments and Accruals to Affiliated Companies or Organizations  
and to Those Who Own in Excess of Five Per Cent of the Company's Capital Stock.

	<u>2021</u>	<u>2022</u>	<u>2023</u>
Payments:			
Management fees	24,000	24,000	24,000

These payments are being made to the Company's Parent FLCI for management fees.

G

Exhibit GFAYSON LAKE WATER COMPANY  
Calculation of Actual Rate of Return  
On the Average Net Investment

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Proforma Adjustment</u>	<u>Proforma Amount</u>
Investment in Plant Facilities					
Water Utility Plant @ December 31,	\$4,353,896	4,353,896	\$4,425,204	1,435,737	5,860,941
Regulated Asset-Abandonment of Water Tank Project					0
Working Capital @ 1/8 of annual operation and maintenance expenses	<u>46,646</u> 4,400,542	<u>56,734</u> 4,410,630	<u>60,194</u> 4,485,398	<u>5,220</u> 1,440,957	<u>65,414</u> 5,926,355
Less: Contributions for facilities	(798,874)	(798,874)	(798,874)		(798,874)
Depreciation Reserve @ December 31,	<u>(2,206,982)</u>	<u>(2,335,649)</u>	<u>(2,462,672)</u>		<u>(2,462,672)</u>
Rate Base	1,394,686	1,276,197	1,223,852	1,440,957	2,664,809
Utility Operating Income (Loss) Before Interest Exp.)	<u>\$138,373</u>	<u>\$80,461</u>	<u>\$27,563</u>		<u>201,726</u>
Rate of Return	9.92%	6.31%	2.25%		7.57%

Н

**Exhibit H**

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FAYSON LAKE WATER COMPANY  
Calculation of Indicated Rate of Return  
On the Average Net Investment

12/31/2023

Investment in Plant Facilities

Water Utility Plant \$5,860,941

Deferred Charges - Regulated Assets 0

Working Capital@ 1/8 of annual  
operation and maintenance expenses 65,414  
5,926,355

Less: Contributions for facilities (798,874)

Depreciation Reserve at December 31, 2023 (2,462,672)

Average Net Investment 2,664,809

Indicated Rate of Return

Pro-Forma net income before interest expense \$201,726

Indicated Rate of Return on Investment  
in Plant Facilities 7.57%



Exhibit I

FAYSON LAKE WATER COMPANY  
Calculation of Billing Revenues Required  
to Meet Desired Rate of Return

Total Income Required	\$1,097,056
Less:	
Lease Tower Lines - Carrier #1	49,322
Lease Tower Lines - Carrier #2	41,014
Lease Tower Lines - Carrier #3	23,958
Miscellaneous service revenue	1,285
Amount needed from customers	<u>981,477</u>



J

FAYSON LAKE WATER COMPANY  
Effective Rate of Return

Exhibit J

<u>Source</u>	<u>Amount</u>	<u>%</u>	<u>Cost</u>	<u>Effective Cost</u>
Long-term Debt				
Loan #1	723,398	24.30%	4.38	1.06%
Loan #2	1,280,000	43.00%	7.15	3.07%
Common Equity	973,448	32.70%	10.50	3.43%
	<u>\$2,976,846</u>	<u>100.00%</u>		<u>7.57%</u>

K

**Exhibit K**

FAYSON LAKE WATER COMPANY  
Proof of Revenues

Present Rates					Proposed Rates					
Rate Element	Meter Ratio	Units	Quarterly Rate	Annual Revenue	Rate Element	Meter Ratio	Units	Quarterly Rate	Annual Revenue	% Increase
5/8"		797	37.46	119,422	5/8"		797	50.83	162,039	35.69%
1"		89	93.66	33,343	1"		89	127.08	45,241	35.69%
1 1/2"		2	167.30	1,338	1 1/2"		2	227.00	1,816	35.69%
2"		2	299.68	2,397	2"		2	406.62	3,253	35.69%
Consumption		54,866	9.01	494,343	Consumption		54,866	12.23	670,750	35.69%
Hydrants		92	174.29	64,139	Hydrants		104	236.49	98,378	35.69%
Total				714,983	Total				981,477	37.27%

L

RATE SCHEDULE NO. 1

Metered Services

Applicable to Use of Service For:

All residential and commercial service through the entire territory served, including service to building contractors.

Character of Service: "Continuous"

Rate:

\* Quarterly charge per thousand gallons consumed in addition to the minimum charge listed below - \$ 12.23

Minimum Charge:

Quarterly Facilities for General Metered Services shall be based upon the size of the meter and shall be as follows:

5/8" - -	\$ 50.83
1" - -	\$ 127.08
1-1/2" - -	\$ 227.00
2" - -	\$ 406.62

Determination of Demand:

Billing shall include the consumption and the facilities charges for each billing period.

Date of Issue:  
March 12 ,2024

Effective:  
April 11, 2024

Issued by: Jeffrey Kalajian, President  
160 Boonton Avenue  
Kinnelon, New Jersey 07405

Filed pursuant to decision of Board of Public Utilities Commissioners in Docket No. \_\_\_\_\_, Dated \_\_\_\_\_.

