Agenda Date: 9/30/14 Agenda Item: VA



STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

IN THE MATTER OF THE PETITION OF SHORELANDS WATER COMPANY FOR AN INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF MODIFICATIONS

ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR SERVICE

WATER

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DOCKET NO. WR14080905

Parties of Record:

Bruce S. Edington, Esq., on behalf of Shorelands Water Company Inc., Petitioner Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On August 13, 2014, pursuant to <u>N.J.S.A.</u> 48:2-21, <u>N.J.A.C.</u> 14:1-5.12, and <u>N.J.A.C.</u> 14:9-7.1 <u>et</u>. <u>seq</u>., Shorelands Water Company, Inc. ("Shorelands", "Company" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") filed a petition seeking to increase its rate for water service amounting to approximately \$1,017,052 or 9.86% above the annual revenues. The increase in rates is proposed to become effective on September 15, 2014¹. The Petitioner does not seek interim rate relief pending final determination on the petition.

The Company is engaged in the production, treatment and distribution of water to its customers. Specifically, Shorelands serves approximately 11,000 customers in its service territory which includes the Township of Hazlet and part or the Township of Holmdel; and connection service for bulk sales to the Borough of Keyport, the Township of Aberdeen, and New Jersey American Water Company, all of which are situated in the County of Monmouth and the State of New Jersey.

According to the petition, the rate increase is required to enable the Petitioner to continue to provide safe, adequate and proper service to customers; to offset expense increases experienced by Petitioner since its last rate increases; to establish an income level which will permit Petitioner to finance essential and continuing plant investment so as to comply with

¹ On September 2, 2014, the Company filed a letter with the Board stating that it will not implement rates on an interim basis prior to the effective date of the Board's suspension Order resulting from the September 30, 2014 agenda meeting.

ongoing environmental and health regulations; to permit Petitioner to earn a fair and adequate rate of return on investment in property used and useful in public utility service; and to establish rates which will be sufficient to enable Petitioner to maintain financial integrity and to raise such funds as are necessary for the proper discharge its duties.

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 January 15, 2015, 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 Division of Rate Counsel (140 East Front Street, 4th Floor. Post Office Box 003, Trenton, N.J. 08625), 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.

This Order shall be effective on October 10, 2014.

DATED: 9/30/14

BOARD OF PUBLIC UTILITIES BY:

COMMISSIONER

DIANNE PRESIDENT

OSEPH L. FIORDALISO COMMISSIONER

ATTEST:

SECRETARY

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IN THE MATTER OF THE PETITION OF SHORELANDS WATER COMPANY FOR AN INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF MODIFICATIONS BPU DOCKET NO. WR14080905

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Kofi Ocansey, Administrative Analyst II Board of Public Utilities Division of Water 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350



September 2, 2014

<u>VIA EMAIL & REGULAR MAIL</u>

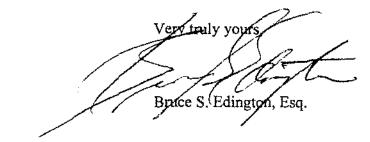
Honorable Kristi Izzo, Secretary Board of Public Utilities 44 South Clinton Avenue - 9th Floor P.O. Box 350 Trenton, NJ 08625

Re: In the Matter of the Petition of Shorelands Water Company, Inc. for an Increase in Base Rates for Water Service, and Other Tariff Modifications BPU Docket No. WR14080905

Dear Secretary Izzo:

The undersigned represents the Petitioner, Shorelands Water Company, Inc., in the above-referenced matter. Petitioner understands from Staff that the Board of Public Utilities is scheduled to consider the Suspension Order in the above-captioned matter at its September 30, 2014 public agenda session. Given this schedule, Petitioner hereby notifies the Board that it will not implement rates on an interim basis prior to the effective date of the Board's Suspension Order resulting from that September 30, 2014 meeting. This accommodation to Staff does not change the intention of the Company to implement the proposed rates at the conclusion of the eight (8) month suspension period should the Board not issue a final Decision and Order by that date.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me.



BSE/cac

cc: See Attached Service List (via email)

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IN THE MATTER OF THE PETITION OF SHORELANDS WATER COMPANY FOR AN INCREASE IN RATES FOR WATER SERVICE BPU DOCKET NO. WR14080905

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* Receives all correspondence except discovery.