Township of Bedminster

May 21, 2026

Hon. Jacob Gertsman
Office of Administrative Law
P.O. Box 049
Trenton, New Jersey 08625-0049

Re: OAL Docket No. PUC 03132-2026S and BPU Docket No. WR26010010

Dear Judge Gertsman,

My name is Colin Hickey, and I currently serve as an elected member of the Bedminster Township Committee and also function as the committee's utilities liaison. I am writing to formally object to the recently filed sewer rate increase proposed by New Jersey American Water as it applies to flat-rate sewer customers in Bedminster. These customers are served by the former EDC system, which was acquired by NJAW in 2016.

The proposed rate increase places an unfair and disproportionate burden on residents who are billed under the flat-rate structure. Many of these customers reside in smaller low- and moderate-income housing, and their units are not separately metered. As a result, they often already pay far in excess of their actual usage.

Until two years ago, these customers were billed at a monthly rate of just under $60 a month for sewer service, or about $720 a year. For a point of comparison, I live in a 4-bedroom home in Bedminster and pay $354 per year to the Bedminster sewer utility. At the time, people living in a one-bedroom condo were paying sewer fees that were over twice what I pay for service to a 3,500 square foot home.

When NJAW acquired EDC, they agreed to a five-year rate hike moratorium. In 2024, they received BPU approval to increase flat rate sewer customers to $80.93 per month, representing a 37% increase. Now those same customers who were previously paying over $700 dollars per year saw their rates jump to $970 per year, or almost 3x what I pay for my own home.

But wait, there's more. In their latest rate filing, NJAW is now looking to increase the flat rate to almost $120 per month, or $1,434 per year. That is a 48% rate increase in just two years, and a doubling of what the rate was immediately prior to the 2024 rate increase. By comparison, inflation averaged 2.9% in 2024 and 2.7% in 2025.

As we are all aware, New Jerseyans are suffering from an affordability crisis in all aspects of their daily lives. Just last year, electricity rates increased by 20% for these same households, and natural gas rates increased by approximately 17.24%. Mind you, this is not discretionary spending. These increases in essential services are overwhelming the cost of living, particularly in an era where real wage growth is not keeping pace with inflation.

Another substantial increase in sewer rates would create additional financial strain for vulnerable families, seniors on fixed incomes, affordable housing residents and small households that are most assuredly not generating sewer usage proportional to the rates being charged.

I am also concerned that flat-rate customers are being asked to absorb these increases without sufficient justification as to why they are warranted. At a briefing conducted for elected officials and municipal administrators this past March, NJAW indicated that the rate increases were necessary to standardize billing across their service areas. Consistency may be the hobgoblins of little minds, but certainly not the reason to increase rates in such a usurious fashion.

Municipal officials across the state have just emerged from a brutal budget season where the 2% tax levy cap was challenged by astronomical increases in healthcare and other operating expenses. In Bedminster, we held the line and came up with a budget that did not result in a massive tax increase for our residents. We cut costs, increased our operational efficiency and wisely invested our limited capital resources. All we ask is that NJAW do the same.

Both Bedminster and the BPU deserve a clear explanation of how the proposed rates were calculated, why this enormous increase is necessary, and whether more equitable alternatives were considered. Just as we did in our own municipality, every effort should be made to reduce expenses, improve operations and justify any infrastructure investments based on actual need. Any rate increase should be a last resort, as opposed to the best option to improve the rate of return to shareholders.

Given the severe economic pressures already facing our residents, I respectfully urge the Board to reject or substantially reduce this proposed rate increase until a more equitable solution is presented for flat rate sewer customers, and NJAW is able to financially justify this substantial rate increase. The former is certainly possible, but the latter remains highly in doubt.

Thank you for considering the concerns of Bedminster residents and ensuring that utility rate increases are fair, justified, and in the public interest.

Sincerely,

R. Colin Hickey
Bedminster Township Committee

cc: Sherri L. Lewis, Secretary of the Board and via email board.secretary@bpu.nj.gov