Agenda Date: 8/4/10 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 SHORELANDS WATER COMPANY FOR AN INCREASE IN RATES FOR WATER SERVICE

ORDER SUSPENDING INCREASES, CHANGES OR **ALTERATIONS IN RATES** FOR SERVICE BPU DOCKET NO. WR10060394

Walter G. Reinhard, Esq. Morris, McLaughlin & Marcus, 721 Route 202-206, P.O. Box 5933, Bridgewater, NJ 08807-5933, for Petitioner

BY THE BOARD

On June 7, 2010, pursuant to N.J.S.A. 48:2-21, Petitioner, Shorelands Water Company ("Petitioner," "Company," or "Shorelands"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") and serving approximately 11,000 water customers within its service territory which includes the Township of Hazlet and part of Holmdel Township; and connection service for bulk sales to the Borough of Keyport, the Township of Aberdeen and New Jersey American Water Company, all of which are situated in the County of Monmouth. New Jersey, filed a petition for a revision of its rates for water service, amounting to an overall increase of approximately \$1,829,643 or 19.8% in annual revenues. The increase in rates was proposed to become effective on July 7, 2010.1

According to the petition, the rate increase is required to enable the Petitioner to recover increased operating expenses and to make needed system improvements. The Company also stated that the rates are proposed to be increased in order to finance essential and continuing plant investment so as to comply with ongoing environmental and health regulations and to permit the Company to earn a fair and adequate rate of return on its investment in plant.

It appearing that the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is HEREBY ORDERED that:

1) Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are suspended until November 7, 2010, unless the Board prior to that date, makes a determination disposing of the petition or enters an Order further suspending the proposed revisions:

¹ On June 8, 2010, the Company filed a letter with the Board stating that the Petition contained a typographical error and that the Company intended to seek a July 7, 2010 effective date. Additionally, the Company indicated that it will not implement the proposed rates pending Board action to suspend the proposed rates at its August 4, 2010 meeting.

- 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 of the Boards 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:

8/4/10

BOARD OF PUBLIC UTILITIES BY:

LEE A. SOLOMON PRESIDENT

JEANNE M. FOX

NICHOLAS ASSELTA COMMISSIONER JOSEPH L. FIORDALISO COMMISSIONER

ELYZABETH RANDALL COMMISSIONER

ATTEST:

KRISTI IZZO SECRETARY I HEREBY CERT document is a print the file.

I/M/O THE PETITION OF SHORELANDS WATER COMPANY FOR AN INCREASE IN RATES FOR WATER SERVICE

BPU DOCKET NO. WR10060394

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