

**REMARKS OF STEFANIE A. BRAND, ESQ.
ACTING PUBLIC ADVOCATE & DIRECTOR
DIVISION OF RATE COUNSEL
PRESENTED BY CHRISTINE M. JUAREZ, ESQ., ADPA,**

**I/M/O Petition of United Water New Jersey Inc. for Approval
Of an Increase in Rates for Water Service and Other Tariff Changes
BPU Docket No. WR09120987**

**Public Hearing
April 15, 2010**

**Hackensack, New Jersey
6:30 p.m.**

Hello, everyone, my name is Christine Juarez. I am an attorney with the New Jersey Department of the Public Advocate, Division of Rate Counsel. The Division of Rate Counsel represents and protects the interests of all utility consumers - residential customers, small business customers, small and large industrial customers, schools, libraries, and other institutions in our communities. Rate Counsel is a party in cases where New Jersey utilities seek changes in their rates or services. Rate Counsel also gives consumers a voice in setting long-range energy, water and telecommunications policy that will affect the rendering of utility services well into the future.

The present case involves a petition by United Water New Jersey (“UWNJ”), (“United” or the “Company”) for approval to change rates for water service. United is

a utility which provides water service to approximately 195,000 customers located in Northern and Western Jersey. United also provides water service to certain municipalities, including the Township of Saddle Brook, and the Boroughs of Fair Lawn, Saddle River, Allendale, Mahwah, and Ramsey.

On December 9, 2009, United filed a petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) seeking approval for an increase in rates for water service of 21.3%, or approximately \$37.8 million in additional revenues per year. In addition, the petition also seeks to establish a Distribution System Improvement Charge (DSIC) and an Energy and Chemicals Cost Adjustment Clause. Under United’s proposal, a residential customer using an average of about 22,000 gallons of water per quarter will see his or her bill increase from \$115.70 to \$144.94, an increase of \$29.24 per quarter or 25.3%.

We, at the Division of Rate Counsel, are conducting a comprehensive examination of United’s proposal to verify the reasons for the increase in charges and to determine whether the Company’s calculations are accurate. For example, we have issued questions to the Company, seeking to discover detailed information regarding the proposed increases, including the basis for the Company’s calculations. The Company must justify its expenses and provide evidence to support its calculations.

Rate Counsel has attorneys and expert witnesses analyzing data from the

Company to effectively examine the proposed pass-through of charges. Evidentiary hearings are scheduled to be held at the Office of Administrative Law in July, at which time we will cross-examine the Company's witnesses. It is important that you be aware that decisions regarding all rate modifications in New Jersey are made by the Board of Public Utilities.

The purpose of this open public hearing is for you, the customer, to voice your opinion, relate your experiences with the Company, and offer comments about the Company's proposed increase and any service problems you may be experiencing. It is important that you express your views, because they will become part of the record on which the Board of Public Utilities makes its decisions. Rate Counsel also needs to hear your views in order to represent your interests in this legal process. We strongly encourage your participation, which will help us evaluate the Company's proposal and prepare for the evidentiary hearings.

This public hearing is being transcribed and your comments will become part of the record. The Judge will instruct you to give your name and address before you speak. I would like to reiterate the importance of your participation so that Rate Counsel can have a clear record of your concerns and interests.

On behalf of the Division of Rate Counsel, I thank you for attending this public hearing.