



# GLOUCESTER TOWNSHIP SEWER SALE FREQUENTLY ASKED QUESTIONS (FAQS)

The Gloucester Township sewer system is large, complex, and in need of significant investments to continue running effectively. Investment into this critical infrastructure will come at a substantial cost to customers if Gloucester Township maintains ownership and raises rates or borrows money to fund the needed investment.

**With your support of the Gloucester Township sewer sale, New Jersey American Water will continue to stabilize rates and take ownership of the system. This will result in a \$233 million investment in Gloucester Township that includes a \$143 million payment to purchase the sewer system, which Gloucester Township will use to pay off all debt, and a \$90 million infrastructure investment in the first 10 years of ownership to upgrade and maintain the system.**

For more information on the referendum please visit: [VoteYesGloucesterTownship.com](http://VoteYesGloucesterTownship.com).

## What will happen to my sewer rates if I vote "Yes"?

Upon closing of the sale and after regulatory approval (likely in 2025), a five-year rate plan will begin so customers know what to expect while critical system improvements are made. Upon the transition to New Jersey American Water ownership, rates will be held at the Township's current rate for two years. Then, rates will increase no more than 9% in years three to five. By the end of this five-year period, a customer's annual bill will have increased by a total of \$16.56, or \$1.38 more per month, which is significantly less than expected if the Township maintains ownership of the system.

Five-Year Rate Plan Under New Jersey American Water Ownership					
Year	1	2	3	4	5
Rate Increase	0%	0%	5%	2%	2%
Annual Bill	\$184.00	\$184.00	\$193.20	\$196.88	\$200.56

## I understand the five-year rate plan proposed by New Jersey American Water, but what will happen to rates after that? Won't New Jersey American Water just raise rates tremendously to recoup their investment?

Sewer rates will continue to be stable in both the short- and long-term under New Jersey American Water ownership. New Jersey American Water's large customer base will help mitigate rate increases for Gloucester Township customers as investments are made in the sewer system. After the five-year rate plan concludes, your sewer rates will change with the timing of New Jersey American Water's general rate cases, the same as your water rates. New Jersey American Water's sewer rates are regulated by the New Jersey Board of Public Utilities (NJBPU), the same way your water, electric, and natural gas rates are regulated. Rates are set by the NJBPU after a lengthy and thorough regulatory process. This public process involves input from many stakeholders including customers, the NJBPU, and the Division of Rate Counsel.

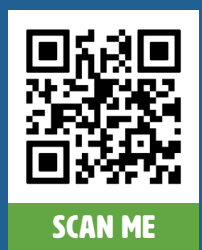


## VOTE YES ON THE SEWER SALE

to reduce and freeze local property taxes, ensure stable sewer rates, and prioritize infrastructure improvements.

TO LEARN MORE VISIT

[VoteYesGloucesterTownship.com](http://VoteYesGloucesterTownship.com)



## Will the sale of the sewer system impact my property taxes or rent at all?

If the referendum is approved, the \$143 million purchase price will be used by the Township to pay off all debt. The Township has publicly said that they will use the remaining amount to reduce and freeze local property taxes\*.

Whether you are a homeowner paying property taxes directly or a renter paying property taxes indirectly through your rent, the sale benefits you as a Gloucester Township resident.

## How will I be billed for sewer?

New Jersey American Water will bill all Township customers monthly. If you are already a water customer with New Jersey American Water, your sewer charges will be included with your water bill. Monthly billing provides customers with smaller bills and makes it easier, especially for those on fixed incomes, to include the cost of sewer service into their monthly household budget.

In addition, customers will have access to the conveniences of New Jersey American Water's online, paperless billing and auto bill pay features. All Camden County Municipal Utilities Authority (CCMUA) billing for wastewater treatment will stay the same.

## Will New Jersey American Water understand our local needs?

New Jersey American Water is a local Camden County company and has been serving parts of Gloucester Township for several decades, with about 200 employees serving and more than two dozen employees living in Gloucester Township. New Jersey American Water's large operations center in Lawnside, NJ will provide additional support to Gloucester Township.

In addition, New Jersey American Water will be offering employment to all employees currently employed by the sewer system.

## As a senior, I get a discount on my sewer bill. What will happen to this benefit?

New Jersey American Water will continue the Township's current senior citizen discount program for all residents aged 65 and older who are enrolled in the program as of the closing date.

## What other payment assistance programs are available?

New Jersey American Water offers financial assistance to customers in need through New Jersey American Water's H2O Help to Others Program™. This program includes emergency grants of up to \$500 toward overdue water bills and a discount on the monthly sewer service charge to customers who qualify.

## What will happen to the current Gloucester Township employees that work on the sewer system? Will they lose their jobs?

New Jersey American Water and Gloucester Township\* have committed to offer employment to all existing Township employees in the Public Works Department that work on the sewer system. Employees will be offered work in the geographic vicinity of Gloucester Township with the same pay, benefits and union status, or the choice to pursue employment with New Jersey American Water, if desired. Employees will join an industry leader that offers training and career advancement opportunities and also become part of a respectful company where employees positively impact and reflect the communities they serve.

## I have a pool and/or irrigation system that I use in the summer months. Will I be charged for that extra water usage even though it is not going into the sanitary sewer?

New Jersey American Water is adopting Gloucester Township's rate ordinance and billing practices for the sewer system. We will bill customers per this ordinance through the five-year rate schedule. At the conclusion of the five-year rate schedule, New Jersey American Water will begin the process of incorporating Gloucester Township into our wastewater tariff, which includes the benefit of winter pocket billing. Winter pocket billing uses winter usage to calculate bills in the summer to avoid billing for water usage associated with irrigation and swimming pools.

## What happens if I have a septic tank?

There will be no changes to your septic tank arrangements. If there is a sewer main in front of a house, New Jersey American Water will typically connect the customer for free, if they choose.

It is also possible for residents with septic tanks that live on streets without sewer mains to connect to the system. In this case, the customer would need to work with New Jersey American Water to determine the feasibility and cost.

\* [www.glotwp.com](http://www.glotwp.com)



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