

Case No. 2019-00444
Princeton Water and Wastewater Wholesale Water Rates Increase
Supplemental Response to Commission Staff's Second Information Requests

9. Refer to Princeton's Responses to the Commission's January 10, 2019 Order, Items 10 and 11. Princeton is currently is paying 100 percent of each employees health insurance coverage. Explain whether Princeton, through an outside consultant or otherwise, performed a study or survey to compare its wages, salaries, benefits, and other compensation to other local or regional enterprises.

a. If comparisons were made, provide and discuss the results of such comparisons. Include the results of the study or survey with your response, including all workpapers.

b. If comparisons were not made, explain why such comparisons were not performed.

c. Explain whether Princeton's policy of paying 100 percent of the health insurance benefits for its employees is consistent with the policies of the other companies in Princeton's service territory.

Response: In supplement to the original response filed on March 6, 2020, PWWC has since contacted eleven local and regional utilities regarding the benefits provided to their employees. The information received from those municipal utilities is contained in the attached Excel spreadsheet labeled PSC 2-9 Utility Benefits Survey.

The information received indicates that the benefits provided by PWWC are reasonable in comparison to other local and regional utilities. Nine of those utilities pays 100% towards single health insurance coverage, and the other two utilities pay 90% or more for those policies. As for family health

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insurance coverage, nine of eleven utilities contribute towards their employees' family plans with some providing additional health savings accounts. The average expense to those utilities is approximately \$1567 per month, whereas PWWC's expense for providing its family coverage is only \$1499.

Since 2005, PWWC has actually reduced its expenditures for health insurance premiums by choosing plans with higher deductibles and out of pocket maximums and by reducing the number of full time employees. In Fiscal Year 2005, PWWC paid \$265,004 for health insurance of its employees and in Fiscal Year 2019, it paid \$264,475, which is \$529 less.

Witness: Tracy B. Musgove