



Agenda Date: 4/3/09

Agenda Item: 5B

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

WATER

IN THE MATTER OF THE PETITION OF)	ORDER ADOPTING
UNITED WATER NEW JERSEY INC. FOR)	INITIAL DECISION/STIPULATION
APPROVAL OF AN INCREASE IN RATES FOR)	
WATER SERVICE AND OTHER TARIFF)	BPU DOCKET NO. WR08090710
CHANGES)	OAL DOCKET NO. PUC 11730-2008N

(SERVICE LIST ATTACHED)

BY THE BOARD:

On September 5, 2008, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12 et seq., United Water New Jersey Inc. (UWNJ or Company) a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (Board), filed a petition seeking approval of an increase in rates for water service and to make other tariff changes. The Company also requested approval to implement a Distribution System Improvement Charge (DSIC), as well as an Energy and Chemical Cost Adjustment Clause (ECCA).

The Company's initial rate request would have resulted in an increase in total Company revenues in the amount of \$47,213,481, or 31.5% over pro forma present rate revenues. After discovery and settlement discussions, an agreement to increase total Company revenues by \$26,500,000 or 17.5% was reached (the Stipulation). The requests for a DSIC and an ECCA were withdrawn by the Company as part of the agreement. By this Order, the Board considers the Initial Decision recommending adoption of the Stipulation.

BACKGROUND/PROCEDURAL HISTORY

UWNJ services more than 194,000 customers located in the northern and western portions of the State. Specifically, UWNJ serves customers in portions of Bergen, Hudson, Hunterdon, Morris, Passaic and Sussex Counties. UWNJ also supplies water for resale service to the municipalities of the Township of Saddle Brook and the Boroughs of Fairlawn, Saddle River, Allendale, Mahwah and Ramsey.

On September 29, 2008, this matter was transmitted to the Office of Administrative Law (OAL) where it was assigned to Administrative Law Judge (ALJ) Walter Braswell. ALJ Braswell conducted a pre-hearing conference on October 28, 2008, and presided over the public hearing held on December 22, 2008, at the Bergen County Freeholders Public Meeting Room, One Bergen County Plaza, Fifth Floor, Room 520, Hackensack, New Jersey. One member of the public appeared but did not speak. The Board initially suspended the requested increase in

rates by Order dated October 6, 2008, until February 10, 2009, and further suspended the requested increase by Order dated January 28, 2009, until June 10, 2009.

The only parties to this proceeding are the Company, the Department of the Public Advocate, Division of Rate Counsel (Rate Counsel) and Board Staff (collectively, the Parties). The Utility Workers Union of America, Local 375 (Union) filed a motion to intervene or, in the alternative, for participant status in this case. ALJ Braswell, on January 7, 2009, issued an Order Denying Intervention by the Union concluding that the Union had not provided any support for its claim that its participation in this case would add measurably and constructively to the scope of the case.

The Parties exchanged discovery requests throughout this proceeding. Subsequent to the public hearing and prior to evidentiary hearings in this matter, the Parties engaged in settlement negotiations on February 5, March 12 and March 16, 2009. As the result of the discovery and settlement conferences, the Parties reached a settlement on all issues and entered into the Stipulation. A copy of the Stipulation is attached.

On March 25, 2009, ALJ Braswell issued his Initial Decision recommending adoption of the Stipulation executed by the Parties, finding that the Parties had voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues and is consistent with the law. No exceptions were received by the Board.

DISCUSSIONS AND FINDINGS

Among the provisions of the Stipulation, the Parties recommend a rate base of \$ 506,000,000 and an authorized return on equity for the Company of 10.3% for an overall rate of return of 8.05%. Pursuant to the Stipulation, the average bill for a typical UWNJ residential customer with a 5/8" meter using on average 89,760 gallons of water per year will increase from the current rate of \$393.71 per year to \$462.81 per year, an increase of \$69.10 per year (\$17.28 per quarter) or approximately 17.5%. As stated by the Parties in the Stipulation, the capital investment made by the Company for needed upgrades to the Haworth Treatment Plant which have already been placed in service are a major component of this increase.

Having considered the testimony filed in this proceeding, and reviewed ALJ Braswell's Initial Decision and the Stipulation among the Parties, the Board HEREBY FINDS that the Parties have voluntarily agreed to the Stipulation and that the Stipulation fully disposes of all issues in this proceeding and is consistent with the law. The Board HEREBY FINDS the Initial Decision which adopts the Stipulation to be reasonable and in the public interest.

Accordingly, the Board HEREBY ADOPTS the ALJ's Initial Decision and the Stipulation, attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions as if fully set forth herein, subject to the following:

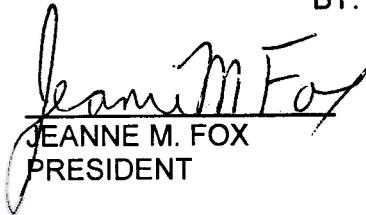
- a. The Board ACCEPTS the Company's request for deferred accounting treatment for accounting purposes only, with respect to the Company's current actuarially derived 2009, shortfall in its pension costs, until such time as these data can be more completely analyzed. The Board shall determine an amortization period, if any, in the Company's next base rate proceeding.

