



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

WATER

IN THE MATTER OF THE NEW JERSEY BOARD OF PUBLIC UTILITIES' CONSIDERATION OF THE TAX CUTS AND JOBS ACT OF 2017	) ) ) )	ORDER OF EXTENSION  DOCKET NO. AX18010001
IN THE MATTER OF THE PETITION OF THE GORDON'S CORNER WATER COMPANY TAX CUTS AND JOBS ACT OF 2017	) ) )	DOCKET NO. WR18030243

**Parties of Record:**

**Stephen B. Genzer, Esq.**, Saul Ewing Arnstein & Lehr LLP, on behalf of Gordon's Corner Water Company  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:

The Tax Cuts and Jobs Act of 2017 ("2017 Act") sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from thirty-five percent (35%) to twenty-one percent (21%).

On January 31, 2018, the New Jersey Board of Public Utilities ("Board") issued an Order ("Tax Order") which established a proceeding ("Tax Proceeding") for all affected utilities to consider the implications of the 2017 Act, and in particular to implement interim rates effective April 1, 2018, until a final Board review is complete. The Tax Order also established a procedural schedule for motions to intervene, discovery, technical conferences, filing of comments, and finally settlement conferences on May 31, 2018.

On May 24, 2018, Gordon's Corner Water Company ("GCWC" or "Petitioner") and the Parties<sup>1</sup> agreed, as set forth in a draft letter from Petitioner to the Board, that the Petitioner would advise the Board that the Parties have been exchanging discovery and have been discussing the specific issues that affect the Petitioner. GCWC further advised the Board that it was attempting to calculate and discuss, with the Parties, the regulatory and rate aspects of the Federal tax laws in order to deal with these issues in the Board's tax docket, in its pending rate case, and in compliance with IRS normalization regulations. The Petitioner stated that these processes require additional time which is not now contemplated under the existing procedural schedule. In view of the foregoing, the Petitioner respectfully requested that the procedural schedule for

<sup>1</sup> The Parties to this matter are the Petitioner, the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff.

this matter be extended to permit a Board decision no later than its September 2018 public agenda meeting.

The Petitioner stated that it had discussed this request with Rate Counsel and Board Staff and that both parties were in agreement with the proposed extension of the procedural schedule. The Petitioner further stated that this request was in the public interest and will allow GCWC to ensure that the regulatory impact of its tax calculations were complete, accurate in compliance with IRS regulations, and would provide the Parties with additional time to focus on a mutually agreeable resolution of this matter.

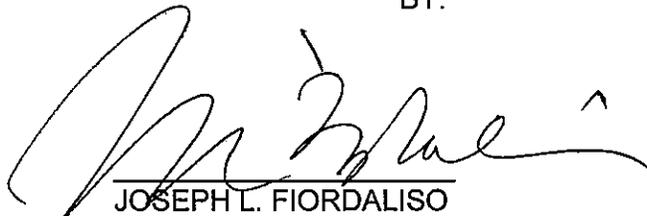
**DISCUSSION:**

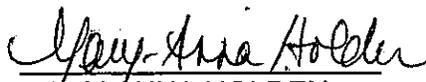
The Board has reviewed the extension request filed by Petitioner, and **HEREBY DIRECTS** that the procedural schedule for Petitioner shall be extended to provide Petitioner with additional time to complete its review of its deferred income tax records and allow the Parties to engage in further settlement discussions. The Board **FURTHER DIRECTS** that the Parties submit all necessary information to the Board so as to allow the Board to consider final rates no later than the Board's September 2018 public agenda meeting, or as soon thereafter as the Board may deem appropriate.

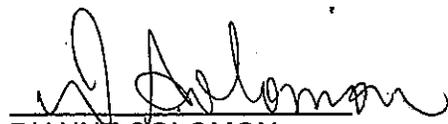
This Order shall be effective on July 2, 2018.

DATED: 6/22/18

BOARD OF PUBLIC UTILITIES  
BY:

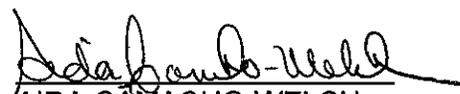
  
JOSEPH L. FIORDALISO  
PRESIDENT

  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

  
UPENDRA J. CHIVUKULA  
COMMISSIONER

  
ROBERT M. GORDON  
COMMISSIONER

ATTEST:   
AIDA CAMACHO-WELCH  
SECRETARY

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CONSIDERATION OF THE TAX CUTS AND JOBS ACT OF 2017  
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**IN THE MATTER OF THE PETITION OF THE GORDON'S CORNER WATER COMPANY  
TAX CUTS AND JOBS ACT OF 2017  
DOCKET NO. WR18030243**

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