



Agenda Date: 5/22/24
Agenda Item: VA

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF AQUA NEW JERSEY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR THE WATER SERVICE, COVID-19 DEFERRED COST RECOVERY, ADJUSTMENT OF CERTAIN DEPRECIATION RATES, AND OTHER TARIFF CHANGES) ORDER FURTHER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE) DOCKET NO. WR24010057) OAL DOCKET NO. PUC 02300-24

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Courtney L. Schultz, Esq., Saul Ewing Arnstein and Lehr, LLP, on behalf of Aqua New Jersey, Inc.

BY THE BOARD:

On January 19, 2024, Aqua New Jersey, Inc. (“Aqua” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking approval of an increase in its base rates for water service of approximately \$8,329,647 for services rendered on and after February 19, 2024 (“Petition”).

Aqua is engaged in the business of collecting, treating, and distributing water for retail service to approximately 55,350 customers in Warren, Hunterdon, Mercer, Morris, Burlington, Monmouth, Camden, Ocean, Sussex, Gloucester, and Atlantic Counties, New Jersey.¹

According to the Petition, the Company’s request is driven by several factors including increased operating and maintenance expenses; increased costs related to new regulatory, legal, and environmental requirements not currently recovered in rates; and significant capital investments required to continue to provide safe, adequate and proper water service.

The Company asserted that present rates for water service are not adequate to meet its increased expenses, support Aqua’s capital improvement programs, and provide the Company with a reasonable return on its utility plant investments.

¹ Aqua is also engaged in the business of wastewater collection, treatment, and transmission, serving approximately 6,600 wastewater customers. The Company did not request to update its wastewater rates in the Petition.

By Order dated February 14, 2024, the Board suspended the proposed rates until June 19, 2024.² The matter was subsequently transmitted to the Office of Administrative Law (“OAL”) for hearing as a contested case and assigned to Administrative Law Judge (“ALJ”) Jacob S. Gertsman.

On March 18, 2024, Aqua filed an update to include nine (9) months of actual, and three (3) months of projected, data (“9+3 Update”). Based upon the 9+3 Update, Aqua modified its revenue requirement to \$7,560,280.

On April 4, 2024, ALJ Gertsman issued a Prehearing Order in this matter setting a procedural schedule.

Because a review of this matter will not be complete on or before June 19, 2024, and the proposed revisions, if approved, will likely increase existing rates, and change or alter existing classifications in Aqua’s tariff, it is **HEREBY ORDERED** as follows:

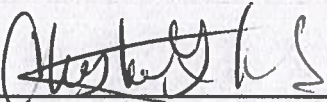
- (1) Pursuant to N.J.S.A. 48:2-21(d), and consistent with N.J.A.C. 14:1-5.12, the proposed revisions are suspended until October 19, 2024, unless prior to that date the Board makes a determination disposing of the Petition or enters an Order further suspending the proposed revisions;
- (2) Aqua shall, at least 10 days prior to the date set for hearing on the Petition by the OAL, file with this Board, and with the OAL, 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) Aqua shall serve copies of this Order upon the OAL, the New Jersey Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, N.J. 08625), the clerk of each affected municipality, the clerk of the Boards of County Commissioners of each affected county, and, where appropriate, the executive officer of the affected county within its service area. Proof of service of this Order shall be filed with the Board.

² In re the Petition of Aqua New Jersey, Inc. for Approval of an Increase in Rates for the Water Service, COVID-19 Deferred Cost Recovery, Adjustment of Certain Depreciation Rates, and Other Tariff Changes. BPU Docket No. WR24010057, Order dated February 14, 2024.

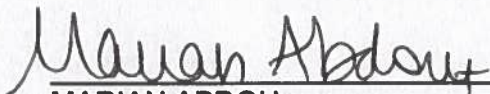
This Order shall be effective on May 29, 2024.