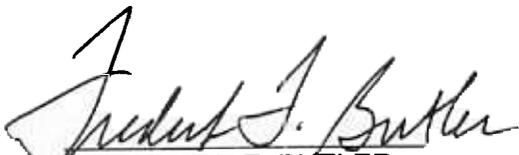
- b. The Board DIRECTS the Company to continue to address its level of non-revenue water. The Board DIRECTS the Company to continue to provide Board Staff and Rate Counsel with quarterly data on non-revenue water.
- c. The Board DIRECTS the Company to continue to cooperate with the Board's Report Card Initiative, and DIRECTS the Company to continue to work with Board Staff and Rate Counsel to track and measure service responsiveness.
- d. The tariff sheets attached to the Stipulation containing rates and charges conforming to the Stipulation and designed to produce the additional revenues to which the Parties have stipulated herein are HEREBY ACCEPTED; and
- e. The stipulated increase and the tariff design allocations for each customer classification are HEREBY ACCEPTED.

The Board HEREBY DIRECTS the Company to submit a complete revised tariff conforming to the terms and conditions of the Stipulation and this Order within ten (10) days from the date of this Order.

DATED: 4/3/09

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT

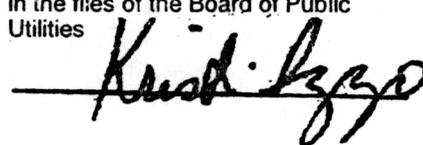

FREDERICK F. BUTLER
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER


ELIZABETH RANDALL
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
UNITED WATER NEW JERSEY INC.
FOR APPROVAL OF AN INCREASE
IN RATES FOR WATER SERVICE
AND OTHER TARIFF CHANGES

BPU Docket No. WR08090710
OAL Docket No. PUC 11730-2008N

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RPA
MOREAU, A
MILNER-HOLLAND
KIRSCHBAUM, JL
QUIROLO, I
W & S (2)



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

RECEIVED
SE MANAGEME.

2009 MAR 30 PH 4:

BOARD OF PUBLIC UTILITIES
NEWARK, N.J.

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 11730-08

AGENCY DKT. NO. WR08090710

IN THE MATTER OF THE PETITION OF
UNITED WATER NEW JERSEY INC. FOR
APPROVAL OF AN INCREASE IN RATES FOR
WATER SERVICE AND OTHER TARIFF
CHANGES

Steven B. Genzer, Esq., for petitioner (Saul Ewing, attorneys)

Alex Moreau, Cynthia Holland and Kerri Kirschbaum, Deputy Attorney
Generals (Anne Milgram; Office of the Attorney General)

Christine Juarez, Esq., appearing on behalf of the Division of Rate Counsel

Record Closed: March 25, 2009

Decided: March 25, 2009

BEFORE WALTER M. BRASWELL, ALJ:

This matter was transmitted to the Office of Administrative Law (OAL) on October 9, 2008 for resolution as a contested case pursuant to N.J.S.A. 16:41C-8.7(b)3.

A telephone pre-hearing was conducted on October 28, 2008 and a public hearing was held on December 15, 2008. Evidentiary hearings were scheduled for

April and May of 2009 however, prior to the hearing dates the parties reached settlement. On March 25, 2009 a copy of the fully executed Settlement Agreement was received by the OAL indicating the terms of the agreement, which are incorporated herein by reference.

Having reviewed the contents of the attached Settlement Agreement, **FIND:**

- 1 The parties have voluntarily agreed to the settlement as evidenced by their signatures and/or the signatures of their representatives.
- 2 The settlement fully disposes of all issues in controversy and is consistent with the law.

I approve the settlement and, therefore **ORDER** that the parties comply with the settlement terms and that these proceedings be concluded.

hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

March 25, 2009
DATE

Walter M. Braswell
WALTER M. BRASWELL, ALJ

Date Received at Agency: 3/30/09

Floyd R. ...
Mailed to Parties:

DATE
ljb

OFFICE OF ADMINISTRATIVE LAW



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2009 MAR 25 P 2:59

OFFICE OF A CLERK

March 25, 2009

Honorable Walter M. Braswell, ALJ
Office of Administrative Law
33 Washington Street
Newark, NJ 07102

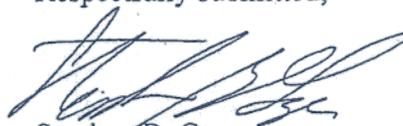
Re: In the Matter of the Petition of United Water New Jersey Inc. for
Approval of an Increase in Rates for Water Service and Other Tariff Changes
BPU Docket No. WR08090710
OAL Docket No. PUC 11730-08

Dear Judge Braswell:

Enclosed please find two (2) copies, plus one additional copy, of the Stipulation of Settlement which has been executed on behalf of Petitioners, Staff of the Board of Public Utilities and the Division of Rate Counsel, in the above-referenced matter.

