



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu

IN THE MATTER OF THE PETITION OF)	WATER
SEAVIEW HARBOR WATER COMPANY, LLC)	DECISION AND ORDER
FOR THE APPROVAL OF MUNICIPAL CONSENTS)	ADOPTING STIPULATION
TO PROVIDE WATER SERVICE TO CERTAIN AREAS)	
OF SEAVIEW HARBOR, TO ACQUIRE THE WATER)	
SYSTEMS OF SEAVIEW WATER COMPANY,)	
AND OTHER REGULATORY APPROVALS)	BPU DOCKET NO. WE05090784

(SERVICE LIST ATTACHED)

BY THE BOARD:

On September 13, 2005, Seaview Harbor Water Company, LLC (Seaview Harbor or Petitioner) and Seaview Water Company (Seaview Water or Company), filed as Joint Petitioners a request with the Board of Public Utilities (Board) in accordance with N.J.S.A. 48:2-51.1, N.J.S.A. 48:3-10, and N.J.A.C. 14:1-5.10¹ for approval of the sale of the water utility system of Seaview Water to Seaview Harbor, for approval of a municipal consent for Seaview Harbor to provide water utility service to the Seaview Harbor section of Egg Harbor Township (Township or Egg Harbor) located in Atlantic County, and for such other necessary regulatory approvals.

PROCEDURAL HISTORY

Seaview Harbor is a New Jersey limited liability company organized for the sole purpose of facilitating distribution of water within the Seaview Harbor service territory currently being serviced by Seaview Water. Seaview Harbor will become a regulated public utility under the jurisdiction of the Board, which will ultimately provide water service to the customers of the current Seaview Water Company, as well as, a commercial office customer, once the Board rules on the acquisition.

¹ While the petition references N.J.S.A. 48:2-51.1, N.J.S.A. 48:3-10 and N.J.A.C. 14:1-5.10 as the standard of review, this petition was reviewed in accordance with the provisions applied to this transaction N.J.S.A. 48:2-51.1 and N.J.A.C. 14:1-5.14. (see Stipulation of Settlement, page 2, paragraph 2).

Seaview Water is a regulated public utility corporation engaged in the production, treatment and distribution of water within its service territory, which includes a portion of the Township of Egg Harbor, Atlantic County, New Jersey. Within its service territory, Seaview Water serves approximately ninety-one (91) customers. Seaview Water was incorporated in 1955 and received a municipal consent from the Township on January 21, 1957, to construct, operate, manage and maintain the water plant and system in the Seaview Harbor section of the Township which was formally known as the McCullough Island section. The Seaview Harbor portion of Egg Harbor is a fully developed residential community with the possibility of adding one or two new customers, in the existing service territory, there is no real availability to expand the water service beyond these two lots.

Joint Petitioners held a public meeting on December 9, 2006, at the Seaview Harbor Marina in order to provide the public the opportunity to discuss the proposed acquisition. Notice of the public meeting was mailed to all affected residents and was published in the The Press of Atlantic City newspaper, a newspaper of local distribution, on or about November 22, 2006. Approximately 21 members appeared at the hearing. Notice of the December 9, 2006, public meeting was also provided to the Township of Egg Harbor.

On March 28, 2007, Ordinance No. 12 (2007) was adopted by the Township granting Seaview Harbor Water Company, LLC the municipal consent required under the provisions of N.J.S.A. 48:19-17 and 20 in order to operate and maintain water facilities. Ordinance No. 12 (2007) also stated that Seaview Water Company currently still operates, manages and maintains the water plant and supply system in accordance with the municipal consent granted on January 21, 1957. The municipal consent granted to Seaview Harbor Water Company, LLC by the Township of Egg Harbor is for the geographical area known as the Seaview Harbor section of Egg Harbor Township.

The June 15, 2005, Asset Purchase Agreement between Seaview Harbor Water Company and Seaview Water Company provides for a final purchase price of \$425,000.

After appropriate notice, a municipal consent hearing pursuant to N.J.S.A. 48:2-14 and a public comment hearing on the proposed acquisition was held on July 13, 2007, at the Board offices in Newark, New Jersey. No members of the public appeared at this hearing, which was presided over by the Board's designated hearing examiner, Joseph Quirolo, Esq.