DATED: May 22, 2024

BOARD OF PUBLIC UTILITIES
BY:

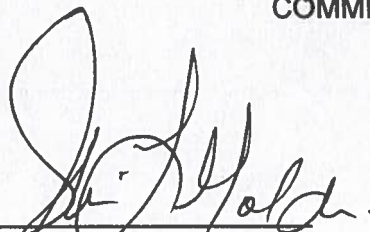

CHRISTINE GUHL-SADOVK
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MARIAN ABDOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST:


SHERRIL L. GOLDEN
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 AQUA NEW JERSEY, INC. FOR APPROVAL OF AN INCREASE IN RATES
FOR THE WATER SERVICE, COVID-19 DEFERRED COST RECOVERY, ADJUSTMENT OF CERTAIN
DEPRECIATION RATES, AND OTHER TARIFF CHANGES

BPU DOCKET NO. WR24010057
OAL DOCKET NO. PUC 02300-24

SERVICE LIST

Aqua New Jersey, Inc.

10 Black Forest Road
Hamilton, NJ 08691

Natalie Chesko, President
nchesko@aquawater.com

Mark H. McKoy, Vice President, Aqua Operations
mhmckoy@aquaamerica.com

Dawn Peslack, Controller
dpeslak@aquaamerica.com

Adam Burger, Director of Operations
aburger@aquaamerica.com

Katherine Cipolla
kcipolla@aquaamerica.com

Aqua America, Inc.
792 West Lancaster Avenue
Bryn Mawr, PA 19010

William C. Parker, Jr., VP Regulatory Accounting
wcparkerjr@essential.co

Kimberly A. Joyce, Esq.
kajoyce@essential.co

Saul Ewing LLP

Colleen A. Foley, Esq.
One Riverfront Plaza, Suite 1520
1037 Raymond Blvd,
Newark, NJ 07102-5426
colleen.foley@saoul.com

1500 Market Street
Centre Square West, 38th Fl.
Philadelphia, PA 19102

Courtney L. Schultz, Esq.
courtney.schultz@saoul.com

Jennifer Creswell
jennifer.creswell@saoul.com

Kruti Patel
kruti.patel@saoul.com

Board of Public Utilities

44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

Sherri L. Golden, Board Secretary
board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Office of General Counsel

Michael Beck, General Counsel
michael.beck@bpu.nj.gov

Carol Artale, Deputy General Counsel
carol.artale@bpu.nj.gov

Michael Hunter, Regulatory Officer
michael.hunter@bpu.nj.gov

Division of Revenue and Rates

Justin Cederberg
justin.cederberg@bpu.nj.gov

Andrew Tuzzo
andrew.tuzzo@bpu.nj.gov

Cindy Bianco
cindy.bianco@bpu.nj.gov

Division of Engineering

Dean Taklif, Director
dean.taklif@bpu.nj.gov

Rupal Patel
rupal.patel@bpu.nj.gov

Division of Reliability and Security

Phillip Galka
phillip.galka@bpu.nj.gov

Ann Lang
ann.lang@bpu.nj.gov

BPU, cont'd

Economist's Office

Benjamin Witherell, PhD., Chief Economist
benjamin.witherell@bpu.nj.gov

Jackie O'Grady
jackie.ogrady@bpu.nj.gov

Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director
blipman@rpa.nj.gov

Susan McClure, Esq., Assistant Deputy Rate Counsel
smcclure@rpa.nj.gov

Christine Juarez, Esq.
cjuarez@rpa.nj.gov

Emily Lam, Esq.
elam@rpa.nj.gov

Bethany Rocque-Romaine, Esq.
bromain@rpa.nj.gov

Felecia Jackson-Rodgers
frodgers@rpa.nj.gov

Rate Counsel Consultants

Karl Pavlovic
PCMG and Associates
938 Juno Avenue
Saint Paul, MN 555102
kpavlovic@pcmgreqcon.com

Dave Peterson
Chesapeake Regulatory Consultants, Inc.
1815 Fenwicke Ct.
Huntington, MD 20639

J. Randall Woolridge, Professor of Finance
The Pennsylvania State University
University Park, PA 16802
jrwoolridge@gmail.com

Jessica Rozier
GDS Associates, Inc.
1850 Parkway Place, Suite 800
Marietta, GA 30067
jessica.rozier@gdsassociates.com

Department of Law and Public Safety

Division of Law
Public Utilities Section
25 Market Street, Post Office Box 112
Trenton, NJ 08625

Daren Eppley, Section Chief, DAG
daren.eppley@law.njoag.gov

Pamela Owen, DAG, Assistant Section Chief
pamela.owen@law.njoag.gov

Meliha Arnautovic, DAG
meliha.arnautovic@law.njoag.gov

Terel Klein, DAG
terel.klein@law.njoag.gov