Agenda Date: 07/19/13 Agenda Item: VB



STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF UNITED WATER NEW JERSEY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES

ORDER FURTHER
SUSPENDING INCREASES,
CHANGES OR
ALTERATIONS IN RATES
FOR SERVICE

DOCKET NO. WR13030210

Parties of Record:

Stephen B. Genzer, Esq., on behalf of United Water New Jersey, Inc., Petitioner **Stefanie A. Brand, Esq., Director**, New Jersey Division of Rate Counsel

BY THE BOARD:

On March 11, 2013, pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.12, and N.J.A.C. 14:9-7.1 et. seq., United Water New Jersey, Inc. ("UWNJ", "Company" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") filed a petition seeking to increase its rate for water service amounting to approximately \$29,994,809 or 14.69% above the annual revenues. The increase in rates was proposed to become effective on April 11, 2013¹. The Petitioner does not seek interim rate relief pending final determination on the petition.

The Company is engaged in the business of collecting, treating, and distributing water for retail service to customers located in the northern and western portions of the State. Specifically, UWNJ serves approximately 197,000 customers located in portions of Bergen, Hudson, Passaic, Morris, Hunterdon and Sussex Counties. UWNJ also supplies water service to municipalities including the Township of Saddle Brook, the Borough of Fairlawn, the Borough of Saddle River, the Borough of Allendale, the Borough of Mahwah, the Village of Ridgewood and the Borough of Ramsey.

¹ On March 22, 2013, the Company filed a letter with the Board stating that it will not implement rates on an interim basis prior to the effective date of the Board's Suspension Order resulting from the April 29, 2013, agenda meeting.

According to the petition, the rate increase is required to enable the Petitioner to maintain a satisfactory credit position, preserve its financial integrity, permit proper maintenance and improvement of the utility facilities required to furnish safe, adequate and proper service, encourage continued effective management and provide incentives for efficiency, prevent confiscation or diminution of its property, and to earn a reasonable return upon the fair value of its property used and useful in the public service.

On March 14, 2013, the Board transmitted this matter to the Office of Administrative Law ("OAL") for hearings and on April 29, 2013, the Board issued an Order suspending the Company's proposed rate increase until August 11, 2013.

In light of the fact that this matter will not be completed by August 11, 2013, and 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 December 11, 2013, 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 (9 Quakerbridge Plaza, P. O. Box 049, Trenton, NJ 08625) 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 (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, N.J. 08625), 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.

This Order shall be effective on July 29, 2013.

DATED: 7/19/13

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IN THE MATTER OF THE PETITION OF UNITED WATER NEW JERSEY INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES BPU DOCKET NO. WR13030210

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