Thank you for your attention to this matter.

Respectfully submitted,



Stephen B. Genzer

SBG/jg
Enclosure
cc: Attached Service List (w/encl.)

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Stephen B. Genzer - Newark Managing Partner

DELAWARE MARYLAND NEW JERSEY NEW YORK PENNSYLVANIA WASHINGTON, DC

A DELAWARE LIMITED LIABILITY PARTNERSHIP

SERVICE LIST

**In the Matter of the Petition of
United Water New Jersey Inc. for Approval of an Increase
in Rates for Water Service and Other Tariff Changes
BPU Docket No. WR08090710
OAL Docket No. PUC 11730-08**

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electronically**

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF
UNITED WATER NEW JERSEY INC. FOR
APPROVAL OF AN INCREASE IN RATES
FOR WATER SERVICE AND OTHER
TARIFF CHANGES

BPU DOCKET NO. WR08090710
OAL DOCKET NO. PUC 11730-08

STIPULATION OF
SETTLEMENT

APPEARANCES:

Stephen B. Genzer, Esq., and Colleen A. Foley, Esq., Saul Ewing LLP, on behalf of United Water New Jersey Inc., Petitioner

Alex Moreau, Deputy Attorney General, Cynthia Holland, Deputy Attorney General, and Kerri Kirshbaum, Deputy Attorney General (Anne Milgram, Attorney General of New Jersey), on behalf of the Staff of the New Jersey Board of Public Utilities

Susan E. McClure, Esq., Assistant Deputy Public Advocate, and Christine M. Juarez, Esq. Assistant Deputy Public Advocate, on behalf of the Department of the Public Advocate, Division of Rate Counsel

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

The Parties in this proceeding are as follows: United Water New Jersey Inc., the Department of the Public Advocate, Division of Rate Counsel ("Rate Counsel"), and the Staff of the Board of Public Utilities ("Staff"). As a result of an analysis of Petitioner's verified petition, pre-filed testimony and exhibits, extensive discovery, and a public comment hearing held in the Bergen County Administration Building on December 22, 2008, the Petitioner, Staff and Rate Counsel (collectively, the "Signatory Parties") have come to an agreement on the issues in dispute in this matter. The Signatory Parties hereto agree and stipulate as follows:

The procedural history of this matter is as follows:

On September 5, 2008, Petitioner, a public utility corporation of the State of New Jersey, pursuant to N.J.S.A. 48:2-21, and N.J.A.C. 14:1-5.12 filed a petition to increase rates for water service and to make other tariff changes. Specifically, the Petitioner requested a rate increase of approximately \$47,213,481 or approximately 31.5% above the adjusted annual level of revenues for the post-test year period ending April 30, 2009. The Petitioner also sought authority to implement both a Distribution System Improvement Charge (“DSIC”) and an Energy and Chemicals Cost Adjustment (“ECCA”) clause.

In the petition, the Petitioner noted the decision of the Board (Docket No. WR 07020135) recognizing the need for a major upgrade of its Haworth Treatment Plant.

The Board transmitted this matter to the Office of Administrative Law (“OAL”), and Administrative Law Judge (“ALJ”) Walter Braswell was assigned to hear the case. On October 6, 2008, the Board entered an Order suspending until February 10, 2009 the implementation of changes the Petitioner sought to make to its tariffs. A Pre-Hearing Conference was convened by ALJ Braswell on October 28, 2008, and a Pre-Hearing Order was issued on November 14, 2008. On January 28, 2009, the Board issued a second Order suspending the implementation of proposed rates until June 10, 2009.

Extensive discovery was conducted by the Parties with Petitioner providing responses to hundreds of data requests, many with multiple parts. After proper notice, a public hearing was held in the Petitioner’s service territory on the evening of December 22, 2008 in Hackensack, New Jersey.

Numerous settlement discussions have been held, and the agreements reached during those discussions have resulted in the following stipulation by the Signatory Parties:

No members of the public appeared to testify at the hearing.

The Signatory Parties agree, that for purposes of this settlement, rate base is established at \$ 506,000,000.

2. The Signatory Parties agree that, for the purposes of this settlement only, an overall rate of return of 8.05 % will be used, which will result in an overall additional revenue requirement of \$26.5 million. For the purposes of this proceeding, this overall rate of return is calculated with long term debt calculated at a rate of 5.75% and equity calculated at a rate of 10.3%. The additional revenue requirement amount was calculated as follows:

Rate Base	\$ 506,000,000
Rate of Return	x 8.05%
Required Operating Income	\$ 40,733,000
Test Year Operating Income	- 26,016,207
Deficiency	14,716,793
Revenue Conversion Factor	x 1.800664
Revenue Requirement	\$ 26,500,000

3 The Signatory Parties stipulate that a revenue increase for the Petitioner of \$ 26.5 million or approximately 17.5 % over total present water sales revenues of \$151,447,581 is an appropriate result of this matter. The Signatory Parties recommend that the Board consider the above stipulated revenue increase and all remaining agreed upon issues embodied in this Stipulation, at its April 3, 2009, regularly scheduled agenda meeting. The Signatory Parties further acknowledge that any increase or issue contained in this Stipulation, and approved by the Board, will become effective on the date of a fully executed written Board Order. The Signatory Parties agree that this revenue requirement should represent a level of revenues necessary to ensure that the Petitioner will continue to provide safe, adequate, and proper water service to their customers.²

² This settlement will result in no changes to current amortization periods.

