

WATER

STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

IN THE MATTER OF THE PETITION OF SUEZ WATER ARLINGTON HILLS INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WASTEWATER SERVICE AND OTHER TARIFF CHANGES)))	ORDER FURTHER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WASTEWATER SERVICE
)))	DOCKET NO. WR16060510 OAL DOCKET NO. PUC 09261-2016

Parties of Record:

Stephen B. Genzer, Esq., Saul Ewing LLP, for SUEZ Water Arlington Hills Inc. **Stefanie A. Brand, Esq., Director**, New Jersey Division of Rate Counsel

BY THE BOARD:

On June 15, 2016, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, and other relevant statutes and regulations, SUEZ Water Arlington Hills Inc. ("Petitioner," "Arlington Hills" or "Company"), a public utility having its principal offices at 461 From Road, Paramus, New Jersey, and subject to the jurisdiction of the Board of Public Utilities ("Board") filed a petition seeking to increase its rates for wastewater service amounting to approximately \$1,404,396 or 118% above the annual level of test year revenues as of April 30, 2016. In order to mitigate the effects of the proposed rate increase on its customers, the Company also proposed that the rate increase be implemented in four (4) installments and increase rates annually over the course of the next four years. The Company proposed that the initial increase in rates become effective on July 29, 2016.

The Petitioner currently serves approximately 600 residential customers and 25 commercial customers in the Borough of Mount Arlington and one commercial customer in the Township of Roxbury, Morris County, New Jersey.

According to the petition, the need for and the magnitude of the proposed rate increase is driven by a number of factors, including the completion of a major project known as the Arlington Hills Wastewater Treatment Plant which is needed to serve both the current and anticipated customers. Among other things, the petition also states that Arlington Hills seeks the rate increase to enable the Company to maintain a satisfactory credit position; to preserve its financial integrity; to permit proper maintenance and improvement to utility facilities required to furnish safe, adequate and proper service to its customers; and to earn a reasonable return upon the fair value of its property used and useful in the public service.

On June 20, 2016, the Board transmitted this matter to the Office of Administrative Law for hearings and on July 29, 2016, the Board issued an Order suspending the Company's proposed rate increase until November 29, 2016.

In light of the fact that this matter will not be completed by November 29, 2016, and that the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is <u>HEREBY ORDERED</u> that:

- (1) Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are further suspended until March 29, 2017, 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 Board of Chosen Freeholders of the affected county, and where appropriate, the executive officer of the 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 November 10, 2016.

DATED: 10/31/16

BOARD OF PUBLIC UTILITIES

BY:

RICHARD S. MRØ. PRESIDENT

JOSÉPH L. FIORDALISO

COMMISSIONER

MARY-ANNA HOLDEN COMMISSIONER

COMMISSIONER

DIANNE SOLOMON COMMISSIONER

ATTEST:

IRENE KIM ASBURY 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 SUEZ WATER ARLINGTON HILLS INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WASTEWATER SERVICE AND OTHER TARIFF CHANGES

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