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**Testimony on
The NJ Board of Public Utilities
Addressing New Jersey Energy Affordability for Low-
and Moderate-Income Households
Docket # [QO24110853](#)
Virtual Stakeholder Meeting**

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President Guhl-Sadovy and Commissioners:

Thank you for the opportunity to speak today. I am Diane Schrauth, policy director for water at New Jersey Future. As the Board of Public Utilities knows, people in New Jersey face challenges in paying not only gas and electric bills but also water bills.

Access to clean water is essential for everyone; without it, survival is impossible. While water is a natural resource, pipes and water infrastructure deliver it to our taps. Proper management of resulting sewage is also critical to avoid health problems, flooded streets and basements, and pipeline failure. However, rising costs linked to inflation, repairs to aging infrastructure, and regulatory requirements, such as reducing combined sewer overflows, replacing lead service lines, and addressing emerging contaminants such as per- and poly-fluoroalkyl substances or PFAS, and necessary innovations are making it increasingly difficult for many households to afford water services.

Based on Jersey Water Works research on affordability, the statewide average estimated cost of residential water and sewer bills in 2021 was \$673 annually. Roughly one-fifth of households in the state will face affordability concerns when paying their water and sewer bills.

New Jersey Future recommends that BPU leverage enrollment in the Universal Service Fund (USF) energy program to increase enrollment in low-income water assistance programs under BPU's jurisdiction.

BPU regulates water utilities serving about 40% of New Jersey's population. Most water systems lack meaningful programs to assist low-income customers in affording their monthly bills. There is no statewide program like a Universal Service Fee or LIHEAP for water customers. However, New Jersey

American Water recently received BPU approval for a Universal Affordability Tariff, which provides a tiered discount on monthly water bills. We would like to see more enrollment in this program and strongly suggest that BPU consider ways more New Jersey American Water customers could sign up for the discount program. We recommend leveraging energy affordability programs to boost enrollment in New Jersey American Water's water service discounts and using auto-enrollment through data matching.

We will share more details in written comments. Thank you for the opportunity to speak on this critical issue. We look forward to future conversations with BPU.

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Policy Director, Water
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