\* The State of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which establishes a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates. Filed pursuant to decision of Board of Public Utilities Commissioners in Docket No. WR88080977, Dated: April 27, 1989.

FAYSON LAKE WATER COMPANY  
B.P.U. No. 3 -WATER

Eighth Revised Sheet No. 6  
Superceding  
Seventh Revised Sheet No. 6

RATE SCHEDULE NO. 2  
Fire Protection Service

Rate:

Charge for Fire Hydrants -	
Rate per hydrant per Quarter	\$236.49

Terms of Payment:

Net cash due upon rendering of invoice

Date of Issue:  
March 12,2024

Effective:  
April 11, 2024

Issued by: Jeffrey Kalajian, President  
160 Boonton Avenue  
Kinnelon, New Jersey 07405

Filed pursuant to decision of Board of Public Utilities Commissioners in Docket  
No. \_\_\_\_\_, Dated \_\_\_\_\_ .

FAYSON LAKE WATER COMPANY  
B.P.U. No. 3 -WATER

~~Tenth~~Eleventh Revised  
Sheet No. 4 Superceding  
~~Tenth~~Ninth Revised Sheet  
No. 4

RATE SCHEDULE NO. 1

Metered Services

Applicable to Use of Service For:

All residential and commercial service through the entire territory served, including service to building contractors.

Character of Service: "Continuous"

Rate:

\* Quarterly charge per thousand gallons consumed in addition to the minimum charge listed below - ~~\$9.04~~ 12.23

Minimum Charge:

Quarterly Facilities for General Metered Services shall be based upon the size of the meter and shall be as follows:

5/8" - -	\$ <del>37.46</del> <u>50.83</u>
1" - -	\$ <del>93.66</del> <u>127.08</u>
1-1/2" - -	\$ <del>187.30</del> <u>227.00</u>
2" - -	\$ <del>299.68</del> <u>406.62</u>

Determination of Demand:

Billing shall include the consumption and the facilities charges for each billing period.

Date of Issue:  
March 12 ,2024

Effective:  
April 11, 2024

Issued by: Jeffrey Kalajian, President  
160 Boonton Avenue  
Kinnelon, New Jersey 07405

Filed pursuant to decision of Board of Public Utilities Commissioners in Docket No. \_\_\_\_\_, Dated \_\_\_\_\_.

\* The State of New Jersey enacted Ch. 443 of the Laws of New Jersey 1983 concerning the periodic testing of public water supplies which establishes a water tax of \$0.01 per 1,000 gallons of water. This tax is reflected and included in the above rates. Filed pursuant to decision of Board of Public Utilities Commissioners in Docket No. WR88080977, Dated: April 27, 1989.



FAYSON LAKE WATER COMPANY  
B.P.U. No. 3 -WATER

~~Seventh~~Eighth Revised Sheet  
No. 6 Superceding  
~~Seventh~~Sixth Revised Sheet  
No. 6

RATE SCHEDULE NO. 2  
Fire Protection Service

Rate:

Charge for Fire Hydrants -  
Rate per hydrant per Quarter

\$~~174.29~~ 236.49

Terms of Payment:

Net cash due upon rendering of invoice

Date of Issue:  
March 12,2024

Effective:  
April 11, 2024

Issued by: Jeffrey Kalajian, President  
160 Boonton Avenue  
Kinnelon, New Jersey 07405

Filed pursuant to decision of Board of Public Utilities Commissioners in Docket  
No. \_\_\_\_\_, Dated \_\_\_\_\_ .

M

**EXHIBIT M**

**---- D R A F T ----**

**NOTICE OF FILING OF PROPOSED RATE INCREASE  
AND PUBLIC HEARING**

**ALL PARTIES ARE INVITED TO ATTEND AND PRESENT THEIR VIEWS**

**IN THE MATTER OF THE PETITION OF FAYSON LAKE WATER COMPANY FOR  
APPROVAL OF AN INCREASE IN RATES AND OTHER APPROPRIATE RELIEF**

**BPU DOCKET NO. \_\_\_\_\_**

TO OUR CUSTOMERS:

**PLEASE TAKE NOTICE** that on March 12, 2024, Fayson Lake Water Company, Inc., (the “Company”) filed with the Board of Public Utilities (“Board”), pursuant to N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12, a petition (“Petition”) seeking to increase rates for water service and to implement other tariff revisions. These changes are proposed to become effective for service rendered on or after April 11, 2024 or at such later date as may be determined by the Board. The new rates proposed herein are designed to yield additional operating revenues of \$262,048. The average residential water customer using 15,000 gallons per quarter will see their bill increase from \$172.61 to \$234.28, an increase of \$61.67 or 35.69% per quarter. The actual percentage increase to specific customers will vary according to the level of the customer’s usage.