4. The Signatory Parties agree that the attached tariff pages (Exhibit A), generally reflecting an across the board implementation of the terms of this Stipulation, should be adopted by the Administrative Law Judge and the Board in their entirety. Attached to this Stipulation as Exhibit B is a Proof of Revenues at proposed rates.

5. The Signatory Parties have examined the costs and progress to completion of the upgrade to the Haworth Treatment Plant (the "Haworth Upgrade") which constitutes the largest single item driving the increase resulting from this case. The Haworth Upgrade has been both prudent and necessary and the Board recognized the need for this substantial capital investment in the Company's last base rate case (Docket No. WR07020135). This stipulation is driven in large part by the monies expended for utility plant completed and placed in service in this phase of the Haworth Upgrade and do not reflect any dollars to be spent in the future to complete that upgrade. Those issues and future investments are agreed by the Signatory Parties to be left to a future rate proceeding. The Signatory Parties agree that the Haworth Upgrade is prudent and necessary for UWNJ to continue to provide safe, adequate and proper utility service to its customers, have examined the costs and recognize the prudence of the Haworth investment to date, without making any representations about the prudence of any dollars to be invested in the Haworth project beyond this phase of the construction.

6. Pursuant to the settlement of this proceeding, the Signatory Parties agree that the Company's request for an Energy and Chemicals Cost Adjustment Clause, and a Distribution System Improvement Charge are withdrawn as part of this proceeding.

7. The Signatory Parties recognize that the Company's pension fund is regularly evaluated by the Company's actuaries to ensure compliance with pension funding regulation and that the fund has been severely impacted by the volatility in and valuation of the financial

markets. The result of the current evaluation would normally require a significant additional expense to be recognized currently. However, in these uncertain times, and in order to deal fairly with these issues, the Signatory Parties have agreed that, for accounting purposes only, the Petitioner should be afforded deferred accounting treatment for the current actuarially derived 2009 shortfall in its pension costs (currently \$3,531,129 and will be adjusted to the actual amount ultimately determined by an actuarial reevaluation at the end of 2009 less the amount determined for ratesetting purposes in this proceeding of \$410,016), until such time as these data can be more completely analyzed and implemented for rate purposes. The Signatory Parties recommend that this deferral should be considered by the Board for an amortization, if any, beginning in the Company's next base rate case.

8. The Petitioner is continuing to address its level of non-revenue water. The Petitioner has and will continue to prepare an annual report identifying the Petitioner's programs and initiatives to address the level of non-revenue water. The Petitioner also agrees to continue to provide the Board Staff and Rate Counsel with quarterly data on non-revenue water.

9. In cooperation with the Board's Report Card Initiative, the Petitioner agrees to continue to work with Board Staff and Rate Counsel to track the following measures of service responsiveness: (a) customer complaints and comments; and (b) management of billing accuracy.

10. This Stipulation is the product of extensive 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 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 hereto materially affected thereby shall not be bound to proceed under this Stipulation. The Signatory Parties further agree that the purpose of this Stipulation is to reach fair and reasonable rates, with any compromises being made 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.

11. Except as expressly provided herein, the Petitioner, the Board, its Staff, or Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein and, in total or by specific item, is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation. Also, all rates are subject to audit by the Board.

12. This Stipulation may be executed in as many counterparts as there are Signatory Parties of this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

UNITED WATER NEW JERSEY INC.

March 25, 2009
Date

By: 
Saul Ewing LLP
Stephen B. Genzer, Esq.
Attorney for Petitioner

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

Date

By: _____
Alex Moreau, DAG
Cynthia Holland, DAG
Kerri Kirshbaum, DAG

RONALD K. CHEN
PUBLIC ADVOCATE OF NEW JERSEY
DEPARTMENT OF THE PUBLIC ADVOCATE
STEFANIE A. BRAND, ESQ.
DIRECTOR, RATE COUNSEL

Date

By: _____
Susan E. McClure, Esq, Assistant Deputy Public Advocate
Christine Juarez, Esq. Assistant Deputy Public Advocate

12. This Stipulation may be executed in as many counterparts as there are Signatory Parties of this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

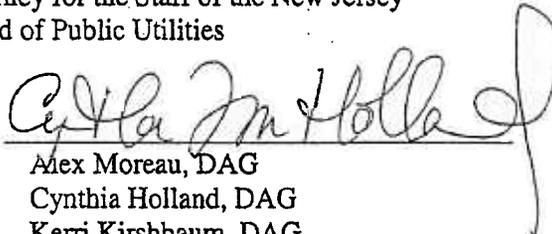
UNITED WATER NEW JERSEY INC.

