



Agenda Date: 4/14/10

Agenda Item: VA

STATE OF NEW JERSEY

Board of Public Utilities

Two Gateway Center

Newark, NJ 07102

www.nj.gov/bpu

WATER

IN THE MATTER OF THE PETITION OF UNITED
WATER TOMS RIVER, INC. FOR APPROVAL OF AN
INCREASE IN RATES FOR WATER SERVICE AND
OTHER TARIFF CHANGES

ORDER FURTHER SUSPENDING
) INCREASES, CHANGES OR
) ALTERATION IN RATES FOR
) SERVICE

BPU DOCKET NO. WR09110934

OAL DOCKET NO. PUC 13885-09

Stephen B. Genzer, Esq., Saul Ewing LLP, One Riverfront Plaza, 15th Floor, Newark, NJ 07102
for Petitioner

BY THE BOARD:

On November 18, 2009, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12 et seq., United Water Toms River Inc. ("UWTR" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition for approval of an increase in rates for water service and other tariff changes amounting to approximately \$9,278,961 or 37% above current revenues.

Petitioner seeks the requested increase, inter alia, to recover increased expenses, planned capital expenditures and for an opportunity to earn a reasonable return on investment in utility plant.

As part of this filing, Petitioner also seeks Board approval of deferred accounting treatment for the Pension and Post Employment Benefits expenses calculated in accordance with FAS (i.e., Financial Accounting Standard) 87 and FAS 106.¹

Petitioner serves approximately 50,000 customers located in the central portion of Ocean County generally in Toms River Township (formally known as Dover Township) South Toms River Borough and a portion of Berkeley Township.

On December 3, 2009, this matter was transmitted to the Office of Administrative Law ("OAL") for hearings. On December 17, 2009, the Board issued its first Order suspending UWTR's proposed rate increase until April 18, 2010. This matter is currently before the OAL and hearings are scheduled to begin in July 2010.

¹ Specifically, the Petitioner is requesting Board approval to defer any differences, either positive or negative, between the Pension and Post Employment Benefits calculated in accordance with FAS 87 and FAS 106 by an actuary and the amount allowed in this case. The Petitioner requests that the deferred amount, if any, would be amortized in the Company's next base rate proceeding.

In light of the fact that this proceeding is still pending before the OAL, and may not be resolved before April 18, 2010, the expiration date of the first suspension period, it is HEREBY ORDERED that:

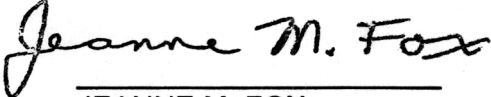
1. Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are further suspended until August 18, 2010² unless the Board prior to that date makes a determination disposing of the petition;
2. Petitioner shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of Administrative Law (33 Washington Street, Newark, NJ 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 (31 Clinton Street, P. O. Box 46005, Newark, NJ 07102), the clerk of the affected municipalities, 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 this petition, notice of hearings and this Order may be made simultaneously. Proof of service of the Order shall be filed with the Board within fifteen (15) days of the date of this Order.

DATED: 4/16/10

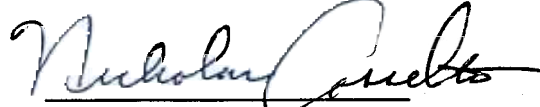
BOARD OF PUBLIC UTILITIES

BY:


LEE A. SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER

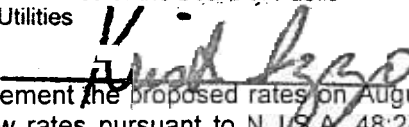

JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER


ELIZABETH RANDALL
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


² Petitioner notified the Board that it will implement the proposed rates on August 18, 2010, if the Board has suspended the effective date of the new rates pursuant to N.J.S.A. 48:2-21 without having finally determined a just and reasonable tariff schedule prior to that date. Petitioner does not seek interim rate relief pending final determination on the petition.

In the Matter of the Petition of United Water Toms River Inc.
for Approval of an Increase in Rates for
Water Service and Other Tariff Changes

BPU Docket No. WR09110934
OAL Docket No. PUC 13885-09

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