



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**[www.nj.gov/bpu](http://www.nj.gov/bpu)**

**WATER**

IN THE MATTER OF THE JOINT PETITION OF )	ORDER ADOPTING
THE BRICK TOWNSHIP MUNICIPAL UTILITIES )	RESOLUTION AND APPROVING
AUTHORITY AND PARKWAY WATER COMPANY )	DISCONTINUANCE OF SERVICE
FOR APPROVAL OF A RESOLUTION BY )	
HOWELL TOWNSHIP GRANTING THE )	
AUTHORITY CONSENT TO SERVE PARKWAY )	
WATER COMPANY'S FRANCHISE IN HOWELL )	
TOWNSHIP AND FOR PERMISSION TO )	
DISCONTINUE SERVICE )	DOCKET NO. WD08090745

(SERVICE LIST ATTACHED)

**BY THE BOARD:**

On September 19, 2008, joint petitioners, Brick Township Municipal Utilities Authority (Authority) and Parkway Water Company (Company or Parkway) filed a petition with the New Jersey Board of Public Utilities (Board) in accordance with N.J.S.A. 48:2-24, and if applicable, N.J.S.A. 48:3-7, for permission to discontinue water service in the Company's service territory located in a portion of Howell Township, Monmouth County, New Jersey. Parkway is a public utility of the State of New Jersey, and is authorized to provide water service to approximately 1,914 customers in a portion of Howell Township.

The Authority owns and operates a water supply and distribution system serving approximately 36,500 customers in Brick Township, Ocean County. The Authority also supplies water in bulk to the boroughs of Point Pleasant and Point Pleasant Beach in Ocean County and to Parkway.

Parkway has entered into an agreement for the sale and transfer of all of its assets and water utility operations to the Authority.

On September 2, 2008, at an open public meeting, the Authority received consent from the Township Council of the Township of Brick to enter into an agreement to purchase the assets of Parkway.

On September 9, 2008, a resolution was adopted by Howell Township in Ordinance #08-418, authorizing the Authority to directly sell water to residents and property owners in the Township of Howell in the franchise area previously dedicated to Parkway.

Upon the closing of the sale, which is expected to occur on or about December 12, 2008, all of Parkway's water utility operations will be taken over by the Authority, and Parkway will cease operating as a public utility. The Authority has represented that all customers in Parkway's service territory will be charged the same rates as the Authority's customers. Therefore, all customers now served by Parkway will become customers of the Authority on closing of the sale. According to the petition, all necessary steps will be taken by the joint petitioners to implement the transfer of service in a smooth and efficient manner with no inconvenience or interruption of service to customers. Parkway customers will experience a decrease in their rates upon closing of the sale, since the water rates charged by the Authority are lower than the water rates charged by Parkway.

Pursuant to a letter dated October 23, 2008, the Department of the Public Advocate, Division of Rate Counsel does not object to Board approval of the Howell resolution or to Parkway's request for discontinuance of service pursuant to N.J.S.A. 48:2-24.

After reviewing the petition and based upon investigation of the matter, the Board FINDS that the discontinuance of water service by Parkway will not have an adverse impact on public convenience and necessity. Pursuant to N.J.S.A. 48:3-7, as this is a sale by a public utility to a municipal authority, Board approval of the sale is not required.

Pursuant to N.J.S.A. 40:14B-20, "no water shall be sold at retail in any municipality without the district unless the governing body of such municipality shall have adopted a resolution requesting the municipal authority to sell water at retail in such municipality, and the Board of Public Utilities shall have approved such resolution as necessary and proper for the public convenience." The Parkway franchise area is situated in a portion of Howell Township, Monmouth County.

Therefore, finding the resolution as necessary and proper for the public convenience, the Board HEREBY APPROVES the resolution adopted by Howell Township which authorizes the Authority to directly sell water to residents and property owners in the franchise area previously dedicated to Parkway. The Board HEREBY 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 representation that there will be a continuity of services to those customers previously served by Parkway, who will now be served by the Authority.

