

Agenda Date: 3/18/15 Agenda Item: VA

## STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

## <u>WATER</u>

IN THE MATTER OF THE PETITION OF THE	ĭ	ORDER FURTHER SUSPENDING
	(	
ATLANTIC CITY SEWERAGE COMPANY FOR	)	INCREASES, CHANGES OR
AUTHORIZATION TO INCREASE TARIFF RATES	)	ALTERATIONS IN RATES FOR
AND CHARGES FOR SEWERAGE SERVICE	)	SEWERAGE SERVICE
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	ί.	DOCKET NO. WR14101263
	,	DOCKET NO. WK 14101203

### Parties of Record:

Stacy A. Mitchell, Esq., Cozen O' Connor on behalf of Petitioner Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

#### BY THE BOARD:

On October 31, 2014, Atlantic City Sewerage Company ("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, pursuant to N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12, seeking to increase and revise its rates and charges for sewerage service amounting to \$2,756,051 or 13.99% above the annual revenues. The Petitioner is not seeking interim rate relief. The increase in rates was proposed to become effective on December 2, 2014.

The Company operates a sewerage collection and transmission system within its defined service territory, consisting of the City of Atlantic City. The Company serves approximately 7,600 customers and purchases sewerage treatment from the Atlantic County Utilities Authority.

According to the petition, the rate increase is driven by several factors, including, but not limited to, the loss of revenue associated with the four casino closings in 2014, capital improvements since the Company's last base rate case, and, to a lesser extent, increases in operating, maintenance and administrative expenses.

On November 12, 2014, the Board transmitted this matter to the Office of Administrative Law for hearings. On December 17, 2014, the Board issued an Order suspending the proposed rates until April 2, 2015.

<sup>&</sup>lt;sup>1</sup> On November 12, 2014, 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 December 17, 2014 agenda meeting.

Because this matter will not be completed by April 2, 2015, and the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is **HEREBY ORDERED** that:

- 1) Pursuant to N.J.S.A. 48:2-21, the proposed revisions be suspended until August 2, 2015 unless the Board, prior to that date, makes a determination disposing of the petition;
- 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 the 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, at the same time it files with the Board, also file proof of service of 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), the clerk of the affected municipality, the clerk to the Board of Chosen Freeholders of the affected county, and if appropriate, the executive officer of the affected county. Proof of Service of this shall be filed with the Board, within fifteen (15) days of the date of this Order.

This Order shall be effective on March 28, 2015.

DATED: 3/18/15

**BOARD OF PUBLIC UTILITIES** 

RICHARD S. MROZ

**PRESIDENT** 

JOSEPH L. FIORDALISO

COMMISSIONER

COMMISSIONER

DIANNE SOLOMON

COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

**ATTEST** 

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SECRETARY

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

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# IN THE MATTER OF THE PETITION OF THE ATLANTIC CITY SEWERAGE COMPANY FOR AUTHORIZATION TO INCREASE TARIFF RATES AND CHARGES FOR SEWERAGE SERVICE - BPU DOCKET NO. WR14101263

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