



Agenda Date: 9/9/26
Agenda Item: IIIA

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

ENGINEERING

IN THE MATTER OF THE PETITION OF AQUA NEW)
JERSEY, INC. FOR APPROVAL OF A MUNICIPAL)
CONSENT TO PROVIDE WATER SERVICE TO THE)
LAKE TAMARACK PORTION OF THE TOWNSHIP)
OF HARDYSTON AND RELATED APPROVALS) DOCKET NO. WE26020039

Parties of Record:

Colleen A. Foley, Esq., Saul Ewing, LLP, on behalf of Aqua New Jersey, Inc.
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board") considers a petition filed by Aqua New Jersey, Inc. ("Aqua" or "Company") on February 19, 2026, seeking approval of Ordinance No. 2025-11 ("Municipal Consent") adopted on December 10, 2025, by the Township of Hardyston, County of Sussex ("Township" or "Hardyston"), pursuant to N.J.S.A. 48:2-14, and of the transfer of service of the water system assets ("System") of the Lake Tamarack Water Corporation ("Lake Tamarack") to Aqua, which are located in the Lake Tamarack portion of the Township ("Service Area"), pursuant to N.J.S.A. 48:2-24, allowing the Company to provide water service to residents within the Service Area ("Petition").¹

BACKGROUND

By the Municipal Consent, the Township permitted the Company to construct, maintain, manage and operate water facilities in the Township rights of way for the purpose of providing water service to the Service Area. The Municipal Consent also granted the Company a franchise to serve the System, pursuant to an Assets Purchase Agreement dated on January 6, 2026, in which the Company agreed to acquire the privately owned and operated System assets of Lake Tamarack that are presently used to serve a portion of the Township, known as the Lake Tamarack Association.

The System presently provides service to approximately 254 residential customers located in the Service Area and includes five (5) hydrants that are used for operational purposes and to draw

¹ Ordinance No. 2025-11 is attached to this Order as Exhibit A.

water from Lake Tamarack in the event of a fire. The Service Area is directly adjacent to Aqua's existing Summit Lake service area located in the Company's Northern Division in Phillipsburg.

PETITION

By the Petition, Aqua sought Board approval of the Municipal Consent authorizing the Company to expand its franchise to provide water service to the Service Area. Aqua indicated that this expansion is necessary and proper for public convenience as the Company shall bring significant operational, financial, technical and managerial resources to bear in serving the customers located in Lake Tamarack.

Aqua also sought authority to incorporate the System assets into the Company's current tariff rates to set forth the transition of Lake Tamarack customers to Aqua. If the Petition is approved, Aqua will maintain the current flat rate of \$560 per year for approximately four (4) to five (5) months to install remote-read meters for all customers located in the Service Area. Once the meters are installed, Aqua will implement the Company's then-current Board approved General Metered Service ("GMS") rates to Lake Tamarack customers for water service, which is intended to increase the monthly rate from approximately \$46.67 to \$63.36.

On July 7, 2026, following proper notice to the public, a virtual public hearing was held on the Petition and presided over by a hearing officer of the Board. Representatives from the Company, the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") appeared. No members of the public attended, and the Board received no written public comments on this matter.

By letter dated July 9, 2026, Rate Counsel submitted comments on the Petition noting that, subject to certain conditions, it did not oppose the Municipal Consent. Rate Counsel stated that the Municipal Consent complies with the fifty (50) year limit on the duration of the consent to lay pipes in public places set forth in N.J.S.A. 48:3-15. However, Rate Counsel expressed concerns that the Municipal Consent lacks a specific duration for Aqua's right to provide water service. Therefore, Rate Counsel recommended that the Board modify the term of the Municipal Consent to be limited to fifty (50) years for the specific authorization to provide water service and to access public streets and places within the Township under N.J.S.A. 48:3-15. Rate Counsel stated that its recommended provisions would satisfy its concerns that Aqua complies with the proper statutory framework, that Board approval is limited to the specific approvals requested, and that there is no authorization to include any specific assets or amounts in rate base, nor authorization for any other ratemaking treatment. Rate Counsel also stated that it did not oppose to the Company's request to transition customers to GMS rates once meters are installed.