At the July 13, 2007 hearing, Ralph Henry, a member of the Seaview Harbor Water Company, testified that the Seaview Harbor community consists of approximately 90 homes, is a maritime type place, is isolated from the main body of Egg Harbor Township by a waterway. Mr. Henry also testified that it is the intention of Petitioner, Seaview Harbor, to retain all current employees of the Company, to maintain the utility operation in the exact same manner as currently provided, to continue unchanged the present rates, and that he and Joseph Stewart, also a member of the Seaview Harbor Water Company, are local residents, whereas, the current owner is not. Mr. Henry also stated that the source of supply is two on-site wells that are sufficient to meet all current and anticipated demands.

On November 27, 2007, Petitioner filed a letter with the Board to clarify and amend its petition. Specifically, the Petitioner clarified that Seaview Water Company provides a very limited service to the Seaview Harbor Condominium Association for water service. This limited service includes water to a restaurant facility and to a condominium office and restroom facilities. The regulated utility, Seaview Water Company has had permission through its franchise to service these areas. After the acquisition, Seaview Harbor Water Company will continue to serve these

areas owned by the Condominium Association and be regulated by the Board. Further, the Seaview Harbor Condominium Association provides non-potable water to the docks and it will continue to provide non-potable water to the boat slip owners for their boats.

Subsequent to review of responses provided in discovery and after the public hearing in this matter, Board Staff and the Division of Rate Counsel engaged in settlement discussions with Joint Petitioners which resulted in the Signatory Parties (Board Staff, Division of Rate Counsel and Joint Petitioners) reaching a settlement.

As more fully set forth in the attached Stipulation², the Settlement provides that:

1. The Signatory Parties agree to recommend to the Board that the acquisition be approved. (Settlement Paragraph 1).
2. The Signatory Parties agree that the journal entries should be updated to reflect actual amounts at the time of the closing of the sale transaction, which updated journal entries, should be revised to record the transaction on Petitioner's books. (Settlement Paragraph 2).
3. The Signatory Parties agree that approval of this petition does not constitute Board approval of any costs or expenses, including any net acquisition adjustment associated with this transaction. The Signatory Parties agree that none of the closing costs will be included in any request for a rate increase in the future. (Settlement Paragraph 3).
4. The Signatory Parties recommend to the Board that customers of the Company should continue to pay for water service at rates pursuant to the existing Board-approved tariff. (Settlement Paragraph 4).
5. The Signatory Parties agree that subject to the execution, where appropriate, of acceptable confidentiality agreements, the Board shall be provided with reasonable access to the books and records of Petitioner for the purpose of reviewing the proper allocation of costs to its operations. Nothing in this Stipulation of Settlement shall be construed so as to limit the authority of the Board pursuant to N.J.S.A. 48:2-16, et seq. (Settlement Paragraph 5).
6. Petitioner shall inform the Board of the date on which the asset acquisition shall have been consummated, and, within sixty (60) days of such date, shall provide to the Board and to the remaining Signatory Parties an exhibit showing all direct transaction costs, as well as the final purchase price of the Company's assets. (Settlement Paragraph 6).
7. The assets of the Company shall not be pledged without the prior approval of the Board. (Settlement Paragraph 7).
8. The Signatory Parties jointly request that, pursuant to N.J.S.A. 48:2-24, the Board approve cessation of service by the Company in this docket, effective upon the closing of the sale of the Company's assets to Petitioner. (Settlement Paragraph 9).

² Cited paragraphs referenced are in the settlement document. This is only a summary, the full settlement document controls, subject to the Board's findings and conclusions contained herein.

9. The Signatory Parties to this Stipulation further stipulate, agree, and recommend that Ordinance No. 12 (2007) granting the franchise covering the Seaview Harbor section of Egg Harbor Township to Petitioner, be approved by the Board. (Settlement Paragraph 10).