Date

By: _____
Saul Ewing LLP
Stephen B. Genzer, Esq.
Attorney for Petitioner

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

3/25/09
Date

By: 
Alex Moreau, DAG
Cynthia Holland, DAG
Kerri Kirshbaum, DAG

RONALD K. CHEN
PUBLIC ADVOCATE OF NEW JERSEY
DEPARTMENT OF THE PUBLIC ADVOCATE
STEFANIE A. BRAND, ESQ.
DIRECTOR, RATE COUNSEL

Date

By: _____
Susan E. McClure, Esq, Assistant Deputy Public Advocate
Christine Juarez, Esq. Assistant Deputy Public Advocate

12. This Stipulation may be executed in as many counterparts as there are Signatory Parties of this Stipulation, each of which counterparts shall be an original, but all of which shall constitute one and the same instrument.

UNITED WATER NEW JERSEY INC.

Date

By: _____

Saul Ewing LLP
Stephen B. Genzer, Esq.
Attorney for Petitioner

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

Date

By: _____

Alex Moreau, DAG
Cynthia Holland, DAG
Kerri Kirshbaum, DAG

RONALD K. CHEN
PUBLIC ADVOCATE OF NEW JERSEY
DEPARTMENT OF THE PUBLIC ADVOCATE
STEFANIE A. BRAND, ESQ.
DIRECTOR, RATE COUNSEL

Date

By: _____

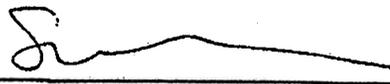

Susan E. McClure, Esq, Assistant Deputy Public Advocate
Christine Juarez, Esq. Assistant Deputy Public Advocate

EXHIBIT A

TERRITORY
LIST OF MUNICIPALITIES

BERGEN COUNTY

Alpine	Hackensack	Ridgefield
Bergenfield	Harrington Park	Ridgefield Park
Bogota	Hasbrouck Heights	River Edge
Carlstadt	Haworth	River Vale
Cliffside Park	Hillsdale	Rochelle Park
Closter	Leonia	Rockleigh
Cresskill	Little Ferry	Rutherford
Demarest	*Lodi Borough	**Saddle Brook
Dumont	Maywood	South Hackensack
East Rutherford	Montvale	Teaneck
Edgewater	Moonachie	Tenafly
Emerson	New Milford	Teterboro
Englewood	Northvale	Upper Saddle River
Englewood Cliffs	Norwood	*Wallington
**Fair Lawn	Old Tappan	Washington Township
Fairview	Oradell	Westwood
Fort Lee	Palisades Park	Woodcliff Lake
Franklin Lakes	Paramus	Wood-Ridge

HUDSON COUNTY

Guttenberg	Secaucus	Weehawken
North Bergen	Union City	West New York

PASSAIC COUNTY

The entire development known as Bald Eagle Commons Block 5301, Lot 21.01, Lot 21.03, Lot 21.04, Lot 21.05, Lot 21.06, Lot 21.07, Lot 21.08, Lot 21.09, Lot 21.10, Lot 21.11; and Block 5305, Lot 1, Lot 2, Lot 3 and Lot 4 in the Township of West Milford, New Jersey.

SUSSEX COUNTY

Stonehill Development, formerly part of Block 233, Lots 2 & 3, Block 190, Lots 14, 15 & 16; Mountainside Development, Block 190, Lots 11, 12, 13 & 16; Great Gorge, Inc., Block 233, Lots 7, 7A, 7B, 10 & 11; Great Gorge Village South, Block 233, Lot 6 & 6A; and Block 233.01, Lots 1-4, Block 233.02, Lots 1-3, Block 233.03, Lots 1-3 & Block 233.04, Lots 1-12 & 14-17; Former territory of Sunset Ridge Water Co. as referenced in Decision and Order in Docket No. 8312-1117 dated March 3, 1989; Sussex Park Homes, Andover Township; Hamptons Commons, Hampton Township; Subdivisions in the Township of Vernon commonly known as: Aspen Woods, Cliffwood Lakes, Grandview Estates, Sussex Hill No. 1, Sussex Hill No. 2, Lake Conway, Stayman/Mott, Omega Drive, Vanderhoff Court, Predmore Estates, Samis Road, MacIntosh, Cortland Road, Warren Drive, Barry Lakes, Highland Lakes, Blackman Estates, Walnut Hills Estates; Subdivision in the Township of Wantage commonly known as Woodridge Estates.

Date of Issue:

Effective:

Docket No. WR08090710

Issued by: Dennis Ciemniecki, President
200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER NEW JERSEY INC.

