



**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/](http://www.nj.gov/bpu/)

WATER

IN THE MATTER OF THE PETITION OF UNITED )  
WATER SEWER SERVICES INC. FOR APPROVAL TO )  
DISCONTINUE SERVICE IN THE TOWNSHIP OF )  
VERNON AND APPROVAL OF THE ISSUANCE OF )  
REVISED TARIFF SHEETS STATING THAT UNITED )  
WATER SEWER SERVICES INC. IS NO LONGER )  
SERVING CUSTOMERS IN THE FRANCHISE AREA )

ORDER

DOCKET NO. WD12040306

Parties of Record:

**Nathaniel H. Yohalem, Esq.**, United Water Sewer Services Inc.  
**Stefanie A. Brand, Director**, New Jersey Division of Rate Counsel

BY THE BOARD:

On April 10, 2012, United Water Sewer Services Inc. ("Petitioner" or "Company") filed a petition with the Board of Public Utilities ("Board") in accordance with N.J.S.A. 48:2-24 for permission to discontinue sewer service in the Company's service territory located in Vernon Township, Sussex County, New Jersey ("Town"). The Petitioner is a public utility corporation of the State of New Jersey with principal offices at 200 Old Hook Road, Harrington Park, New Jersey.

Petitioner owns all of the assets of a sewer transmission company formerly known as United Water Vernon Sewage Inc. and all of the assets of a sewer collection company formally known as United Water Great Gorge Inc. Said assets are hereinafter referred to as the "Assets".

Vernon Township owns and operates a municipal sewer system, which is not regulated by the Board, serving customers in the Township.

On November 14, 2011, the Town adopted an Ordinance authorizing its Mayor, on behalf of the Town, to enter into an asset purchase agreement (the "Agreement") to purchase the Assets. The Agreement was executed on March 23, 2012, by the Town and Petitioner.

Upon the closing of the sale, which is expected to occur on or about June 20, 2012, all of United Water Sewer Services Inc.'s customers in the Township of Vernon will be taken over by the Township of Vernon and United Water Sewer Services Inc. will cease operating as a public utility in the Township of Vernon. The Township of Vernon has represented that all customers in the Company's service territory will be charged the same rates as the Township's customers.<sup>1</sup> According to the petition, all necessary steps will be taken by the Company to implement the transfer of service in a smooth and efficient manner with no inconvenience or interruption of service to customers. As such, following the effective date of the transfer of assets, Petitioner will no longer have any customers in its service territory.

Pursuant to a letter dated May 18, 2012, the Division of Rate Counsel does not object to Board approval of the Petitioner's request for discontinuance of sewer service pursuant to N.J.S.A. 48:2-24.

After reviewing the petition and based upon investigation of the matter, the Board FINDS that the discontinuance of sewer service by United Water Sewer Services Inc. will not have an adverse impact on public convenience and necessity. Pursuant to N.J.S.A. 48:3-7, as this is a sale by a public utility to a municipal authority, Board approval of the sale is not required.

Therefore, the Board ORDERS that the discontinuance of said sewer service be and is hereby APPROVED, effective the day of closing.

The permission to discontinue sewer service herein granted is subject to the following conditions:

1. United Water Sewer Services Inc. shall notify the Board, in writing, of the closing date within twenty (20) day of closing.
2. The Company shall file with the Board its 2012 Annual Report, pursuant to N.J.A.C. 14:3-6.3 in the time frame required by statute for partial service.
3. Pursuant to the applicable statutes, United Water Sewer Services Inc. shall be responsible for the Board of Public Utilities' and the Division of Rate Counsel's State assessment liability based upon the Company's 2011 gross intrastate revenue.
4. Upon entry of this Order, United Water Sewer Services Inc. is to provide notice to its customers advising them of its discontinuance of service and that sewer service to the former customers will now be provided by the Township of Vernon.
5. If for any reason the sale does not close within 30 days of the effective date of this order, this discontinuance shall be null and void and Petitioner will have to reapply for discontinuance.

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<sup>1</sup> The Petitioner has indicated that customers may see an increase or decrease in rates, with an average customer seeing an approximately \$13.08 increase. These going forward municipal sewer rates are not regulated by the Board.


6. The Order will go into effect June 18, 2012.

DATED: 6/18/12

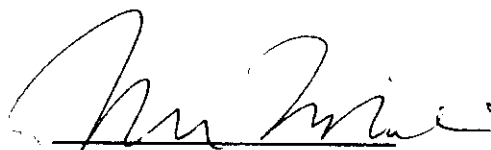
BOARD OF PUBLIC UTILITIES  
BY:



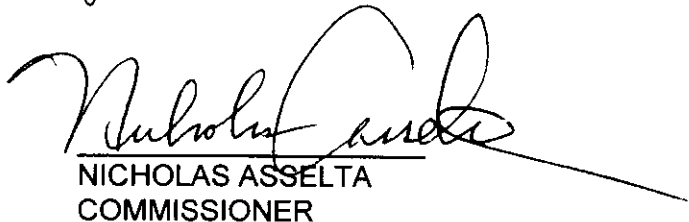
ROBERT M. HANNA  
PRESIDENT



JEANNE M. FOX  
COMMISSIONER



JOSEPH L. FIORDALISO  
COMMISSIONER



NICHOLAS ASSELTA  
COMMISSIONER



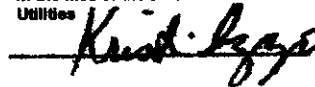
MARY-ANNA HOLDEN  
COMMISSIONER

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



IN THE MATTER OF THE PETITION OF UNITED WATER SEWER SERVICES INC. FOR  
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