



Atlantic City Municipal Utilities Authority

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EFFECTIVE – JANUARY 1, 2010

THE WATER SERVICE RATES HAS INCREASED BY 9.5%

The average residential single family property in Atlantic City currently pays approximately \$191 per year for water. The MUA is currently projecting that with this rate increase, the average consumer will pay \$207 per year. This \$16.00 per year charge relates to an eight and a half (8 1/2%) percent increase for the average residential consumer. The reason for the differential between this number and the overall increase is because of the MUA's block rate design. This is the MUA's first rate increase in four (4) years, thus, spreading the impact to just over two (2%) percent per year.

THE CONNECTION FEE RATE WILL INCREASE

State Law sets a formula mandating the specific calculation of Connection Fees. State Law further requires that Connection Fees be recalculated at the end of every calendar year, and that all Debt Service and Capital Expenditures be included in the new calculation.

The net result is a proposed Connection Fee in 2010 of \$10.3933 per gallon of average daily flow. This applies to new construction.

Submitted by: Neil A. Goldfine
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