With regard to the information evaluation required under N.J.S.A. 48:2-51.1, and based upon the joint petition, discovery, and conferences among the Signatory Parties, the Signatory Parties further stipulated to the following with respect to the criteria of N.J.S.A. 48:2-51.1:

- A. Competition: The transaction to be consummated pursuant to the Asset Purchase Agreement will have no immediate, direct or measurable impact on competition as Petitioner will continue to serve the current customers, under the same market conditions that currently exist, and will continue to be subject to the jurisdiction of the Board.
- B. Customer Rates: Rates charged for water service will remain unchanged after the asset purchase is completed. The Petitioner proposes to continue to charge the customers for water service pursuant to existing tariff currently on file with the Board until its next rate proceeding.
- C. Employees: Petitioner has committed to retaining the Company's employees. All employees have submitted affidavits stating they are willing to continue their employment with Petitioner.
- D. Provision of Safe, Adequate and Proper Service: The provision of safe, adequate and proper utility service to the customers will be enhanced as a result of the proposed transaction in that it will make available to customers of the Company the operational and capital resources of the Petitioner.

DISCUSSIONS AND FINDINGS

The proposed acquisition should not have an adverse impact on competition, rates and employees of Seaview Harbor Water Company and Seaview Water Company. The proposed acquisition and conditions set forth in the Stipulation are reasonable and appropriate, and in conjunction with existing statutes, provide sufficient means to properly regulate the operations of the Seaview Harbor Water Company the acquiring entity of the Seaview Water Company system.

The location of the customer service office will be relocated from the Pennsylvania office to an office within the service territory to better serve customers. Customers will benefit by having the entire operation of the Seaview Harbor Water Company being located closer to the service area with positive benefits resulting from two of the three principals within the service area.

The Board, having considered the Stipulation and record in this matter HEREBY FINDS that:

- a. The proposed transactions are in accordance with law and are not contrary to the public interest.
- b. The Signature Parties have voluntarily agreed to the Stipulation and the Stipulation disposes of all the issues in this case.

- c. The proposed conditions set forth in the Stipulation entered into by the Signatory Parties are reasonable and appropriate, consistent with existing statutes, and provides the Board with sufficient means to properly regulate the operations of Seaview Harbor.
- d. Based upon the record in this proceeding and subject to the conditions set forth in this Order, the statutory criteria set forth in N.J.S.A. 48:2-51.1 are satisfied as noted in the Settlement and set forth herein and, furthermore, the Board finds that there are no adverse impacts on any of the criteria delineated in N.J.S.A. 48:2-51.1 that shall result from the approval of the transfer of control. The Board further finds that the criteria set forth in N.J.A.C. 14:1-5.14 are satisfied based upon the record in this proceeding. The Board also notes that Ralph Henry, Joseph Stewart and George K. Miller, Jr. each own a one-third interest in Petitioner, Seaview Harbor Water Company, LLC. Mr. Henry is president of Arthur R. Henry Contractors and Engineers, a general contractor company that has experience in site work, storm drainage, water, sewer, gas main and services. Mr. Stewart has experience in managing wells and was the project manager for the construction of the Seaview Harbor Marina Condominium. Mr. Miller is an attorney licensed to practice law in New Jersey, in New York and in California. The purchase price will be made up of Petitioner's member's capital. The relocation of the customer service office to the Seaview Harbor Water Company service territory will better serve the customers, as well as, the benefit of having the entire operation of the Seaview Harbor Water Company being located within the area with positive benefits resulting from two of the three principals residing within the service area.
- e. The transfer of the water utility assets of the Seaview Harbor section of Egg Harbor Township from Seaview Water to Seaview Harbor should not have an adverse impact on customers or the State of New Jersey.
- f. The approval of the franchise granted by Egg Harbor Township to Seaview Harbor to serve a portion of the Township known as Seaview Harbor is in accordance with law.
- g. The discontinuance of water service by Seaview Water shall not have an adverse impact on public convenience and necessity.

After careful review of the record of this proceeding and the Stipulation of the Parties, the Board HEREBY ADOPTS the Stipulation attached herein, as its own, incorporating by reference the terms and conditions as if fully set forth at length herein. Accordingly, the Board HEREBY APPROVES the Stipulation attached hereto as its own, subject to the following provisions:

- a. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever the value of any tangible or intangible assets now owned or hereafter to be owned by Joint Petitioners.
- b. This Order shall not affect nor in any way limit the exercise of the authority of this Board or of this State in any future petition or in any proceedings with respect to rates, franchises, services, financing, accounting, capitalization, depreciation, or in any other matters affecting Seaview Harbor.
- c. In an appropriate subsequent proceeding, Seaview Harbor shall have the burden of demonstrating whether, and to what extent, any of the costs associated with the

municipal consent shall be allocated to ratepayers. Approval of this municipal consent does not include authorization to include in rate base the specific assets that will be acquired as a result of the transaction.

