Agenda Date: 7/22/15 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 www.nj.gov/bpu/

WATER

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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 ALTERATIONS IN RATES FOR WATER SERVICE

BPU DOCKET NO. WR15020269 OAL DOCKET NO. PUC 03172-2015N

Parties of Record:

Stephen B. Genzer, Esq., Saul Ewing, LLP, on behalf of United Water Toms River Inc. Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD: 1

On February 27, 2015, pursuant to <u>N.J.S.A.</u> 48:2-21 and <u>N.J.A.C.</u> 14:1-5.12 and other related statutes and regulations, United Water Toms River Inc. ("UWTR," "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 and revise its rates and charges for water service amounting to approximately \$5,208,512 or 16.85%. The increase in rates was proposed to become effective on March 31, 2015.² UWTR services approximately 50,000 customers located in the central portion of Ocean County, specifically in the municipalities of Toms River Township (formerly known as Dover Township), the Borough of South Toms River, a portion of Berkeley Township, and seven customers in a small portion of Brick Township.

¹ Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

² On March 13, 2015, 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 resulting from the Board's April 15, 2015 Agenda Meeting.

According to the petition, UWTR seeks the increase to maintain a satisfactory credit position; preserve its financial integrity; permit proper maintenance and improvement of the utility facilities required to furnish safe, adequate and proper service; encourage effective management and provide incentives for efficiency; prevent confiscation or diminution of its property; and earn a reasonable return upon the fair value of its property used and useful in the public service.

On March 4, 2015, the Board transmitted this matter to the Office of Administrative Law ("OAL") for hearings and on April 15, 2015, the Board issued an Order suspending the Company's proposed rate increase until July 31, 2015.

In light of the fact that this matter is still pending before the OAL, 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:

- (1) Pursuant to <u>N.J.S.A.</u> 48:2-21, the proposed revisions be and are further suspended until November 30, 2015, 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) - (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, NJ 08625-0003), the clerks of all 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.

This Order shall be effective on July 31, 2015.

DATED: BOARD OF PUBLIC UTILITIES BY: 25,2015 **RICHARD S. MROZ** PRESIDENT JOSÉPH L. FIORDALISO MA COMMISSIONER COMMISSIONER V **DIANNE SOLOMON** COMMISSIONER ATTESI: **IRENE KIM ASBURY** 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 UNITED WATER TOMS RIVER INC., FOR APPROVAL OF AN INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES

BPU DOCKET NO. WR15020269 OAL DOCKET NO. PUC03172-2015N

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