



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF	)	AMENDED ORDER
AQUA NEW JERSEY, INC. FOR AUTHORITY	)	
TO BORROW UP TO \$2,300,000 AND TO ISSUE	)	
EVIDENCE OF INDEBTEDNESS PURSUANT	)	
TO THE NEW JERSEY ENVIRONMENTAL	)	AUTHORIZING BORROWING AND
INFRASTRUCTURE TRUST FINANCING	)	ISSUANCE OF INDEBTEDNESS
PROGRAM	)	
	)	DOCKET NO. WF09050401

Colleen A. Foley, Esq. Saul Ewing LLP One Riverfront Plaza Newark, NJ 07102

BY THE BOARD:

Aqua New Jersey, Inc. ("Company" or "Petitioner"), a public utility of the State of New Jersey, by a petition filed with the New Jersey Board of Public Utilities ("Board") on May 20, 2009, pursuant to N.J.S.A. 48:3-7 and 48:3-9 and N.J.A.C. 14: 1-5.9, requested authority to:

- (a) Borrow up to \$2,300,000 from the New Jersey Environmental Infrastructure Trust ("Trust") and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection ("State"), and to make, execute and deliver to the Trust and the State, any and all documents required in connection therewith;
- (b) Make, execute and deliver to U.S. Bank National Association, as Trustee, a Supplemental Indenture to an original indenture dated as of October 1, 1957, for the purpose among other things, of describing the terms of Petitioner's First Mortgage Bonds in one or more series (hereinafter the "Company's Bonds"); and
- (c) Issue and deliver to the Trust and the State up to a combined total of \$2,300,000 principal amount of the Company's Bonds, due 2029. The Company's Bonds will bear interest at a rate well below the interest rate of the Trust's Bonds, which are intended to be sold by competitive bidding.

Petitioner indicated that the proceeds of the issuance of the Company's Bonds would be used to finance the installation of radium treatment facilities at Well #12 in the Company's Central Division, and to finance the construction of a water pipeline to provide water service in Woolwich Township, and to pay any issuance expenses and related costs.

On July 1, 2009, the Board, after investigation, having considered the record and exhibits submitted in the proceeding, authorized the Petitioner to:

- a) Borrow up to \$2,300,000 from the New Jersey Environmental Infrastructure Trust and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection and to make, execute and deliver to the Trust and the State, any and all documents required in connection therewith;
- b) Make, execute and deliver one or more Supplemental Indentures of Mortgage to U.S. Bank National Association, as Trustees; and
- c) Issue and deliver to the Trust and the State up to \$2,300,000 principal amount of First Mortgage Bonds, due 2029.

The Board's Order was issued subject to several provisions, including the following:

- 7) The authority granted in this Order shall become null and void and of no effect with respect to any portion which is not exercised on or before December 31, 2009.

On October 6, 2009, the Company filed a request with the Board seeking a modification of certain aspects of the Board's July 1, 2009 Order. The Company stated that it had been advised by counsel for NJEIT that the closing date of certain NJEIT loans had changed. Specifically, the loans related to the Well #12 radium treatment project would close in the fourth quarter, 2009; however, the loans related to the Woolwich pipeline were not expected to close until the first quarter of 2010. Consequently, the Company requested that the Board's Order be modified to reflect the revised closing date, and specifically requested that Paragraph 7 be amended to include a revised expiration date of April 30, 2010. The Company also advised the Board of the status of the two projects. The Company indicated that while certain individual project costs had changed, the Company was not seeking an increase in the authorized borrowing limit for the two projects. The Company also stated that the revised closing schedule was determined by NJEIT and that Petitioner had met all of the deadlines set by the NJEIT.

On October 6, 2009, the request was forward to the Department of Public Advocate, Division of Rate Counsel ("Rate Counsel"). The Division of Rate Counsel has reviewed this matter and by letter dated December 3, 2009 does not object to Aqua's request for extension of the expiration date from December 31, 2009 to April 30, 2010.

The Board, after investigation, having considered the record in this matter, is satisfied that Petitioner's request is in accordance with law, and in the public interest. The Board therefore modifies its Order to reflect the revised closing schedule, replaces original ordering paragraphs (c) and (7) with the following language, and AUTHORIZES Petitioner to:

- c) Issue and deliver to the Trust and the State up to \$2,300,000 principal amount of First Mortgage Bonds, with Bonds issued in 2009 due in 2029 and Bonds issued in 2010 due in 2030.

And

- 7) The authority granted in this Order shall become null and void and of no effect with respect to any portion which is not exercised on or before April 30, 2010.

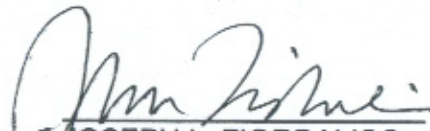
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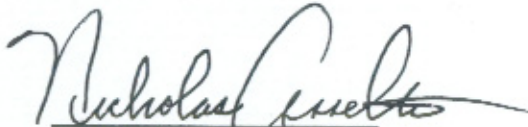
12/17/09

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT

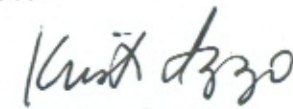

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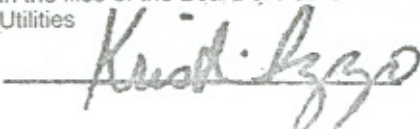

NICHOLAS ASSELTA
COMMISSIONER


ELIZABETH RANDALL
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

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



SERVICE LIST

In the Matter of the Petition of Aqua New Jersey, Inc for Authority to Borrow up to \$2,300,000 and to Issue Evidence of Indebtedness Pursuant to the New Jersey Environmental Infrastructure Trust Financing Program

Docket No. WF09050401

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