- d. Approval of this municipal consent ordinance does not constitute Board approval of any costs or expenses associated with the municipal consent request. Any determination as to the appropriateness or reasonableness of the costs and expenses related to the franchise, including but not limited to, cost of construction, contributions in aid of construction, the cost of connection, or any related capital improvements, and the allocation of such costs and expenses, shall be made in an appropriate subsequent proceeding.
- e. The acquisition adjustment shall be for accounting purposes only and any rate impact resulting from the acquisition adjustment shall be determined in Seaview Harbor's next base rate case.
- f. Joint Petitioners shall inform the Board, in writing, of the date of the closing of the asset sale transaction within twenty (20) days of closing and shall file with the Board final journal entries within sixty (60) days of closing reflecting the actual amounts at the time of closing.
- g. Within sixty (60) days of closing Seaview Harbor shall provide to the Board and to Rate Counsel an exhibit showing all direct transaction costs, as well as the final details of the transactions between Seaview Harbor and Seaview Water for the sale of Seaview Water's water utility plant to Seaview Harbor.
- h. None of the transaction costs associated with the acquisition by Seaview Harbor of the utility plant assets of Seaview Water shall be recoverable by the Petitioner.

Nothing in this Order shall be construed as limiting the jurisdiction vested in the Board under Title 48 or as altering the requirements found herein, including, but not limited to the requirement in N.J.S.A. 48:2-51.1 or N.J.S.A. 48:2-16.

- j. Seaview Water shall file with the Board its 2007 Annual Report, pursuant to N.J.A.C. 14:3-6.3 within sixty (60) days of the closing of the sale of its water utility assets to Seaview Harbor.
- k. Seaview Water shall file with the Board, within sixty (60) days of closing, its Statement of Gross Intrastate Operating Revenues for the period January 1, 2007, to the closing date.

Pursuant to the applicable statutes, Seaview Water shall be responsible for the Board of Public Utilities and the Division of Rate Counsel's State assessment liability based upon Seaview Water's 2007 gross intrastate revenues from January 1, 2007, through the closing date of the acquisition.

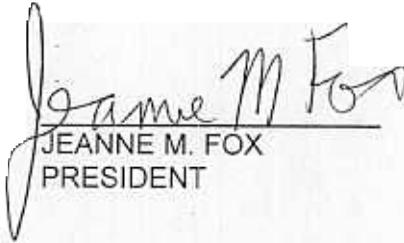
- m. Board approval of the purchase of the water utility assets of Seaview Water by Seaview Harbor does not include the approval of any ancillary agreements or to conditions relating to the acquisition unless specifically stated in this Order.

- n. Seaview Harbor shall apply the rates currently charged by Seaview Water and file a complete tariff within thirty (30) days of the date of this Order.
- o. The Board's decision in this matter to permit Seaview Water to discontinue utility service under N.J.S.A. 48:2-24 is based solely upon the finding that there will be a continuity of service to those customer previously provided service by Seaview Water, who will now be served by Seaview Harbor.

The effective date of this Order is as dated below.

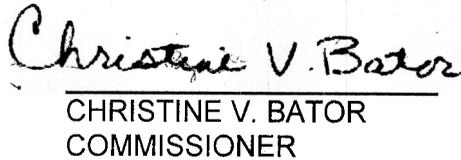
DATED: 11/30/07

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER

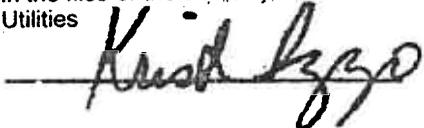

JOSEPH L. FIORDALISO
COMMISSIONER


CHRISTINE V. BATOR
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



IN THE MATTER OF THE PETITION OF
SEAVIEW HARBOR WATER COMPANY, LLC
FOR THE APPROVAL OF MUNICIPAL CONSENTS
TO PROVIDE WATER SERVICE TO CERTAIN AREAS
OF SEAVIEW HARBOR, TO ACQUIRE THE WATER SYSTEMS
OF SEAVIEW WATER COMPANY,
AND OTHER REGULATORY APPROVALS

