Agenda Date: 11/20/01
Agenda Item: 5 B

STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

IN THE MATTER OF THE PETITION OF ROXBURY WATER COMPANY FOR AUTHORITY TO ENTER INTO CERTAIN FINANCING ARRANGEMENTS	)	WATER/WASTEWATER ORDER OF APPROVAL DOCKET NO: WF01090558

LeBoeuf, Lamb, Greene & MacRae, LLP, by Stephen B. Genzer, Esq.
For Roxbury Water Company.

Fred S. Grygiel, Chief Economist, Mark C. Beyer, Manager, Leo M. Lim, Supervising Accountant, Office of the Economist, on behalf of Staff of the Board of Public Utilities.

BY THE BOARD:

Roxbury Water Company ("Petitioner" or "Company"), a New Jersey corporation and a public utility subject to the jurisdiction of the New Jersey Board of Public Utilities (Board), filed an application on September 6, 2001, pursuant to N.J.S.A. 48:3-7, 48:3-7.1, 48:3-9 and N.J.A.C. 14:1-5.9, requesting authority to enter into certain financing arrangements.

Petitioner seeks approval from the Board of a loan from John Grabovetz, President of the Company, with standard terms and conditions for the sum of $450,000 at a rate of interest of 8.5%, which is 1% less than the interest rate quoted to the Company by financing institutions, for a term of 10 years.

Petitioner is engaged in a capital improvement program to maintain and improve its plant facilities in order to provide safe, adequate and proper service to its customers and to comply with the Department of Environmental Protection requirements.

Petitioner states that the financing for which approval is requested is necessary to enable the Company to pay for outstanding bills associated with the installation of a new well as well as to obtain a satisfactory financial credit position.

The Board, after investigation, having considered the record submitted in this proceeding, being satisfied with the actions proposed to be taken by Petitioner as indicated above and finding that the transaction is to be made in accordance with law and is in the public interest, and approving the purposes thereof, HEREBY ORDERS that Roxbury Water Company is HEREBY AUTHORIZED to receive a loan from John Grabovetz, with standard terms and conditions for the sum of $450,000 at a rate of interest of 8.5%, for a term of 10 years.

This Order is issued subject to the following Provisions:

1. This Order shall not affect, or in any way limit the exercise of the authority of this Board, or of this State, in any future petitions or in any proceeding with respect to rates, franchises, services, financing (including the method of sale), accounting, capitalization, depreciation, or any other matters affecting the Petitioner.

2. This Order shall not be construed as directly or indirectly fixing, for any purpose whatsoever, any value of the tangible or intangible assets now owned or hereafter to be owned by Petitioner.

3. This Order shall not be construed as a certification that the loan proposed to be incurred will be represented by tangible or intangible assets of commensurate value or investment cost.

4. The authority granted in this Order shall become null and void and of no effect with respect to any portion thereof which is not exercised by June 30, 2002.

DATED:

BOARD OF PUBLIC UTILITIES
BY:

[SIGNED]
CONNIE O. HUGHES
PRESIDENT

[SIGNED]
FREDERICK F. BUTLER
COMMISSIONER

[SIGNED]
CAROL J. MURPHY
COMMISSIONER

ATTEST:

[SIGNED]
HENRY M. OGDEN
ACTING BOARD SECRETARY