



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

IN THE MATTER OF THE JOINT PETITION OF) WATER
UNITED WATER NEW JERSEY INC.,)
UNITED WATER ARLINGTON HILLS INC.,) ORDER FURTHER SUSPENDING
UNITED WATER HAMPTON INC., UNITED WATER) INCREASES, CHANGES OR
VERNON HILLS INC., AND UNITED WATER) ALTERATIONS IN RATES FOR
LAMBERTVILLE INC. FOR APPROVAL OF AN) SERVICE
INCREASE IN RATES FOR WATER SERVICE AND)
OTHER TARIFF CHANGES; AND FOR APPROVAL TO)
MERGE THE OPERATIONS OF THE JOINT)
PETITIONERS INTO, AND WITH, UNITED WATER) BPU DOCKET NO. WR07020135
NEW JERSEY INC.) OAL DOCKET NO. PUCRL 03325-2007N

(SERVICE LIST ATTACHED)

BY THE BOARD:

On February 23, 2007, pursuant to N.J.S.A. 48:2-21, 48:2-18, 48:3-7 and 48:3-10, and N.J.A.C. 14:1-5.12, 14:1-5.8 and 14:9-7.1 et seq., United Water New Jersey Inc. (UWNJ), United Water Arlington Hills Inc. (UWAH), United Water Hampton Inc. (UWH), United Water Vernon Hills Inc. (UWVH), and United Water Lambertville Inc. (UWL), (collectively, Joint Petitioners) public utilities of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities (Board), filed a joint petition for approval of an increase in rates for water service and other tariff changes amounting to approximately \$35,794,000 or 28%; and for approval to merge the operations of the Joint Petitioners into, and with, United Water New Jersey, Inc. The increase in rates was proposed to become effective on March 30, 2007. Joint Petitioners did not seek interim rate relief pending final determination on the petition. Joint Petitioners seek the requested increase, inter alia, to recover increased expenses, planned capital expenditures and to obtain an opportunity to earn a reasonable return on investment in utility plant.

The Joint Petitioners serve approximately 190,000 water customers located in the northern and western portions of the State. Specifically, UWNJ serves approximately 186,000 customers in portions of Bergen, Hudson, Passaic and Sussex Counties. UWNJ also supplies water service to other municipalities including the Township of Saddle Brook and the Boroughs of Fairlawn, Saddle River, Allendale, Mahwah and Ramsey. UWAH serves approximately 613 customers in

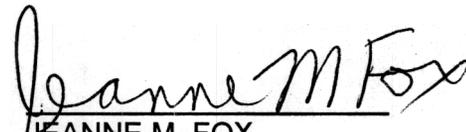
the Borough of Mount Arlington and a portion of the Township of Roxbury in Morris County. UWH serves approximately 301 customers in Hampton Township, Sussex County. UWHV serves approximately 540 customers in Vernon Township, Sussex County. UWL serves approximately 1750 customers in the City of Lambertville and portions of the Township of West Amwell, Hunterdon County.

On March 8, 2007, the Board transmitted this matter to the Office of Administrative Law for hearing. On March 22, 2007, the Board suspended these rates until July 30, 2007, pending a determination on the hearing on the justness and reasonableness of Petitioner's rates.

In light of the fact that this proceeding is pending before the Office of Administrative Law, the Board HEREBY ORDERS, pursuant to N.J.S.A. 48:2-21, that the proposed revisions be and are hereby further suspended until November 30, 2007 unless the Board prior to that date makes a determination disposing of the petition.

DATED: 7/12/07

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT

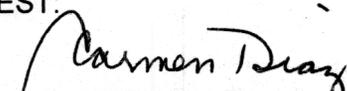

FREDERICK F. BUTLER
COMMISSIONER

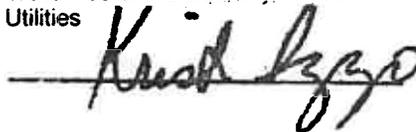

JOSEPH L. FIORDALISO
COMMISSIONER


CHRISTINE V. BATOR
COMMISSIONER

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities

ATTEST:


CARMEN DIAZ
ACTING SECRETARY



IN THE MATTER OF THE PETITION OF UNITED WATER NEW JERSEY INC., ET AL.FOR AN
INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES
AND FOR APPROVAL TO MERGE THE OPERATIONS OF THE JOINT PETITIONERS INTO
AND WITH UNITED WATER NEW JERSEY INC.

BPU DOCKET NO. WR07020135

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