BPU DOCKET NO. WE05090784

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Two Gateway Center
Newark, NJ 07102

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF	:	BPU DOCKET NO.
SEAVIEW HARBOR WATER COMPANY, LLC	:	WE05090784
FOR THE APPROVAL OF MUNICIPAL CONSENT TO	:	
PROVIDE WATER SERVICE TO CERTAIN AREAS	:	
OF SEAVIEW HARBOR, TO ACQUIRE THE WATER	:	
SYSTEMS OF SEAVIEW WATER COMPANY, AND	:	
OTHER REGULATORY APPROVALS.	:	
	:	STIPULATION OF SETTLEMENT

APPEARANCES:

Miller and Gallagher by George K. Miller, Jr., Esq., attorneys for Seaview Harbor Water Company, LLC.

Anne Milgram, Attorney General of the State of New Jersey, by Arlene E. Pasko, Deputy Attorney General, on behalf of the Staff of the New Jersey Board of Public Utilities.

Stefanie A. Brand, Director, New Jersey Division of Rate Counsel, by Gina Hunt, Esq., and Susan McClure, Esq., Assistant Deputy Ratepayer Advocates, on behalf of the Division of the Rate Counsel.

Thomas J. DiPilla, Jr., Esq., attorney for Seaview Water Company.

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

The parties that have actively participated in this proceeding are as follows:

Seaview Harbor Water Company, LLC (hereinafter "Petitioner"), the Division of Rate Counsel ("Rate Counsel") and the Staff of the Board of Public Utilities ("Staff"). As a result of an analysis of the Petitioner's filed Petition and exhibits, conferences, negotiations, responses to data requests, and one duly noticed public comment hearing held in the Seaview Water Company's (hereinafter "Company") current service territory, the Petitioner, the Company, Rate Counsel and Staff (collectively, the

“Signatory Parties”) have come to an agreement on all of the issues in this matter. The Signatory Parties agree and stipulate as follows:

The procedural history of this matter is as follows:

On September 13, 2005, a public utility corporation of the State of New Jersey filed a petition pursuant to N.J.S.A. 48:2-51.1 and N.J.S.A. 48:3-10, and N.J.A.C. 14:5.10 seeking the approval of the Board of Public Utilities ("Board"):

Jointly, during the process, Petitioner and Company have complied with the provisions of N.J.S.A. 48:2-51.1 and N.J.S.A. 48:3-10, N.J.A.C. 14:1-5.4 and N.J.A.C. 14:1-5.14.

1. To approve a municipal consent to provide water service to certain areas of Seaview Harbor; and
2. To acquire the assets of the Company in an all cash transaction.

By way of background, the Company was incorporated in 1955 to provide water service to the Seaview Harbor portion of Egg Harbor Township (the "Township"), Atlantic County, New Jersey, which presently serves approximately ninety (90) residential and one (1) commercial customer. The Company is within the franchise area of the Egg Harbor Township Municipal Utilities Authority (the "MUA")

The Company received a municipal consent from the Township of Egg Harbor on January 21, 1957 to construct, operate, manage and maintain the water plant and system.

The Seaview Harbor portion of Egg Harbor Township is a fully developed residential community with the possibility of adding one (1) or two (2) new customers. There may be one (1) or two (2) lots still available in the development. Water service cannot be expanded past these lots.

The matter was retained by the Board for consideration, and the parties engaged in detailed discovery.

A public comment hearing was held on December 9, 2006, at 10:00 a.m., at the Seaview Harbor Marina. Notice of the meeting was published in the Press of Atlantic City and also mailed to all affected residents. Discussions at the meeting involved the transfer of assets and operations from Seaview Water Company to Petitioner. Minutes from this meeting were recorded and provided to the Board along with a list of attendees.

