



Agenda Date: 1/29/14
Agenda Item: 5C

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 JOINT PETITION OF)
UNITED WATER WEST MILFORD, INC. AND UNITED)
WATER ARLINGTON HILLS SEWERAGE, INC. FOR)
APPROVAL TO MODIFY THEIR RESPECTIVE)
TARIFFS TO PROVIDE FOR MONTHLY CUSTOMER)
BILLING) DOCKET NO. WT13111037

Parties of Record:

Kelly Ruggiero, Esq., on behalf of United Water Management & Services Inc.
Stefanie A. Brand, Esq., Director, Division of Rate Counsel

BY THE BOARD:

BACKGROUND AND PROCEDURAL HISTORY

On November 1, 2013, United Water West Milford Inc. ("UWWM") and United Water Arlington Hills Sewerage Inc. ("UWAH"), (collectively, "the Petitioners"), public utilities of the State of New Jersey, subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a joint petition pursuant to N.J.S.A. 14:1-5.11, seeking authorization to change the method of billing provisions for all classes of customers contained in their respective tariffs to monthly billing.¹ UWWM currently bills its residential customers on a quarterly basis and its non-residential customers on a monthly basis.² UWAH currently bills its residential customers on a bi-monthly basis and its commercial customers and the homeowners associations in its service territory are currently billed on a monthly basis.³

¹ Both companies are engaged in the business of collecting, treating and disposing of sewerage for retail service to approximately 1,100 customers located in a portion of West Milford Township, Passaic County, and a portion of the Borough of Mount Arlington, Morris County, New Jersey.

² UWWM's current tariff became effective on April 27, 2009 (In the Matter of the Petition of United Water West Milford, Inc., Docket No. WR08100928, 4/27/09).

³ UWAH's current tariff became effective on April 27, 2009 (In the Matter of the Petition of United Water Arlington Hills Sewerage, Inc., Docket No. WR08100929, 4/27/09).

Petitioners state that water service to customers of both UWAH and UWWM is provided by United Water New Jersey Inc. ("UWNJ") and that charges for both water and the sewer service are presented to customers on the same bill.

In In the Matter of United Water New Jersey Inc. (Docket No. WR13030210, November 22, 2013), the Board adopted an Initial Decision that recommended the Board approve a stipulation that, among other things, agreed to a switch from quarterly to monthly billing for United Water New Jersey ("UWNJ"). Since charges for both water service and wastewater for customers of UWNJ, UWAH and UWWM are presented on the same bill, the Petitioners state that allowing UWAH and UWWM to bill for sewer service in the same time period as UWNJ bills for water service will avoid confusion for the customer. The Petitioners further state UWNJ, UWWM, and UWAH are legally separate companies with separate tariffs, which necessitates approval of a switch to monthly billing for UWWM and for UWAH. The Petitioners state that they are not requesting a change in their respective sewer revenues.

By letter dated January 9 2014, the Division of Rate Counsel stated that it had reviewed the petition and supporting documentation and that it is not opposed to its approval.

DISCUSSIONS AND FINDINGS

The Board, after investigation, review of the record in this proceeding including consideration of the petition and exhibits submitted in this proceeding, **HEREBY FINDS** that the petition was not filed because of the need for additional revenues from services covered by the Petitioners' existing tariffs and does not propose increase in charges to customers. Additionally, the Board **HEREBY FINDS** that the move to monthly billing from quarterly billing by UWWM and the move to monthly billing from bi-monthly billing by UWAH, for residential customers of the Petitioners', is reasonable, the public interest and in accordance with the law. The Board **HEREBY AUTHORIZES** the Petitioners to commence billing sewer customers on a monthly basis effective February 1, 2014, and no longer bill on a quarterly basis.

The Board **HEREBY ORDERS** the Petitioners' to file revised tariff pages within ten (10) days from the date of this Order, consistent with the terms of this Board Order, effective for service on or after February 1, 2014.

