

Agenda Date: 12/18/13 Agenda Item: VA

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 <u>www.ni.gov/bpu/</u>

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IN THE MATTER OF THE PETITON OF AQUA NEW JERSEY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WASTEWATER SERVICE PROVIDED BY SYSTEMS LOCATED IN WOOLWICH AND NORTH HANOVER TOWNSHIPS AND OTHER TAIRFF CHANGES ORDER FURTHER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR SERVICE

DOCKET NO. WR13070686 OAL DKT. NO PUC 12399-2013S

Parties of Record:

Stephen B. Genzer, Esq., on behalf of Aqua New Jersey, Inc., Petitioner Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 31, 2013, pursuant to <u>N.J.S.A.</u> 48:2-21, <u>N.J.A.C.</u> 14:1-5.7, <u>N.J.A.C.</u> 14:1-5.12, and <u>N.J.A.C.</u> 14:9-7.1 <u>et. seq</u>, Aqua New Jersey, Inc. ("Aqua", "Company" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") filed a petition seeking to increase its rates for wastewater service provided by systems located in Woolwich and North Hanover Townships amounting to approximately \$751,547 or 62.50% above the annual revenues. The increase in rates is proposed to become effective on September 1, 2013¹. The Petitioner does not seek interim rate relief pending final determination on the petition.

The Company is engaged in the wastewater collection, treatment, and transmission business and currently serves a total of approximately 5,230 wastewater customers via several independent, stand-alone wastewater systems². Three of those systems are the subject of this petition: the Woolwich system ("Woolwich") serving approximately 2,106 customers, the Hanover Village Mobile Home Park ("North Hanover") system serving approximately 92

¹ On August 10, 2013, the Company filed a letter with the Board stating that it will not implement rates on an interim basis prior to the effective date of the Board's suspension Order adopted at the September 18, 2013, agenda meeting.

² The Company is also engaged in the business of collecting, treating and distributing water for retail service to approximately 50,920 customers. Rates for water service are not the subject of this petition.

customers and the California Village Mobile Home Park ("California Village") system serving approximately 107 customers. Woolwich is located in Gloucester County, New Jersey while North Hanover and California Village are located in Burlington County, New Jersey.

According to the petition, the rate increase is required to enable the Petitioner to maintain a satisfactory credit position, preserve its financial integrity, permit proper maintenance and improvement of the utility plant required to furnish safe, adequate and proper service, encourage continued good management and provide an incentive for efficiency, prevent confiscation or diminution of its property, and to earn a reasonable return upon the fair value of its property used and useful in the public service. The Company has also proposed a three year phase-in of the proposed rate increase in an effort to mitigate the impact of the aforementioned rate increase upon its customers.

On August 27, 2013, the Board transmitted this matter to the Office of Administrative Law for hearings and on September 27, 2013, the Board issued an Order suspending the Company's proposed rate increase until January 1, 2014.

In light of the fact that this matter will not be completed by January 1, 2014, and that the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is <u>HEREBY ORDERED</u> that:

- Pursuant to <u>N.J.S.A.</u> 48:2-21, the proposed revisions be, and are further suspended until May 1, 2014, unless the Board prior to that date, makes a determination disposing of the petition or enters an Order further suspending the proposed revisions;
- (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 N.J. 07102) proof of compliance with the Notice provisions of <u>N.J.S.A.</u> 48:2-32.2 and <u>N.J.A.C.</u> 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 (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, N.J. 08625-0003, the clerk of each affected municipality, the clerk of the Boards of Chosen Freeholders of each affected county, and where appropriate, the executive officer of each 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 within fifteen (15) days of the date of this Order.

This Order shall be effective on December 28, 2013.

DATED: 12/18/13

BOARD OF PUBLIC UTILITIES BY:

LM ROBERT M. HANNA

PRESIDENT

EANNE M. FOX

COMMISSIONER

MÁRY-ANNA HOLDEN COMMISSIONER

ATTEST:

KRISTI IZZO

SECRETARY

HEREBY GERTIFY that the within docume. It is a true copy of the original in the files of the Board of Public Udities

JØSEPH L. FIORDALISO COMMISSIONER

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DIANN'E SOLOMON COMMISSIONER

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