Pursuant to the Asset Purchase Agreement (Agreement) between Seaview Harbor Water Company, LLC and Seaview Water Company dated June 15, 2005 Petitioner shall acquire all of the property, rights, privileges, power, franchise, debts, liabilities and duties of the Company. Under the terms of the Agreement, Petitioner is not to assume any of the debt of the Company existing at closing. The purchase price of the assets shall be four hundred and twenty-five thousand 00/100 (\$425,000) dollars.

On February 28, 2007, Ordinance 12 (2007) was adopted by the Township of Egg Harbor granting a municipal consent to Petitioner.

On June 29, 2007, at the direction of the Board of Public Utilities (hereinafter "BPU"), a public notice was published in the Press of Atlantic City stating that the Company's assets were to be sold to Petitioner.

A municipal consent hearing was held on July 13, 2007 at the Board's office in Newark, New Jersey, where Joseph Quirolo, Legal Specialist for the Board, presided. No members of the public appeared at this hearing.

Multiple settlement discussions were held by the Signatory Parties during 2007 and a settlement conference was held and those efforts resulted in the following stipulations among the Signatory Parties:

1. The Signatory Parties agree to recommend to the Board that the acquisition be approved.

2. The Signatory Parties agree that the journal entries should be updated to reflect actual amounts at the time of the closing of the sale transaction, which updated journal entries, should be revised to record the transaction on Petitioner's books.
3. Approval of this petition does not constitute Board approval of any costs or expenses, including any net acquisition adjustment associated with this transaction. The Signatory Parties agree that none of the closing costs will be included in any request for a rate increase in the future.
4. The Signatory Parties recommend to the Board that customers of the Company should continue to pay for water service at rates in accordance with the existing Board-approved tariff.
5. The Signatory Parties agree that subject to the execution, where appropriate, of acceptable confidentiality agreements, the Board shall be provided with reasonable access to the books and records of Petitioner for the purpose of reviewing the proper allocation of costs to its operations. Nothing in this Stipulation of Settlement shall be construed so as to limit the authority of the Board pursuant to N.J.S.A. 48:2-16 et seq.
6. Petitioner shall inform the Board of the date the asset acquisition was consummated, and within sixty (60) days of this date shall provide to the Board and to the Signatory Parties an exhibit showing all direct transaction costs, as well as the final purchase price for the Company's assets.
7. The assets of the Company shall not be pledged without the prior approval of the Board.

8. (a.) In considering a request for approval pursuant to N.J.S.A. 48:2-51.1, the Board is required to evaluate the impact of the change in control on competition, on the rates of ratepayers affected by the change in control, on the employees of the affected public utility, and on the provision of safe, adequate and proper utility service at just and reasonable rates.

Rates charged for water service will remain unchanged after the asset purchase is completed. Until the next rate proceeding, the Petitioner proposes to continue to charge the customers for water service pursuant to existing tariff currently on file with the Board.

Petitioner has committed to retaining the Company's employees. All employees have submitted affidavits stating they are willing to continue their employment with Petitioner.

- (d.) The provision of safe, adequate and proper utility service to the customers will be enhanced as a result of the proposed transaction in that it will make available to customers of the Company the operational and capital resources of the Petitioner.
- (e.) The transaction to be consummated pursuant to the Asset Purchase Agreement will have no immediate, direct or measurable impact on competition as Petitioner will continue to serve the current customers, under the same market conditions that currently exist and will continue to be subject to the jurisdiction of the Board.
9. The Signatory Parties jointly move that pursuant to N.J.S.A. 48:2-24 the Board approve cessation of service by the Company in this docket effective upon the closing of the sale of the Company's assets to Petitioner.

10. The Signatory Parties to this Stipulation further stipulate and agree that Ordinance No. 12 (2007) granting the franchise covering the Seaview Harbor section of Egg Harbor Township to Petitioner should be approved by the Board.
11. (a.) This Stipulation of Settlement ("Stipulation") is the product of negotiations by the Signatory Parties, and it is an express condition of the settlement embodied by this Stipulation that it be presented to the Board in its entirety without modification or condition. It is also the intent of the Signatory Parties to this Stipulation that this settlement, once accepted and approved by the Board, shall govern all issues specified and agreed to herein. The Signatory Parties to this Stipulation specifically agree that if adopted in its entirety by the Board, no appeal shall be taken by them from the order adopting same as to those issues upon which the Signatory Parties have stipulated herein.

