

Agenda Date: 7/16/25 Agenda Item: VA

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

# <u>WATER</u>

)

)

)

)

)

)

IN THE MATTER OF THE JOINT PETITION FOR AN APPROVAL OF AN INCREASE IN RATES FOR WATER AND WASTEWATER SERVICE AND OTHER TARIFF CHANGES FOR MIDDLESEX WATER COMPANY, PINELANDS WATER COMPANY, AND PINELANDS WASTEWATER COMPANY ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE

DOCKET NO. WR25060372

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel Stephen B. Genzer, Esq., Saul Ewing, LLP, on behalf of Middlesex Water Company

BY THE BOARD:

On June 30, 2025, pursuant to N.J.S.A. 48:2-21, N.J.A.C.14:1-5.11, N.J.A.C 14:1-5.12, N.J.A.C 14:9-7.1 <u>et seq.</u>, and N.J.A.C. 14:9-10.1 <u>et seq.</u>, Middlesex Water Company ("Middlesex"), Pinelands Water Company ("Pinelands Water"), and Pinelands Wastewater Company ("Pinelands Wastewater") (collectively, "Joint Petitioners") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of an increase in base water rates ("Petition").

The Joint Petitioners are all regulated public utilities of the State of New Jersey subject to the jurisdiction of the Board. Middlesex serves approximately 61,000 retail water customers throughout the State of New Jersey. Middlesex also provides wholesale water service to the City of Rahway, the Townships of Edison and Marlboro, the Borough of Highland Park, and the Old Bridge Municipal Utilities Authority. Middlesex also provides water treatment and pumping services to the Township of East Brunswick.

Pinelands Water and Pinelands Wastewater provide water and wastewater service to approximately 2,500 residential customers in Southampton Township in Burlington County. Pinelands Water is not physically interconnected with the Middlesex System and Pinelands Wastewater is a stand-alone system.

By the Petition, Joint Petitioners requested Board approval to:

- A. Increase rates to produce additional revenues of approximately \$24,919,160 or approximately 19.31% above the annual level of present rate revenues for the test year period ending October 31, 2025, utilizing a return on equity of 10.50%;
- B. Implement a unified tariff reflecting the consolidation of the Joint Petitioners into Middlesex with a consolidated rate structure;
- C. Implement the depreciation rates, and resulting depreciation expense, identified in a depreciation study prepared by the Joint Petitioners; and
- D. Utilize the results of a comprehensive cost of service study as a basis when setting rates in this matter.

Because the proposed revisions, if approved, will likely increase existing rates and change or alter existing classifications in the Joint Petitioners' tariffs, the Board <u>HEREBY</u> <u>ORDERS</u> 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 suspended until December 1, 2025 unless, prior to that date, the Board makes a determination disposing of the Petition or enters an Order further suspending the proposed revisions;
- (2) The Joint Petitioners shall, at least ten (10) days prior to the date set for hearing on the Petition by the Office of Administrative Law ("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) The Joint Petitioners shall serve copies of this Order upon the OAL, the New Jersey Division of Rate Counsel, 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. Proof of service of this Order shall be filed with the Board.

This Order shall be effective on July 23, 2025.

DATED: July 16, 2025

BOARD OF PUBLIC UTILITIES BY:

CHRIST **GUHL-SADOVY** VF

PRESIDENT

Us

Marian Abdonis

DR. ZENON CHRISTODOULOU COMMISSIONER

MARIAN ABDOU COMMISSIONER

Ni

MICHAEL BANGE COMMISSIONER

SHERRI L. LEWIS BOARD SECRETARY

ATTEST:

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 FOR AN APPROVL OF AN INCREASE IN RATES FOR WATER AND WASTEWATER SERVICE AND OTHER TARIFF CHANGES FOR MIDDLESEX WATER COMPANY, PINELANDS WATER COMPANY AND PINELANDS WASTEWATER COMPANY

BPU DOCKET NO. WR25060372

#### SERVICE LIST

Middlesex Water Company

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

Jay L. Kooper, Esq. Vice President and General Secretary Middlesex Water Company 485C Route One South, Suite 400 Iselin, NJ 08830 <u>ikooper@middlesexwater.com</u>

Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> 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

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

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

Terel Klein, DAG terel.klein@bpu.nj.gov **Board of Public Utilities** 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, NJ 08625-0350

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

Taryn Boland, Chief of Staff taryn.boland@bpu.nj.gov

Robert Brabston, Esq. Executive Director robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director <a href="mailto:stacy.peterson@bpu.nj.gov">stacy.peterson@bpu.nj.gov</a>

Office of General Counsel

Ava-Marie Madeam, General Counsel avamarie.madeam@bpu.nj.gov

Elspeth Fairman Hans, Deputy General Counsel Elspeth.hans@bpu.nj.gov

Kit Burnette, Associate Counsel kit.burnette@bpu.nj.gov

## **Division of Revenue and Rates**

William Barkasy william.barkasy@bpu.nj.gov

Robert Aaron robert.aaron@bpu.nj.gov

#### **Division of Engineering**

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

John Masiello, Deputy Director john.masiello@bpu.nj.gov