

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 1st Floor 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)	INCREASES, CHANGES OR
IN RATES AND CHARGES FOR WATER SERVICE)	ALTERATIONS IN RATES FOR
)	WATER SERVICE
)	
)	DOCKET NO. WR23110853
)	OAL DOCKET NO. PUC 01015-2024 S

Parties of Record:

Stephen B. Genzer, Esq., Saul Ewing Arnstein and Lehr, LLP, on behalf of Gordon's Corner Water Company.

BY THE BOARD:

On November 17, 2023, Gordon's Corner Water Company ("GCWC" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of an increase in its base rates of approximately \$2.141 million for services rendered on and after January 1, 2024 ("Petition").

The Company provides water service to approximately 15,000 customers in portions of Marlboro and Manalapan Townships, Monmouth County, New Jersey.

According to the Petition, the Company's request is largely driven by Middlesex Water Company and Veolia Water Company New Jersey, Inc.'s ("Veolia") pending base rate cases. GCWC purchases about 57% of its source water supply from Marlboro Township and Veolia, comprising the Company's largest expense.

¹ In re the Petition of Middlesex Water Company for Approval of an Increase in Rates for Water and Other Tariff Changes, Docket No. WR23050292 and In re the Petition of Veolia Water New Jersey Inc. for Approval of an Increase in Rates for Water/Sewer Service and Other Tariff Changes, Docket No. WR23110790.

² Middlesex Water Company provides Marlboro Township's water supply.

The Company asserted that its existing tariff has become unjust and unreasonable because the revenues derived therefrom are insufficient to permit GCWC to meet the cost of operating the facilities used and useful in the service of the public; to obtain a just and reasonable return on the investment in said facilities; 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; to encourage good management and furnish incentive for efficiency; to continue to furnish safe, adequate and proper service; and to maintain its facilities in such condition as to discharge its public duties.

By Order dated December 20, 2023, the Board suspended the proposed rate increase until May 1, 2024 and transmitted this matter to the Office of Administrative Law ("OAL") as a contested case, where it was assigned to Administrative Law Judge Jacob S. Gertsman.³

Through discovery, GCWC filed an update to include 12 months of actual information ("12+0 Update"). By the 12+0 Update, the Company updated its proposed revenue requirement to approximately \$1.194 million.

Because the proposed revisions, if approved, will likely increase existing rates, and change or alter existing classifications in the Petitioner's tariff, it is **HEREBY ORDERED** as follows:

- (1) Pursuant to N.J.S.A. 48:2-21(d), and consistent with N.J.A.C. 14:1-5.12, the proposed revisions are further suspended until September 1, 2024, unless prior to that date the Board makes a determination disposing of the Petition or enters an Order further suspending the proposed revisions;
- (2) GCWC shall, at least 10 days prior to the date set for hearing on the Petition by the OAL, file with this Board, and with the OAL, 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) GCWC shall serve copies of this Order upon the OAL, 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 County Commissioners of each 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.

³ In re the Petition of Gordon's Corner Water Company for an Increase in Rates and Charges for Water Service, Order Suspending Increases, Changes or Alterations in Rates for Water Service, BPU Docket No. WR23110853, Order dated December 20, 2023.

This Order shall be effective on April 24, 2024.

DATED: April 17, 2024

BOARD OF PUBLIC UTILITIES

BY:

PRESIDENT

DR. ZENON CHRISTODOULOU

COMMISSIONER

COMMISSIONER

MICHAEL BANGE COMMISSIONER

ATTEST:

RRI L. GOLDEN

SECRETARY

HEREBY CENTRY document is a true comin the files of the Board

IN THE MATTER OF THE PETITION OF GORDON'S CORNER WATER COMPANY FOR AN INCREASE IN RATES AND CHARGES FOR WATER SERVICE

BPU DOCKET NO. WR23110853 OAL DOCKET NO. PUC 01015-2024 S

SERVICE LIST

Gordon's Corner Water Company

27 Vanderburg Road Marlboro, NJ 07746

David G. Ern, President

dgern@gordonscornerwater.com

Eric Olsen, Chief Operating Officer eolsen@gordonscornerwater.com

Saul Ewing LLP

Stephen B, Genzer, Esq, One Riverfront Plaza, Suite 1520 1037 Raymond Blvd, Newark, NJ 07102-5426 stephen.genzer@saul.com

Shane P. Simon, Esq. 600 College Road East, Suite 400 Princeton, NJ 08540-6003

shane.simon@saul.com

Division of Rate Counsel

140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director blipman@rpa.nj.gov

Susan McClure, Esq., Assistant Deputy Rate Counsel smcclure@rpa.nj.gov

Department of Law and Public Safety

Division of Law Public Utilities Section 25 Market Street, Post Office Box 112 Trenton, NJ 08625

Daren Eppley, Section Chief, DAG daren.eppley@law.njoag.gov

Pamela Owen, DAG, Assistant Section Chief pamela.owen@law,njoag.gov

Meliha Arnautovic, DAG meliha.arnautovic@law.njoag.gov

Terel Klein, DAG terel.klein@law.njoag.gov **Board of Public Utilities**

44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350

Sherri L. Golden, Board Secretary board.secretary@bpu.nj.gov

Bob Brabston, Esq. Executive Director bob.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov

Office of General Counsel

Michael Beck, General Counsel michael.beck@bpu.nj.gov

Carol Artale, Deputy General Counsel carol.artale@bpu.nj.gov

Michael Hunter, Regulatory Officer michael.hunter@bpu.nj.gov

Division of Revenue and Rates

Kyle Felton

kyle.felton@bpu.nj.gov

William Barkasy

william.barkasy@bpu.nj.gov

Cindy Bianco

cindy.bianco@bpu.nj.gov

Division of Engineering

Dean Taklif, Director dean.taklif@bpu.nj.gov

Yanina Lepore

yanina.lepore@bpu.nj.gov