BPU NO. 1 WATER

Eighth Revised Sheet No. 37
Superseding Seventh Revised Sheet No. 37

RATE SCHEDULE NO. 1
GENERAL METERED SERVICE

APPLICABILITY:

Applicable the use of water supplied through meters in the entire territory served by the Company.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions."

RATE:

Consumption Charge: \$ 3.2887 per hundred cubic feet *
\$ 4.3967 per thousand gallons

Pursuant to N.J.S.A. 58:12A-17, the above rate is inclusive of the State Water Tax of 1-cent per thousand gallons.

SPECIAL PROVISION: Consumption charges for municipal water systems which purchase water under this Rate Schedule shall be reduced by \$0.00748 per hundred cubic feet.

* One hundred cubic feet equals 748 gallons

Facilities Charge:

<u>Size of Meter</u>	<u>Per Quarter</u>
5/8 Inch	\$17.04
3/4 Inch	24.27
1 Inch	40.47
1-1/2 Inch	80.85
2 Inch	129.45
3 Inch	242.73
4 Inch	404.55
6 Inch	809.04
8 Inch	1,294.53
10 Inch	1,860.87
12 Inch	3,479.10

Filed Pursuant to an _____, 2009 decision by the Board of Public Utilities in Docket No. WR08090710

Date of Issue:

Effective:
Docket No. WR08090710

Issued by: Dennis Cierniecki, President
200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER NEW JERSEY INC.

BPU NO. 4 - WATER

Sixth Revised Sheet No. 39
Superseding Fifth Revised Sheet No. 39

RATE SCHEDULE NO. 2

SERVICE TO OTHER WATER SUPPLY SYSTEMS

APPLICABILITY:

Applicable to municipal water systems and water utilities (as defined in N.J.R.S. 48:2-13) in the entire territory purchasing water under special agreements at the option of the Company.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions."

RATE:

\$ 1.7863 per hundred cubic feet.

TERMS OF PAYMENT:

Payment is due within 10 days of presentation of the bill.

Bills will be rendered monthly.

Filed Pursuant to an _____, 2009 decision by the
Board of Public Utilities in Docket No. WR08090710

Date of Issue:

Effective:

Docket No. WR08090710

Issued by:

Dennis Ciemniecki, President
200 Old Hook Road, Harrington Park, New Jersey 07640

RATE SCHEDULE NO. 3

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY:

Applicable to customers throughout entire territory for private fire protection service, as defined in the Standard Terms and Conditions, Section 8.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions."

RATE:

Private Fire Protection Service through metered connections with or without hose or hydrants connected to them.

	<u>Size of Meter/Service</u>	<u>Per Month</u>
*	1-1/2 Inch	\$ 16.14
*	2 Inch	28.82
	3 Inch	80.78
	4 Inch	128.15
	6 Inch	264.30
	8 Inch	469.87
	10 Inch	734.16
	12 Inch	1,057.19

Private Fire Protection through hydrants owned by the Company or customer and connected to Company owned mains located in private rights-of-way.

Territory Served

Rate per Hydrant per Month

Former United Water Hampton	\$ 47.15
All Others	\$ 56.77

Filed Pursuant to an _____, 2009 decision by the Board of Public Utilities in Docket No. WR08090710.

Date of Issue:

Effective:

Docket No. WR08090710

Issued by: Dennis Ciemniecki, President
200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER NEW JERSEY INC.

BPU NO. 4 - WATER

Sixth Revised Sheet No. 42
Superseding Fifth Revised Sheet No. 42

RATE SCHEDULE NO. 4

PUBLIC FIRE PROTECTION SERVICE

APPLICABILITY:

Applicable to municipalities throughout entire territory for public fire protection.

CHARACTER OF SERVICE:

Continuous except as limited by "Standard Terms and Conditions."

RATE:

A: For Territories within Bergen and Hudson Counties:

Inch Foot Charge

Yearly charge of \$ 0.05155 per inch foot of distribution and transmission mains serving the municipality.

Hydrant Charge

\$ 192.48 yearly for each hydrant

The amount of the bill will be the total of the Inch Foot Charge and the Hydrant Charge.

B. For the territory formerly known as United Water Lambertville:

\$ 484.56 yearly for each hydrant

MINIMUM CHARGE:

None

TERMS OF PAYMENT:

Payment is due within 10 days of presentation of the bill.

Bills are rendered monthly.

SPECIAL PROVISIONS:

Whenever service to a customer is established and discontinued prior to the end of the normal billing period for such customer, the applicable facilities charges will be prorated for the period for which service was provided.

Filed Pursuant to an _____, 2009 decision by the
Board of Public Utilities in Docket No. WR08090710

Date of Issue:

Effective:

Docket No. WR08090710

Issued by: Dennis Ciemniecki, President

200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER NEW JERSEY INC.

BPU NO. 4 - WATER

Third Revised Sheet No. 50
Superseding Second Revised Sheet No. 50

RATE SCHEDULE NO. 7

HOMEOWNER'S ASSOCIATION WATER SERVICE

APPLICABILITY:

Applicable to the use of water supplied to the common areas served by the Company.