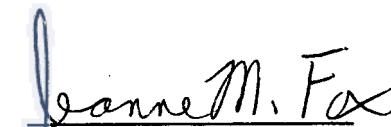
The permission to discontinue water service herein granted is subject to the following conditions:

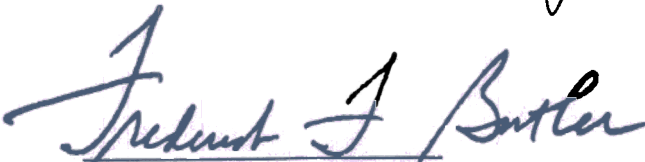
- 1 Parkway shall notify the Board, in writing, of the closing date within twenty (20) days of closing.
2. The Company shall file with the Board its 2008 Annual Report, pursuant to N.J.A.C. 14:3-6.3.

3. Parkway shall file with the Board, within thirty (30) days of closing, its Statement of Gross Intrastate Operating Revenues for the Year Ended December 31, 2008 (Form AR-3-1).
4. Pursuant to the applicable statutes, Parkway shall be responsible for the Board of Public Utilities' and the Division of Rate Counsel's State assessment liability based upon the Company's 2008 gross intrastate revenues.
5. Upon entry of this Order, Parkway is to provide notice to its customers advising them of its discontinuance of service and that water service to the former Parkway customers will now be provided by the Brick Township Municipal Utilities Authority.
6. This Order approving discontinuance of service shall be null and void if closing does not occur on or before December 31, 2008.

DATED: 12/9/08

BOARD OF PUBLIC UTILITIES  
BY:

  
JEANNE M. FOX  
PRESIDENT

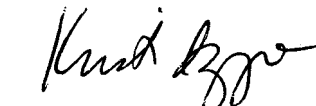
  
FREDERICK F. BUTLER  
COMMISSIONER

  
JOSEPH L. FIORDALISO  
COMMISSIONER

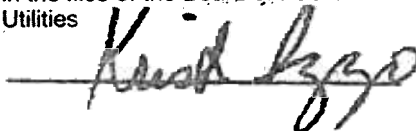
  
NICHOLAS ASSELTA  
COMMISSIONER

  
ELIZABETH RANDALL  
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 JOINT PETITION OF THE RICK TOWNSHIP MUNICIPAL  
UTILITIES AUTHORITY ND PARKWAY WATER COMPANY FOR APPROVAL F A  
RESOLUTION BY HOWELL TOWNSHIP GRANTING HE AUTHORITY CONSENT TO SERVE  
PARKWAY WATER OMPANY"S FRANCHISE IN HOWELL TOWNSHIP AND FOF  
PERMISSION TO DISCONTINUE SERVICE - BPU DOCKET NO. WD08090745

SERVICE LIST

Douglas R. Kleinfeld, Esq.  
Attorney for Parkway Water Company  
219 South Street  
New Providence, NJ 07974

Jerry J. Dasti, Esq.  
Dasti, Murphy, McGuckin, Ulaky,  
Cherkos & Connors, Esqs.  
Attorneys for Brick Township MUA  
620 Lacey Road  
P.O. Box 1057  
Forked River, NJ 08731

Honorable Patrick Bottazzi, Chairman  
Brick Township Municipal Utilities Authority  
1551 Highway 88 West  
Brick Township, NJ 08724

James F. Lacey, Executive Director  
Brick Township Municipal Utilities Authority  
1551 Highway 88 West  
Brick Township, NJ 08724

Stephanie Brand, Director  
Division of Rate Counsel  
31 Clinton Street, 11<sup>th</sup> Floor  
P.O. Box 46005  
Newark, NJ 07101

Susan McClure, Esq.  
Division of Rate Counsel  
31 Clinton Street, 11<sup>th</sup> Floor  
P.O. Box 46005  
Newark, NJ 07101

Elise Goldblat, Esq., SDAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street, 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, NJ 07101

Babette Tenzer, Esq., DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street, 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, NJ 07101