

Agenda Date: 7/25/2018

Agenda Item: VA

MATED

STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

		VVATER
IN THE MATTER OF THE PETITION OF GORDON'S CORNER WATER COMPANY FOR AN INCREASE IN RATES AND CHARGES FOR WATER SERVICE)	ORDER FURTHER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE
)	BPU DOCKET NO. WR18030268
)	OAL DOCKET NO. PUC 05104-2018S

Parties of Record:

Stephen B. Genzer, Esq., Saul Ewing Arnstein & Lehr, on behalf of Gordon's Corner Water Company **Stefanie A. Brand, Esq., Director,** New Jersey Division of Rate Counsel

BY THE BOARD:

On March 16, 2018, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, Gordon's Corner Water Company ("Gordon's Corner," "Company," or "Petitioner"), a public utility of the State of New Jersey, with its principal business office located at 27 Vanderburg Road, Marlboro, New Jersey, 07746, and subject to the jurisdiction of the Board of Public Utilities ("Board"), filed a petition for authority to increase its base tariff rates and charges for water service amounting to approximately \$1,827,537 or 16.1%. The increase in rates is proposed to become effective on April 20, 2018. Gordon's Corner serves approximately 15,000 customers in portions of Marlboro and Manalapan Townships, Monmouth County, New Jersey.

According to the petition, the need for the base rate relief is primarily driven by several factors: (1) to establish an income level which will permit the Company to finance essential and continuing plant investment; (2) to permit Petitioner to earn a fair and adequate rate of return on its net investment in used and useful property; (3) to establish rates which will be sufficient to enable the Company, under efficient and economical operation, to maintain and support financial integrity and to raise such funds as may be necessary for the proper discharge of its public duties; (4) to offset increases in operating expenses experienced, and to be experienced,

¹ By letter dated April 3, 2018, 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 initial suspension order for this matter.

by the Company in the course of its operations; (5) to provide earnings sufficient to attract investors and provide sufficient cash flow to fund the Company's operations; and (6) to enable the Company to provide safe, adequate and proper service to its customers.

By Order dated April 25, 2018, the Board suspended the proposed rates until August 20, 2018.

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 further suspended until December 20, 2018, 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 08625-0003), the clerk of the affected municipalities, the clerk of the Board of Chosen Freeholders of the affected county and, where appropriate, the executive officer of the affected county within its service area. Service of this petition, notice of hearings and this Order may be made simultaneously. Proof of service of the Order shall be filed with the Board within fifteen (15) days of the date of this Order.

This Order shall be effective on August 4, 2018.

DATED: 7/25/18

BOARD OF PUBLIC UTILITIES

JOSEPH L. FIORDALISO

PRESIDENT

COMMISSIONER

DIANNE SOLOMON COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

ROBERT M. GORDON COMMISSIONER

ATTEST:

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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