The Signatory Parties agree that the within Stipulation reflects mutual balancing of various issues and positions and is intended to be accepted and approved in its entirety. Each term is vital to this Stipulation as a whole, since the Signatory Parties hereto expressly and jointly state that they would not have signed this Stipulation had any terms been modified in any way. In the event any particular aspect of this Stipulation is not accepted and approved by the Board, then any Signatory Party materially affected thereby shall not be bound to proceed under this Stipulation.

(c.) The Signatory Parties further agree that the purpose of this Stipulation is to avoid protracted and costly litigation, and that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Signatory Parties shall be prohibited from or prejudiced in arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter.

SEAVIEW HARBOR WATER COMPANY, LLC

_____, 2007

By: George K. Miller, Jr., Esq.
Attorney for Seaview Harbor Water Company, LLC

2007

By: Thomas J. DiPilla, Jr., Esquire
Attorney for Seaview Water Company

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

Date: _____, 2007

By: Arlene E. Pasko, Deputy Attorney General

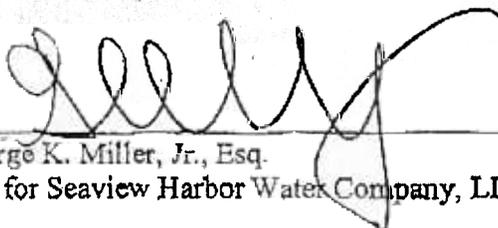
STEFANIE A. BRAND, DIRECTOR
NEW JERSEY DIVISION OF RATE COUNSEL

Date: _____, 2007

By: Susan McClure, Esq., Asst. Deputy Public Advocate

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SEAVIEW HARBOR WATER COMPANY, LLC



By: George K. Miller, Jr., Esq.
Attorney for Seaview Harbor Water Company, LLC

_____, 2007

Date: _____, 2007

By: Thomas J. DiPilla, Jr., Esquire
Attorney for Seaview Water Company

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

_____, 2007

By: Arlene E. Pasko, Deputy Attorney General

STEFANIE A. BRAND, DIRECTOR
NEW JERSEY DIVISION OF RATE COUNSEL

10 | 12
_____, 2007



By: Susan McClure, Esq., Asst. Deputy Public Advocate

(c.) The Signatory Parties further agree that the purpose of this Stipulation is to avoid protracted and costly litigation, and that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Signatory Parties shall be prohibited from or prejudiced in arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter.

SEAVIEW HARBOR WATER COMPANY, LLC

Date: _____, 2007

By: George K. Miller, Jr., Esq.
Attorney for Seaview Harbor Water Company, LLC

October 12, 2007

Thomas J. DiPilla, Jr.
By: Thomas J. DiPilla, Jr., Esquire
Attorney for Seaview Water Company

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

_____, 2007

By: Arlene E. Pasko, Deputy Attorney General

STEFANIE A. BRAND, DIRECTOR
NEW JERSEY DIVISION OF RATE COUNSEL

_____, 2007

By: Susan McClure, Esq., Asst. Deputy Public Advocate

(c.) The Signatory Parties further agree that the purpose of this Stipulation is to avoid protracted and costly litigation, and that with respect to any policy or other issues which were compromised in the spirit of reaching an agreement, none of the Signatory Parties shall be prohibited from or prejudiced in arguing a different policy or position before the Board in any other proceeding, as such agreements pertain only to this matter and to no other matter.

SEAVIEW HARBOR WATER COMPANY, LLC

_____, 2007

By: George K. Miller, Jr., Esq.
Attorney for Seaview Harbor Water Company, LLC

_____, 2007

By: Thomas J. DiPilla, Jr., Esquire
Attorney for Seaview Water Company

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

October 12, 2007

Arlene E. Pasko
By: Arlene E. Pasko, Deputy Attorney General

STEFANIE A. BRAND, DIRECTOR
NEW JERSEY DIVISION OF RATE COUNSEL

Date: _____, 2007

By: Susan McClure, Esq., Asst. Deputy Public Advocate