Specific rate element changes to Rate Schedule No. 1, Metered Services, are as follows:

Rate

Quarterly charge per thousand gallons consumed in addition to the minimum charge:

<i>Current Rate</i>	\$9.01
<i>Proposed Rate</i>	\$12.23

## Minimum Charge

Quarterly Facilities for General Metered Services:

<i>Meter Size</i>	<i>Current Rate</i>	<i>Proposed Rate</i>
5/8"	\$ 37.46	\$ 50.83
1"	\$ 93.66	\$127.08
1-1/2"	\$167.30	\$227.00
2"	\$299.68	\$406.62

The charge per quarter per hydrant for Rate Schedule No. 2, Fire Protection Service, will increase from \$174.29 to \$236.49. The Board may set rates higher or lower than what the Company is proposing in its petition.

**PLEASE TAKE FURTHER NOTICE** that virtual public comment hearings on the Company's petition have been scheduled as follows:

[TO FOLLOW]

The Board of Public Utilities will hold the virtual public comment hearings and invites members of the public to participate and express their views on the proposed rates. Such comments will be made a part of the final record in the proceeding.

Whether or not you attend the virtual public hearings, written comments may be submitted no later than \_\_\_\_\_, to \_\_\_\_\_ and/or the Hon. Sherri Golden, Secretary, Board of Public Utilities, 44 S. Clinton Avenue, 9<sup>th</sup> Floor, Trenton, New Jersey, 08625-0350, or emailed to [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov). Please include BPU Docket No. \_\_\_\_\_ in your written comments. Written comments will be provided the same weight as statements made at the hearings.

**In order to encourage full participation in this opportunity for virtual public comment, please submit any requests for needed accommodations, including interpreters or visual or auditory assistance, to the Company 48 hours prior to this hearing to \_\_\_\_\_.**

In addition to actual rate changes, the Company is proposing other changes and additions to its tariff, some of which would apply to all customers and others that would apply only to specified customers.

Notice of the filing of and a copy of the petition were served upon the Clerk of the Borough of Kinnelon, the Morris County Administrator, the Morris County Board of Chosen Freeholders, and also the Director, New Jersey Division of Rate Counsel, who will represent the interests of ratepayers in this proceeding. Any members of the public who wish to inspect the petition at the Board should contact the Board's Division of Case Management at 609-292-0806 or [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov). Copy of the Company's petition, proposed tariff and all other exhibits are available for inspection at the Company's office at 160 Boonton Avenue, Kinnelon, New Jersey, 074051.

Any relief determined by the Board of Public Utilities to be just and reasonable may be applied by the Board of Public Utilities in such manner as it may deem appropriate.

**FAYSON LAKE WATER COMPANY, INC.**

BY: JEFF KALAJIAN, PRESIDENT  
160 BOONTON AVENUE,  
KINNELON, NEW JERSEY. 074051

**Fayson Lake Water Company**  
**160 Boonton Avenue**  
**Kinnelon, N.J. 07405**  
**973 838 6226**  
**flwcoffice@optonline.net**

March 12, 2024

Morris County Administrator  
IO Court Street  
Morristown, NJ 07960

Morris County Board of Chosen Freeholders  
P.O. Box 900  
Morristown, N.J. 07963-0900

Clerk  
Borough of Kinnelon  
130 Kinnelon Road  
Kinnelon, NJ. 07405

**Please take notice:**

Fayson Lake Water Company, 160 Boonton Avenue, Kinnelon, NJ 07405 has applied to the New Jersey Board of Public Utilities, 44 South Clinton Avenue, PO Box 350, Trenton, N.J. 08625 for an increase in its water rates to become effective upon approval by the Board of Public Utilities. The increase in rates sought is approximately The proposed increase is designed to produce additional revenues of \$ 262,048 per year or 37.27% over existing annual revenues and is subject to revision by the Board of Public Utilities. A copy of the filing is enclosed.

Copies of the Petition to the Board of Public Utilities are also on file at the offices of the Board of Public Utilities, 44 South Clinton Avenue, Trenton, NJ. 08625 and the offices of Fayson Lake Water Company at the above address, for review during normal business hours.

President  
Fayson Lake Water Company

**STATE OF NEW JERSEY**  
**BEFORE THE**  
**OFFICE OF PUBLIC UTILITIES**

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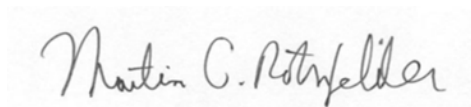
<b>In the Matter of the Petition of</b>	)	<b>Verified Petition for Approval</b>
<b>Fayson Lake Water Company for Approval</b>	)	<b>BPU Docket No. _____</b>
<b>of an Increase in Rates and Other</b>	)	
<b>Appropriate Relief</b>	)	

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**CERTIFICATE OF SERVICE**

I, Martin C. Rothfelder, upon my oath, duly state that I have sent or caused to be sent by electronic mail, unless otherwise noted, the attached Verified Petition for Approval to the persons set forth on the attached service list.

Date: March 12<sup>th</sup>, 2024



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Martin C. Rothfelder

**I/M/O the Petition of Fayson Lake Water Company for  
Approval of Increased Base Tariff Rates**

**BPU Docket No. \_\_\_\_\_**

**FAYSON LAKE WATER COMPANY**

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