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## New Jersey American Water Rate Filing Seeks Recovery for \$775 Million in System Upgrades

**VOORHEES, NJ (January 9, 2015)** – New Jersey American Water has filed a petition with the New Jersey Board of Public Utilities (BPU) for new rates seeking recovery of the significant investment the company has made in the State’s water and wastewater infrastructure since its last rate increase in 2012.

“In less than three years, we have invested more than \$775 million in infrastructure upgrades and replacements, including more than 160 miles of new water main,” said William Varley, president of New Jersey American Water. “At the same time, we reduced our business operating costs by approximately \$19 million.”

The new rate request would result in an increase of just under 17 cents per day for the average residential water customer, and raise revenues by approximately \$66 million, the smallest requested increase by the company in a decade. If approved, customers will continue to pay less than a penny a gallon for high-quality, reliable, 24-hour water service, and water would remain among the most affordable household utility bills.

Rates will remain unchanged until this request undergoes extensive public scrutiny by the BPU, the New Jersey Division of Rate Counsel, and the Office of Administrative Law. This vetting will include numerous interrogatories, public hearings and evidentiary hearings. This process, based on prior requests, can take a minimum of nine months. To increase transparency of the process, the company’s petition and its associated exhibits are being posted to [www.newjerseyamwater.com](http://www.newjerseyamwater.com).

The increased rates proposed in the rate petition are a request only. The New Jersey Board of Public Utilities will make the final decision regarding the actual percent of increase. Once a final decision has been made, customers will receive information in the mail and at the company’s website explaining the new rates.

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New Jersey American Water, a wholly owned subsidiary of American Water (NYSE: AWK), is the largest investor-owned water utility in the state, providing high-quality and reliable water and/or wastewater services to approximately 2.5 million people. Founded in 1886, American Water is the largest publicly traded U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs approximately 6,600 dedicated professionals who provide drinking water, wastewater and other related services to an estimated 14 million people in more than 40 states and parts of Canada. More information can be found by visiting [www.amwater.com](http://www.amwater.com).