DISCUSSION AND FINDINGS

No municipality or other political subdivision of the State may grant a privilege or franchise to any public utility unless approved by the Board. N.J.S.A. 48:2-14. The Board should grant approval when, after hearing, the Board determines the franchise is necessary and proper for the public convenience and properly conserves the interests of the public. Ibid. The Board may impose conditions on its approval as the public convenience and interest may require. Ibid.

The Board, having reviewed the Petition and the entire record in this matter, **HEREBY FINDS** the Municipal Consent is necessary and proper for the public convenience and properly conserves the public interest.

Accordingly, the Board **HEREBY APPROVES** the Municipal Consent for the expansion of Aqua's service territory to include the customers in the Service Area and the transition of Lake Tamarack system customers to Aqua's current Board approved GMS rates upon the installation of meters. In accordance with N.J.S.A. 48:3-15, and in consideration of Staff and Rate Counsel's comments, the Board **HEREBY FINDS** that the Municipal Consent shall not exceed fifty (50) years. The Board **FURTHER FINDS** that the Company has the ability to provide safe, adequate, and proper service in the Service Area. The approvals granted hereinabove shall be subject to the following provisions:

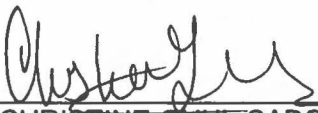
1. This Order shall not affect or in any way limit the exercise of the authority of the Board, or of the State, regarding any future petition or in any proceeding with respect to rates, franchises, service, financing, accounting, capitalization, depreciation, or in any matter affecting the Company.
2. This Order shall not be construed as directly or indirectly fixing, for any purposes whatsoever, any value of any tangible or intangible assets or liabilities now owned or hereafter to be owned by the Company.
3. The Company shall not depreciate the portion of the water system expansion that is funded by Contributions in Aid of Construction.
4. Pursuant to N.J.S.A. 48:3-15, the Municipal Consent for the use of streets is limited to a term of fifty (50) years from the effective date of this Order.
5. In order to ensure periodic municipal and Board review, the term of the Company's authority to provide water service under N.J.S.A. 48:2-14 shall be limited to the same period as the Company's authority for the use of streets and other places.
6. Nothing in this Order shall constitute Board approval of the rates to be paid by customers in the Township. Any rates represented by the Company are not guaranteed and the Board has the authority to set rates at an amount it deems just and reasonable as part of the next base rate case filed by the Company, regardless of any representations made by the Company to the Township or its residents.
7. Approval of the Municipal Consent does not constitute approval of any specific main extension or plan for service. In extending service, the Company must comply with all applicable laws.
8. Within ten (10) days of the signed order, Aqua shall submit revised tariff pages. Also, within ten (10) days following the completion of the meter installations, Aqua shall submit additional revised tariff pages to reflect the transition of customers to GMS rates.
9. Staff is authorized to approve, subject to comments filed by Rate Counsel, any written request by the Company for additional time to comply with any applicable terms set forth in this Order.
10. Board approval in this proceeding is limited to approval of the Municipal Consent only.

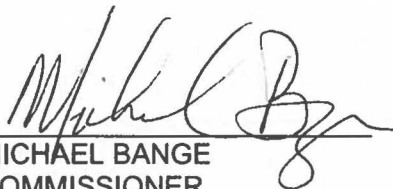
This Order shall be effective on September 16, 2026.

DATED: September 9, 2026

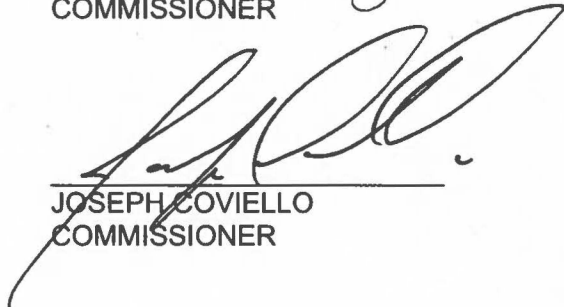
BOARD OF PUBLIC UTILITIES
BY:


