Agenda Date: 1216/15 Agenda Item: VC

WATER



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/

FOR APPROVAL OF AN INCREASE IN ITS RATES) INCRE FOR WASTEWATER SERVICE AND OTHER TARIFF) ALTER CHANGES) FOR V SERV	ER SUSPENDING EASES, CHANGES OR RATIONS IN RATES WASTEWATER /ICE KET NO. WR15101200

Parties of Record:

Jay L. Kooper, Esq., General Counsel, Pinelands Water Company Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:1

On October 21, 2015, pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.11, and N.J.A.C. 14:1-5.12, and other relevant statues and regulations, Pinelands Water Company ("Petitioner", "Pinelands Water" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board"), seeking to increase its rate for water service amounting to approximately \$306,366.00 or 48.49% above the annual revenues.

The increase in rates was proposed to become effective on November 23, 2015. By letter dated October 28, 2015, the Petitioner notified the Board that it will not implement the proposed rates on an interim basis prior to the effective date of the Board's Suspension Order resulting from the Board's December 16, 2015 meeting. While the Petitioner does not seek interim rate relief pending final determination of the petition, the Petitioner has notified the Board of its intention to implement the proposed rate increase, on an interim basis, pursuant to N.J.S.A. 48:2-21, on July 25, 2016 if the Board has not finally determined a just and reasonable tariff prior to that date.

¹ Commissioner Joseph L. Fiordaliso was not present at the December 16, 2015 agenda meeting.

Pinelands Water is engaged in the business of collecting, treating, and distributing water for retail service on a retail basis, to customers in Southampton Township, Burlington County. The Company owns and operates water treatment and supply systems for these purposes serving approximately 2,500 water customers. Pinelands Water is a wholly-owned subsidiary of Middlesex Water Company, which is also a public utility subject to the jurisdiction of the Board. This petition, however, is being filed on a stand-alone basis, that is, for the Pinelands Water service area.

According to the petition, the rate increase is required due to expense increases that have occurred since the rates were last set in 2013. Such expenses include power, chemicals, maintenance, security, taxes, insurance, labor and employee benefits. These expense increases, together with continuing decreases in water consumption and the anticipated loss of cell tower lease revenues, have caused the Petitioner's present rates for water service to be inadequate. The Company is also engaged in a capital improvement program to maintain and improve safe, adequate and proper service to its customers.

It appearing that 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 and are suspended until March 30, 2016, 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
- (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), the clerk of the affected municipality, the clerk of the Board of Chosen Freeholders of the affected county, and if appropriate, the executive officer of the within affected county. 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 effective date of this Order.

This Order shall be effective on December 26, 2015.

DATED: 12/16/15

BOARD OF PUBLIC UTILITIES

BY:

COMMISSIONER

COMMISSIONER

UPENDRA J. CHIVUKULA COMMISSIONER

ATTEST:

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

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IN THE MATTER OF PINELANDS WATER COMPANY FOR APPROVAL OF AN INCREASE IN ITS RATES FOR WASTEWATER SERVICE AND OTHER TARIFF CHANGES

BPU DOCKET NO. WR15101200

SERVICE LIST

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