



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**www.bpu.state.nj.us**

WATER

IN THE MATTER OF THE PETITION OF SEABROOK WATER COMPANY TO DISCONTINUE WATER SERVICE IN ) UPPER DEERFIELD TOWNSHIP, ) CUMBERLAND COUNTY, NEW JERSEY )	ORDER APPROVING DISCONTINUANCE OF SERVICE  BPU DOCKET NO. WD07030153
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(SERVICE LIST ATTACHED)

BY THE BOARD:

On March 5, 2007, Seabrook Water Company (the Company or Seabrook) filed a petition with the Board of Public Utilities (Board) in accordance with N.J.S.A. 48:2-24 for permission to discontinue water service in the Company's service territory located in Upper Deerfield Township, Cumberland County, New Jersey. Seabrook, a public utility of the State of New Jersey, with its principal office located at 1343 Highway 77, Seabrook, New Jersey, supplies water service to approximately 520 customers through approximately 200 connections within Upper Deerfield Township.

BACKGROUND/PROCEDURAL HISTORY

On October 6, 2005, the Company and the Township of Upper Deerfield (Upper Deerfield) (hereinafter collectively referred to as the Parties) entered into a Memorandum of Understanding (MOU) agreeing to a binding appraisal to set the value of the Company's assets. On November 30, 2005, the Company and Upper Deerfield entered into a modified MOU whereby Upper Deerfield agreed to purchase all of the assets of the Company, and the Company agreed to sell all of its assets to Upper Deerfield, with settlement to take place within ninety (90) days of receipt of the binding appraisal. On June 19, 2006, the Company, Upper Deerfield and the New Jersey Department of Environmental Protection entered into an Administrative Consent Order (ACO) which, inter alia, incorporated the terms of the MOU and the modifications of the MOU. On January 8, 2007, the Parties received the binding appraisal (dated January 5, 2007) determining the value of the Company's water system.

The Company intends to discontinue service upon the sale of its assets to Upper Deerfield. Closing of the title occurred on March 12, 2007, at which time Upper Deerfield assumed responsibility for water service to the Company's customers.

The Division of Rate Counsel does not object to Board approval of the petition filed by Seabrook.

After reviewing the petition and based upon Staff's investigation of the matter and consistent with the Board's findings in In the Matter of the Takeover of the Franchise and Assets of the Seabrook Water Corporation Under the Small Water Company and the Small Sewer Company Takeover Act, N.J.S.A. 58-11-59, et seq., BPU Dkt. No. WX04030214 (August 28, 2006), the Board FINDS that the discontinuance of water service by Seabrook will not have an adverse impact on public convenience and necessity. Pursuant to N.J.S.A. 48:3-7, Board approval of the sale is not required.

Therefore, the Board ORDERS that the discontinuance of said water service be and is hereby APPROVED, effective on the day of the closing.

The Board expressly states that its decision in this matter to permit the Company to discontinue utility service under N.J.S.A. 48:2-24 is based upon the finding that there will be a continuity of services to those customers previously provided service by Seabrook, who will now be served by Upper Deerfield Township.

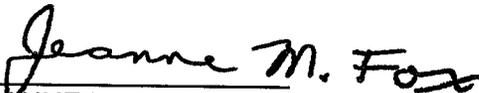
The permission to discontinue water service herein granted is subject to the following conditions:

1. Seabrook shall notify the Board, in writing, of the closing date within twenty (20) days of closing.
2. The Company shall file with the Board its 2006 Annual Report, pursuant to N.J.A.C 14:3-6.3.
3. Seabrook shall file with the Board, within thirty (30) days of closing, its Statement of Gross Intrastate Operating Revenues for the Year Ended December 31, 2006 (Form AR-3-1).
4. Pursuant to the applicable statutes, Seabrook shall be responsible for the Board of Public Utilities' and the Division of Rate Counsel's State assessment liability based upon the Company's 2006 gross intrastate revenues.
5. Upon entry of this Order, Seabrook is to provide notice to its customers advising them of its discontinuance of service and that water service to the former Seabrook customers will now be provided by the Township of Upper Deerfield.

6. This Order approving discontinuance of service shall be null and void if the closing of title does not occur on or before May 22, 2007.

DATED: 3/27/07

BOARD OF PUBLIC UTILITIES  
BY:

  
JEANNE M. FOX  
PRESIDENT

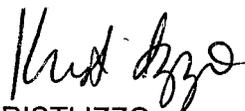
  
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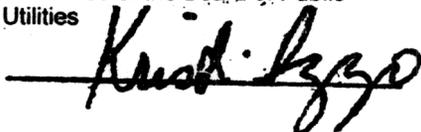
  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
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  
SEABROOK WATER COMPANY TO  
DISCONTINUE WATER SERVICE  
IN CUMBERLAND COUNTY, NEW JERSEY  
BPU DOCKET NO. WD07030153

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