BEN HERTZ-SHARGEL
PRESIDENT


CHRISTINE GUHL-SADOVY
COMMISSIONER


MICHAEL BANGE
COMMISSIONER


EMMA REBHORN
COMMISSIONER


JOSEPH COVIELLO
COMMISSIONER

ATTEST: 
SHERRI L. LEWIS
BOARD 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 AQUA NEW JERSEY, INC. FOR APPROVAL OF A MUNICIPAL
CONSENT TO PROVIDE WATER SERVICE TO THE LAKE TAMARACK PORTION OF THE TOWNSHIP OF
HARDYSTON AND RELATED APPROVALS

DOCKET NO. WE26020039

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TOWNSHIP OF HARDYSTON

ORDINANCE NO. 2025-11

AN ORDINANCE OF THE TOWNSHIP OF HARDYSTON, COUNTY OF SUSSEX AND STATE OF NEW JERSEY, AUTHORIZING THE TOWNSHIP TO EXECUTE AN AGREEMENT BETWEEN THE TOWNSHIP OF HARDYSTON AND AQUA NEW JERSEY, INC. GRANTING TO AQUA NEW JERSEY, INC. THE FRANCHISE TO SERVE AND MUNICIPAL CONSENT AND PERMISSION TO CONSTRUCT, OPERATE, AND MAINTAIN WATER FACILITIES IN THE TOWNSHIP RIGHTS OF WAY IN THE LAKE TAMARACK SERVICE AREA

WHEREAS, Aqua New Jersey, Inc., currently provides water services pursuant to rates and tariffs approved by the New Jersey Board of Public Utilities; and

WHEREAS, Lake Tamarack Water Company currently provides water services to the Lake Tamarack Service Area of Hardyston Township; and

WHEREAS, it has come to the attention of the Township Council that Aqua New Jersey, Inc. wishes to purchase from the Lake Tamarack Water Company the rights to provide water services to the Lake Tamarack Service Area; and

WHEREAS, the Township Council has determined that the provision of such services is best accomplished by a method which does not involve public funds and which minimizes municipal financial responsibility and liability; and

WHEREAS, Aqua New Jersey, Inc. has significant experience as the operator of water and wastewater utilities which have been approved by the New Jersey Board of Public Utilities; and

WHEREAS, the Township Council has determined that it is in the best interests of the Township's residents to authorize the provision of centralized water services in the Lake Tamarack Service Area to Aqua New Jersey, Inc.; and

WHEREAS, the Township Council has determined that it has the authority to authorize the attached Franchise Agreement:

Agreement Between the Township of Hardyston and Aqua New Jersey, Inc., Granting the Franchise to Serve and Municipal Consent and Permission to Construct, Operate and Maintain Water Facilities in the Township Rights of Way

(hereinafter referred to as "Franchise Agreement").

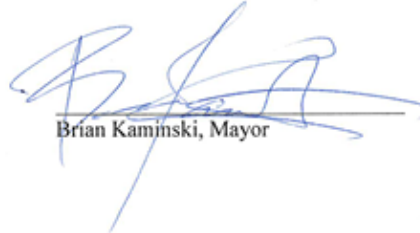
NOW, THEREFORE BE IT ORDAINED by the Township Council of the Township of Hardyston, County of Sussex, State of New Jersey, as follows:

1. That the attached Franchise Agreement referenced herein is hereby approved and the Mayor and Township Clerk are hereby authorized to execute the attached Franchise Agreement between the Township and Aqua New Jersey, Inc.
2. That any other Township officials and professionals are hereby authorized and directed to take all actions necessary in order to effectuate the intentions of this Ordinance.

3. That all other Ordinances or parts of Ordinances inconsistent herewith are hereby repealed to the extent of such inconsistencies.
4. That if any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.
5. That this Ordinance shall take effect immediately upon final passage and publication in accordance with the law.

ATTEST:


Dana Vitz, Deputy Municipal Clerk


Brian Kaminski, Mayor

NOTICE

PLEASE TAKE NOTICE that notice is hereby given that the above ordinance was introduced and passed at the regular meeting of the Hardyston Township Council held at the Municipal Building, 149 Wheatsworth Road, Hardyston, New Jersey, on October 29, 2025. The same came up for final adoption at a meeting of the Township Council of the Township of Hardyston held on December 10, 2025, and after all persons present were given the opportunity to be heard concerning the same, it was finally passed, adopted and will be in full force and effect in the Township according to law.


Dana Vitz, Deputy Municipal Clerk