



Agenda Date: 8/20/14
Agenda Item: VA

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 GORDON'S)	ORDER FURTHER SUSPENDING
CORNER WATER COMPANY FOR AN INCREASE IN)	INCREASES, CHANGES OR IN
RATES AND CHARGES FOR WATER SERVICE)	ALTERATIONS IN RATES FOR
)	SERVICE
)	
)	BPU DOCKET NO. WR14040325
)	OAL DOCKET NO. PUC 05139-14

Parties of Record:

Douglas R. Kleinfeld, Esq., General Counsel, Gordon's Corner Water Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On April 10, 2014, 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., Gordon's Corner Water Company ("Gordon's Corner", "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 rates for water service amounting to approximately \$877,829 or 8.81% above the annual revenues. The increase in rates was proposed to become effective on May 20, 2014¹. The Petitioner did not seek interim rate relief pending final determination on the petition.

In addition, the Petitioner's current tariff includes a Purchased Water Adjustment Clause ("PWAC") at the rate of \$0.00 per thousand gallons. Although no increase in the PWAC is currently proposed, the Petitioner seeks, in this filing, to update the required base data for future PWAC fillings, in accordance with N.J.A.C. 14:9-7.1, et seq.

¹ On May 5, 2014, 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 May 24, 2014, agenda meeting.

The Company is engaged in the business of collecting, treating and distributing water for retail service to approximately 15,000 customers in portions of the Townships of Marlboro and Manalapan in Monmouth County, New Jersey.

According to the petition, the rate increase is driven by several factors including: (a) that the Petitioner's existing tariff has become unjust and unreasonable because the revenues derived therefrom are insufficient to permit the Petitioner to meet the cost of operating the facilities used and useful in the service of the public; (b) to obtain a just and reasonable return on the investment in said facilities; (c) to maintain its financial integrity, attract capital, and to compensate investors for the risks assumed on a basis comparable to that in other business undertakings attended by corresponding risks; (d) to encourage good management and furnish incentive for efficiency; and (e) to continue to furnish safe, adequate and proper service.

On April 28, 2014, the Board transmitted this matter to the Office of Administrative Law for hearings and on May 21, 2014, the Board issued an Order suspending the Company's proposed rate increase until September 20, 2014.

In light of the fact that this matter will not be completed by September 20, 2014, and that the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is **HEREBY ORDERED** that:

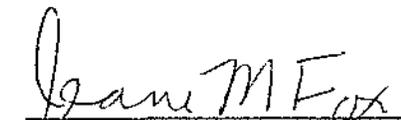
- (1) Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are suspended until January 20, 2015, unless the Board prior to that date, makes a determination disposing of the petition;
- (2) Petitioner shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of Administrative Law (33 Washington Street, Newark N.J. 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 (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, N.J. 08625), the clerk of each affected municipality, the clerk of the Board of Chosen Freeholders of the affected county, and where appropriate, the executive officer of the 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.

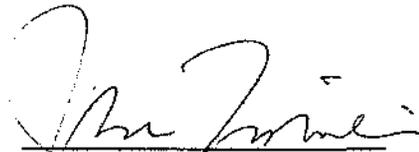
This Order shall be effective on August 30, 2014.

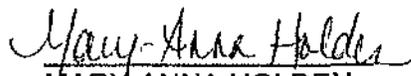
DATED: 8/20/14

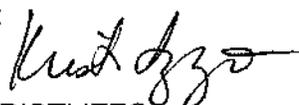
BOARD OF PUBLIC UTILITIES
BY:

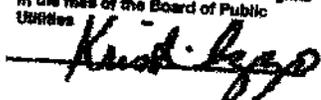

DIANNE SOLOMON
PRESIDENT


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 PETITION OF GORDON'S CORNER WATER COMPANY FOR AN
INCREASE IN RATES AND CHARGES FOR WATER SERVICE
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OAL DOCKET NO. PUC 05139-14

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