



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 NEW)	ORDER SUSPENDING
JERSEY-AMERICAN WATER COMPANY, INC.,)	INCREASES, CHANGES OR
FOR APPROVAL OF INCREASED TARIFF RATES))	ALTERATIONS IN RATES FOR
AND CHARGES FOR WATER AND)	SERVICE
WASTEWATER SERVICE AND OTHER TARIFF)	
REVISIONS)	BPU DOCKET NO. WR10040260

Ira. G. Megdal, Esq. Cozen O'Connor, 457 Haddonfield Road, P.O. Box 5459, Cherry Hill, NJ 08002 for Petitioner

BY THE BOARD¹:

On April 9, 2010, pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21,² and N.J.A.C. 14:1-5.7 and N.J.A.C. 14:1-5.12, Petitioner, New Jersey - American Water Company, Inc., ("Petitioner," "Company," or "NJAW"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") and serving approximately 667,000 water and wastewater customers within certain portions of Atlantic, Burlington, Camden, Cape May, Essex, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Union and Warren Counties, New Jersey, filed a petition for a revision of its rates for water and wastewater service, amounting to an overall increase of approximately \$84,725,112 or 13.61% in annual revenues. The increase in rates was proposed to become effective on May 11, 2010³. The Petitioner does not seek interim rate relief pending final determination on the petition.

According to the petition, the rate increase is required to enable the Petitioner to recover its investment in utility plant assets, its increased operating expenses to meet service quality and reliability goals, and to permit the Company the opportunity to earn a fair and adequate rate of return on its net investment in utility property, so to enable the Company to continue to provide safe, adequate and proper utility service to its customers.

¹ Commissioner Elizabeth Randall did not participate in this matter.

² The Board notes that although the petition cites N.J.S.A. 48:2-21.1, the petition does not include a request for an adjustment of rates during the pendency of the hearing.

³ On April 14, 2010, the Company filed a letter with the Board stating that it will not implement the proposed rates pending Board action at its May 12, 2010 meeting.

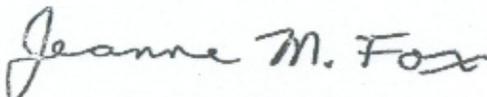
It appearing that the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is HEREBY ORDERED that:

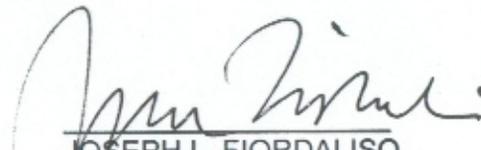
- (1) Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are suspended until September 12, 2010, unless the Board prior to that date, makes a determination disposing of the petition or enters an Order further suspending the proposed revisions;
- (2) Petitioner shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of Administrative Law (33 Washington Street, Newark, N.J. 07102) proof of compliance with the Notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b) and (c), which Notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- (3) Petitioner shall serve copies of this Order upon the Office of Administrative Law, the Department of Public Advocate, Division of Rate Counsel (31 Clinton Street, P. O. Box 46005, Newark, NJ 07102), the clerk of each affected municipality, the clerk of the Boards of Chosen Freeholders of each affected county, and where appropriate, the executive officer of each affected county within its service area. Service of the petition, notice of hearings and this Order may be made simultaneously. Proof of service of this Order shall be filed with the Board within fifteen (15) days of the date of this Order.

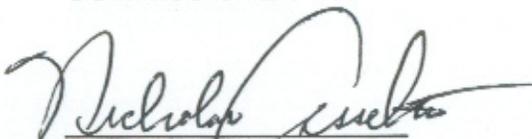
DATED: 5/12/10

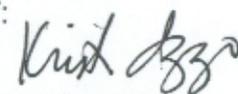
BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT

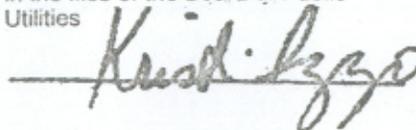

JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
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



I/M/O THE PETITION NEW JERSEY-AMERICAN
WATER COMPANY, INC., FOR APPROVAL OF
INCREASED TARIFF RATES AND CHARGES
FOR WATER AND WASTEWATER SERVICE AND
OTHER TARIFF REVISIONS

BPU Docket No. WR10040260

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