RATE:

A. UNMETERED

Flat Rate Charge: \$ 0.87 per month per residential unit

Pursuant to N.J.S.A. 48:12A-17, the above rate is inclusive of the State Water Tax of 1-cent per thousand gallons.

B. METERED

The rates shall be the same as set forth in Rate Schedule No. 1, General Metered Service

C. FIRE PROTECTION CHARGE

Flat Rate Charge: \$ 1.85 per month per residential unit

The amount of a customer's bill for a billing period will be the total of the Flat Rate Unmetered Charge or Metered Charge and the Fire Protection Charge.

MINIMUM CHARGE:

Applicable Facilities Charge and Fire Protection Charge.

TERMS OF PAYMENT:

Net cash within ten days of presentation of bill.

SPECIAL PROVISIONS:

The Homeowner's Association will be liable for all charges for water service to the common elements.

Filed Pursuant to an _____, 2009 decision by the
Board of Public Utilities in Docket No. WR08090710

Date of Issue:

Effective:

Docket No. WR08090710

Issued by: Dennis Ciemniecki, President
200 Old Hook Road, Harrington Park, New Jersey 07640

UNITED WATER NEW JERSEY INC.

BPU NO. 4 - WATER

First Revised Sheet No. 51
Superseding Original Sheet No. 51

RATE SCHEDULE NO. 8

GENERAL FLAT RATE WATER SERVICE

APPLICABILITY:

Applicable to the use of water supplied to customers in the entire territory served by the former United Water Vernon Hills.

RATE:

General Service: \$ 82.95 per quarter

TERMS OF PAYMENT:

Net cash within ten days of presentation of the bill.

Filed Pursuant to an _____, 2009 decision by the
Board of Public Utilities in Docket No. WR08090710

Date of Issue:

Effective:

Issued by: Dennis Ciemniecki, President

Docket No. WR08090710

200 Old Hook Road, Harrington Park, New Jersey 07640

EXHIBIT B

UNITED WATER NEW JERSEY
PROOF OF REVENUE

Line No.	Description	Number of Customers (1)	Billing Determinants (2)	Rate Existing (3)	Revenue at Existing (4)	Rate Proposed (5)	Revenue at Proposed (6)	% Increase (7)
1	Unmetered Sales		588	\$ 129.00	\$ 76,884	151.63	\$ 90,371	17.5%
2	<u>Metered Sales</u>							
3	Meter Size - Charge Monthly							
4	5/8"	2,089	25,068	4.83	\$ 121,078	5.66	\$ 142,388	17.6%
5	3/4"	828	9,948	6.88	\$ 68,442	8.09	\$ 80,479	17.6%
6	1"	1,381	16,572	11.48	\$ 180,247	13.49	\$ 223,556	17.5%
7	1 1/2"	2,687	32,004	22.93	\$ 733,852	26.95	\$ 862,508	17.5%
8	2"	2,415	28,980	36.71	\$ 1,063,856	43.15	\$ 1,250,487	17.5%
9	3"	728	8,748	68.83	\$ 602,125	80.91	\$ 707,801	17.6%
10	4"	384	4,608	114.72	\$ 528,630	134.85	\$ 621,369	17.5%
11	6"	172	2,064	228.43	\$ 473,644	269.68	\$ 556,620	17.8%
12	8"	6	72	367.11	\$ 26,432	431.51	\$ 31,069	17.5%
13	10"	-	-	527.71	\$ -	620.29	\$ -	
14	12"	-	-	986.61	\$ -	1,159.70	\$ -	
15		10,672	128,054		\$ 3,808,205		\$ 4,476,294	17.5%
16	Meter Size - Charge Quarterly							
17	5/8"	163,517	654,068	14.48	\$ 8,477,445	17.04	\$ 11,145,319	17.6%
18	3/4"	7,678	30,712	20.63	\$ 833,589	24.27	\$ 745,380	17.6%
19	1"	7,842	31,788	34.44	\$ 1,094,080	40.47	\$ 1,285,851	17.5%
20	1 1/2"	43	172	68.60	\$ 11,834	80.85	\$ 13,906	17.5%
21	2"	23	92	110.13	\$ 10,132	129.46	\$ 11,909	17.6%
22	3"	9	38	208.48	\$ 7,433	242.73	\$ 8,738	
23	4"	3	12	344.16	\$ 4,130	404.56	\$ 4,855	
24	6"	-	-	688.28	\$ -	809.04	\$ -	
25	8"	-	-	1,101.33	\$ -	1,294.53	\$ -	
26	10"	-	-	1,683.14	\$ -	1,860.87	\$ -	
27	12"	-	-	2,959.82	\$ -	3,478.10	\$ -	
28		179,215	716,860		\$ 11,238,653		\$ 13,215,768	17.6%
29	Meter Size - Charge Bimonthly							
30	5/8"	588	3,594	8.86	\$ 34,718	11.38	\$ 40,828	17.6%
31		588	3,594		\$ 34,718		\$ 40,828	
32	Total Facility Charges	190,486			\$ 16,081,575		\$ 17,732,881	17.6%
33	Consumption Charge General Metered		CGE	Rate	Revenue	Rate	Revenue	
34	HWA Flat Rate Cons	12,516	40,740,433	\$ 2.7979	\$ 113,987,657	3.2887	\$ 133,983,062	17.5%
				0.74	\$ 9,262	0.87	\$ 10,889	
					\$ 113,996,919		\$ 133,993,951	17.5%
35	Total Metered Sales				\$ 129,078,486		\$ 161,726,832	17.5%