The approval granted herein shall be subject to the following provisions:

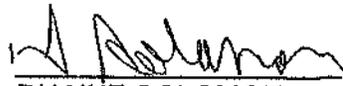
1. This Order shall not affect nor in any way limit the exercise of authority of this Board, or this State, in any future petition or in any proceeding with respect to rates, franchise, services, financing, capitalization, depreciation, or in any other matter affecting the Petitioners'.
2. Approval of the switch from quarterly billing to monthly billing for United Water West Milford and from bi-monthly to monthly billing for United Water Arlington Hills does not constitute Board approval of any costs or expenses associated with this petition or the change in billing frequency. Any determination as to the appropriateness or reasonableness of the costs and expenses related to the switch to monthly billing shall be made in an appropriate subsequent proceeding for both UWAH and UWWM. UWAH and UWWM shall maintain their books and records in such a manner that costs related to the switch in billing frequency can be determined.

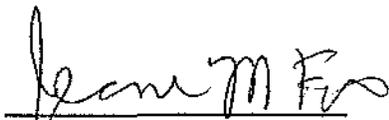
3. Petitioners shall provide individual notice by first class mail to all of their customers in advance of the February 1, 2014 effective date, and provide proof of such mailing to the Board within ten (10) days of such mailing.

This Order shall be effective on February 7, 2014.

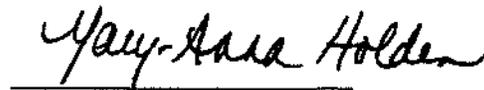
DATED: 1/29/14

BOARD OF PUBLIC UTILITIES
BY:

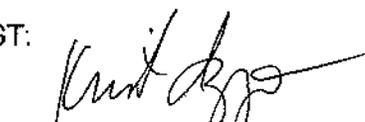

DIANNE SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER

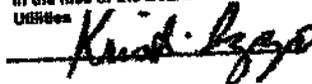

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
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 UNITED WATER WEST MILFORD INC. AND
UNITED WATER ARLINGTON HILLS SEWERAGE INC. FOR APPROVAL TO MODIFY THEIR
RESPECTIVE TARIFFS TO PROVIDE FOR MONTHLY CUSTOMER BILLING

BPU DOCKET NO. WT13111037

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CHRIS CHRISTIE
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KIM GUADAGNO
Lt. Governor

STEFANIE A. BRAND
Director

January 9, 2014

Via E-Mail & Hand Delivery

Kristi Izzo, Secretary
Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, New Jersey 08625

**Re: In the Matter of the Joint Petition of United Water West
Milford Inc. and United Water Arlington Sewerage Inc. for
Approval to Modify Their Respective Tariffs to Provide for
Monthly Customer Billing
BPU Docket No. WT13111037**

Dear Secretary Izzo:

The Division of Rate Counsel (the "Division") is in receipt of the above captioned matter. The Division has carefully reviewed the petition. Based on this review, the Division is not opposed to the Board's approval of the Joint Petitioners' request for authorization to revise its existing tariff to provide for monthly billing of customers.

Consistent with the Board's Order approving monthly billing for Gordon's Corner Water Company, BPU Docket No. WT08070493, Rate Counsel recommends that any Board Order approving the Joint Petition contain the following language:

1. This Order shall not affect nor in any way limit the exercise of authority of this Board, or this State, in any future petition or in any proceeding with respect to rates, franchises, services, financing, capitalization, depreciation, or any other matters affecting the Petitioner.
2. Approval of the switch from quarterly to monthly billing does not constitute Board approval of any costs or expenses associated with this petition or the change in billing frequency. Any determination as to the appropriateness or reasonableness of the costs and expenses related to the switch from quarterly to monthly billing shall be made in the next base rate cases of United Water West Milford and United Water Arlington Hills Sewerage. The Joint Petitioners shall

maintain records in such a manner that costs related to the switch from quarterly to monthly billing can be determined.

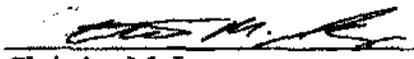
3. The Joint Petitioners shall provide individual notice by first class mail to all customers in advance of the effective date of the Board Order, and proof of such mailings to the Board within ten days.
4. Petitioner shall submit revised tariff pages reflecting the change from quarterly to monthly billing within ten days of this Order.

With these caveats, Rate Counsel is not opposed to the Board's approval of the above-referenced petition.

Respectfully submitted,

STEFANIE A. BRAND
Director, Division of Rate Counsel

By:


Christine M. Juarez
Assistant Deputy Rate Counsel

**In the Matter of United Water West
Milford and United Water Arlington
Hills Approval to Modify Their
Respective Tariffs to Provide for
Monthly Customer Billing**

BPU Docket No.: WT13111037

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