

Agenda Date: 11/21/17 Agenda Item: VC

STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

## WATER

IN THE MATTER OF THE PETITION OF THE ANDOVER UTILITY COMPANY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WASTEWATER SERVICE	)	ORDER FURTHER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WASTEWATER SERVICE
	) )	BPU DOCKET NO. WR17070726 OAL Docket No. PUC 10621-2017S

#### Parties of Record:

Craig Goodstadt, Esq., General Counsel, Andover Utility Company, Inc. Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

#### BY THE BOARD:

On July 7, 2017, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, Andover Utility Company, Inc. ("Andover," "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 Verified Petition for authority to increase its base tariff rates and charges for sewerage service amounting to approximately \$130,332 or 27.56%. The increase in rates was proposed to become effective on August 7, 2017. Andover services 3 customers: Rolling Hills Condominium Association, which consists of 258 apartment; Andover Sub Acute One, and Andover Sub-Acute Two, located in Andover Township, Sussex County, New Jersey.

According to the petition, the need for the base rate relief is primarily driven by several factors: (1) to establish an income level which will permit the Company to finance essential and continuing plant investment; (2) to permit Petitioner to earn a fair and adequate rate of return on its net investment in used and useful property; (3) to establish rates which will be sufficient to enable the Company, under efficient and economical operation, to maintain and support financial integrity and to raise such funds as may be necessary for the proper discharge of its public duties; (4) to offset increases in operating expenses experienced, and to be experienced by the Company in the course of its operations; (5) to provide earnings sufficient to attract investors and provide sufficient cash flow to fund the Company's operations; and (6) to enable the Company to provide safe, adequate and proper service to its customers.

On July 26, 2017, the Board transmitted this matter to the Office of Administrative Law for hearings and also on July 26, 2017, the Board issued an Order suspending the Company's proposed rate increase until December 7, 2017.

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Because the case will not be completed by December 7, 2017, and the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is **HEREBY ORDERED** that:

- Pursuant to N.J.S.A. 48:2-21, the proposed revisions be, and are further suspended (1) until April 7, 2018, 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 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
- Petitioner shall serve copies of this Order upon the Office of Administrative Law, the (3)Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003. Trenton, N. J. 08625-0003), the clerk of the affected municipality, 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.

This Order shall be effective on December 1, 2017.

DATED:

**BOARD OF PUBLIC UTILITIES** BY:

RICHARD S. MROZ

PRESIDENT

JOSEPH L. FIORDALISO

COMMISSIONER

MMISSIONER

DIANNE SOLOMON

COMMISSIONER

UPENDRA J. CHIVUKULA COMMISSIONER

ATTEST:

IRENE KIM ASBU SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities

BPU DOCKET NO. WR17070726 OAL Docket No. PUC 10621-2017S

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# IN THE MATTER OF THE PETITION OF ANDOVER UTUILTY COMPANY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WATSEWATER SERVICE DOCKET NO. WR17070726 and OAL DOCKET NO. PUC 10621-2017S

### **SERVICE LIST**

Craig Goodstadt, Esq.
General Counsel
Andover Utility Company, Inc.
525 Riverside Avenue
Lyndhurst, NJ 07071
cgoodstadt@aol.com

Stefanie A. Brand, Esq., Director Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Floor Post Office Box 003 Trenton, NJ 08625-0003 sbrand@rpa.state.nj.us

Maria L. Moran, Director
Division of Water
Board of Public Utilities
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
Maria.Moran@bpu.nj.gov

Irene Kim Asbury, Esq.
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
Irene.asbury@bpu.nj.gov