NITED WATER NEW JERSEY
PROOF OF REVENUE

Line No.	Description	Number of Customers	Billing Determinants	Rate Existing	Revenue at Existing	Rate Proposed	Revenue at Proposed	% Increase
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	<u>Resale</u>							
2	Sales for Resale	CCF	2,281,270	1,5197 \$	3,482,043	1,7883 \$	4,092,896	17.5%
3	Raw Water	CCF	55,472	0.47656 \$	26,436	0.47656 \$	26,436	0.0%
4	Intercompany 3/4"	1	12	5.91 \$	70.92	6.95 \$	83.40	17.6%
5	Intercompany 2"	1	12	31.55 \$	378.60	37.08 \$	444.96	17.5%
6	CCF	(less GRAFT)	372	2.4045 \$	894.90	2.8282 \$	1,051.83	17.6%
7	Total Resale				\$ 3,609,623		\$ 4,120,912	17.4%
8	<u>Private Fire Service</u>							
9	(Includes Reduction for Residential 2" and Less)							
10	<u>Meter Size</u>							
11	1 1/2"	70	840	13.73 \$	11,533	16.14 \$	13,558	17.6%
12	2"	281	3,132	24.52	76,797	28.82 \$	90,254	17.5%
13	3"	221	2,652	68.72	182,245	80.78 \$	214,229	17.5%
14	4"	1,842	22,104	109.02	2,409,778	128.16 \$	2,832,526	17.5%
15	6"	1,757	21,084	224.85	4,740,737	264.30 \$	5,572,501	17.5%
16	8"	742	8,904	359.74	3,559,285	469.87 \$	4,183,722	17.5%
17	10"	26	312	624.59	194,872	734.16 \$	229,058	17.5%
18	12"	2	24	899.40	21,588	1,057.19 \$	25,373	17.5%
19	Subtotal	4,921			\$ 11,196,833		\$ 13,161,332	17.5%
20	HYD	496	5952	48.30	287,482	56.77	337,895	17.5%
21	HYD	12	144	29.07	4,186	47.16	6,790	82.2%
22		508			\$ 291,668		\$ 344,685	18.2%
23	Total Private Fire Service				\$ 11,488,501		\$ 13,505,017	17.6%
24	<u>Public Fire Service</u>							
25	HYD	14,726	176,700	13.85 \$	2,411,855	16.04	2,834,268	17.5%
26	HYD	65	780	34.35	26,793	40.38	31,488	17.6%
27					2,438,748		2,865,764	17.5%
28	Inch Feet	100,856,846		0.04388	4,423,572	0.05155	5,199,160	17.5%
29	HWA RATE	1,956	23,460	1.67 \$	36,832	1.85 \$	43,401	17.8%
30	Total Public Fire Service				\$ 6,899,163		\$ 8,106,326	17.5%
31	Total Revenue from Sales				\$ 151,052,856		\$ 177,552,457	17.5%
32	Miscellaneous Revenue				\$ 294,726		\$ 294,726	0.0%
33	Total Operating Revenue				\$ 151,447,581		\$ 177,947,182	17.5%
34	Target				\$ 151,447,581		\$ 177,947,561	\$ 28,500,000
35	Rounding						\$ (399)	

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State of New Jersey
OFFICE OF ADMINISTRATIVE LAW
33 Washington Street
Newark, New Jersey 07102
(973) 648-6008
(973-648-6058)

Robert J. Giordano, ALJ &
Manager of Organizational Development

RECEIVED
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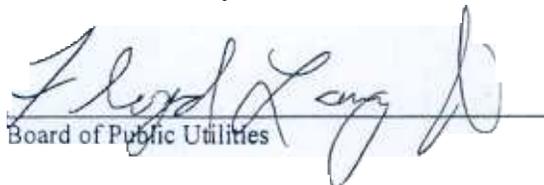
Re: Initial Decisions for Receipt

We are hereby forwarding to you the following decisions from the office of Administrative Law. **Receipt is acknowledged as of the next business day of the date indicated below.** Should a listed decision not be included in this batch, please call 973-648-6008.

OAL Docket No. PUC	Case Name
<u>11730-08</u>	<u>United WATER</u> <u>NJ INC.</u>

Board of Public Utilities
Two Gateway Center
Newark, New Jersey 07102

Date: 3/30/09


Board of Public Utilities