

NEW JERSEY WATER SUPPLY AUTHORITY

Notice of Rate Proposal

Take notice that pursuant to the provisions of Chapter 293 of the Laws of 1981 (N.J.S.A. 58:1B-1 et. seq.) the New Jersey Water Supply Authority has proposed adjustments to its Schedule of Rates, Charges and Debt Service Assessments for the Sale of Water from the Manasquan Reservoir System in Monmouth County, New Jersey to cover Operational and Debt Service expenses for the Authority's fiscal year which commences on July 1, 2011.

These revisions propose to amend existing regulations found at N.J.A.C. 7:11-4.1 et seq. and primarily deal with an increase in the Debt Service Component for all initial from \$568.69 to \$618.09 per million gallons, and a decrease in the Debt Service Component for all delayed water purchase contracts from \$756.19 to \$770.90 per million gallons, and the addition of a new rate component of \$35.42 for debt service payable to the New Jersey Environmental Infrastructure Financing Program for constructions costs associated with the construction of a building over the Manasquan Reservoir Intake Pump Stations.

The proposal is scheduled to be published in the New Jersey Register dated December 20, 2010. A final version of the Basis and Background (B&B) document containing the full text of the proposed revisions to the Rate Schedule, together with supporting information is available from the New Jersey Water Supply Authority's website at <http://www.njwsa.org> or individual requests for the full text of the proposed rate adjustments should be sent to the New Jersey Water Supply Authority.

The Authority will conduct a Pre-Public Hearing meeting with its contractual water users and any interested parties at 10:30 a.m. on Thursday, January 6, 2011 in the Authority's Manasquan Reservoir System Administration Building Conference Room, 2041 Hospital Road, Wall, New Jersey, to present and explain the rate adjustment proposal, answer questions, and provide any additional data requested in accordance with the rate making procedure specified in N.J.A.C. 7:11-4.16.

Notice is hereby given that the Authority will hold a Public Hearing on Thursday, February 3, 2011 at 10:30 a.m. in the Authority's Manasquan Reservoir System Administration Building Conference Room, 2041 Hospital Road, Wall, New Jersey, to provide the opportunity for public comments and statements on the proposed revisions. Interested persons may present statements orally or in writing relevant to the proposed action.