



Agenda Date: 5/12/10
Agenda Item: VA

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

WATER

IN THE MATTER OF THE PETITION OF)	ORDER FURTHER SUSPENDING
AQUA NEW JERSEY, INC. FOR APPROVAL)	INCREASES, CHANGES OR
OF AN INCREASE IN RATES FOR WATER)	ALTERATIONS IN RATES FOR SERVICE
SERVICE AND OTHER TARIFF CHANGES)	
)	BPU DOCKET NO. WR09121005
)	OAL DOCKET NO. PUC-01190-10

Stephen B. Genzer, Esq., Saul Ewing LLP, Attorney for Petitioner

BY THE BOARD¹:

On December 18, 2009, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12 and 14:9-7.1 et seq., Aqua New Jersey, Inc. ("Petitioner" or "Company") a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") filed a petition for approval of an increase in rates for water service and other tariff changes amounting to approximately \$7,294,512 or 25.77% above current revenues. Petitioner proposed to implement the proposed rates on January 21, 2010, which is at least thirty (30) days after the filing of the petition in this matter. Petitioner also notified the Board that it will implement the proposed rates on September 18, 2010, if the Board has suspended the effective date of the new rates pursuant to N.J.S.A. 48:2-21 without having finally determined a just and reasonable tariff schedule prior to that date. Petitioner does not seek interim rate relief pending final determination on the petition.

Petitioner seeks the requested increase to recover increased expenses, planned capital expenditures and to obtain an opportunity to earn a reasonable return on investment in utility plant. Petitioner also requests the implementation of a Distribution System Improvement Charge ("DSIC") on a pilot basis in this proceeding.²

Petitioner is engaged in the business of collecting, treating and distributing water for retail service to approximately 46,977 customers located in the portions of Warren County, Sussex County, Hunterdon County, Mercer County Ocean County, Monmouth County, Camden County and Gloucester County.

¹ Commissioner Elizabeth Randall did not participate in this matter.

² Petitioner acknowledges that the Board has pending before it a request I/M/O the Petition of New Jersey American Water Company for Authorization to Implement a Distribution System Improvement Charge (DSIC), BPU Docket No. WO08050358. Petitioner has intervened in that proceeding. Any determination regarding the appropriateness of a DSIC shall be made in the context of that proceeding. To date the Board has not issued a final Order in WO08050358.

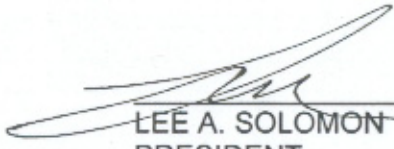
On January 6, 2010, this matter was transmitted to the Office of Administrative Law ("OAL") for hearings. On January 21, 2010, the Board issued its first Order suspending the Company's proposed rate increase until May 21, 2010. This matter is currently before the OAL and hearings are scheduled to begin in June, 2010.

In light of the fact that this proceeding is still pending before the OAL, and may not be resolved before May 21, 2010, the expiration of the first suspension period, it is HEREBY ORDERED that:

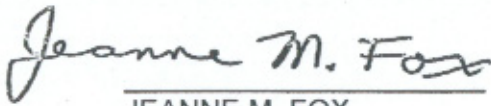
1. Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are suspended until September 21, 2010, unless the Board prior to that date makes a determination disposing of the petition;
2. Petitioner shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of Administrative Law (33 Washington Street, Newark, NJ 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 (31 Clinton Street, P.O. Box 46005, Newark, NJ 07102), the clerk of each affected municipality, the clerk to the Board of Chosen Freeholders of each affected county, and where appropriate, the executive officer of each 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.

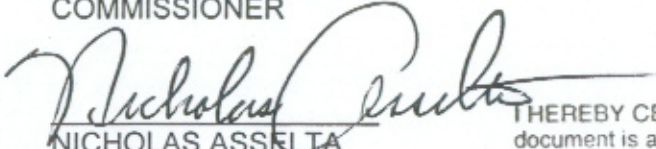
DATED: 5/12/10

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER


JEANNE M. FOX
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER

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

ATTEST:


KRISTI IZZO
SECRETARY

I/M/O The Petition of United Water Toms River, Inc.
For Approval of an Increase in Rates for
Water Service and Other Tariff Changes

BPU Docket No. WR09121005
OAL Docket No. PUC-01190-10

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