

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/

WATER

IN THE MATTER OF THE PETITION OF SUEZ WATER NEW JERSEY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WATER/SEWER SERVICE AND OTHER TARIFF CHANGES – FURTHER SUSPENSION ORDER.

)	ORDER FURTHER SUSPENDING
)	INCREASES, CHANGES OR
)	ALTERATIONS IN RATES FOR
)	WATER SERVICE
)	
)	DOCKET NO. WR20110729
)	OAL DOCKET NO. PUC10966-2020

Parties of Record:

Stephen B. Genzer, Esq., Saul Ewing Arnstein & Lehr, LLP, on behalf of SUEZ Water New Jersey Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel James H. Laskey, Esq., Norris McLaughlin, P.A., on behalf of Gordon's Corner Water Company

BY THE BOARD:

On November 23, 2020, pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.12, and other relevant statutes and regulations, SUEZ Water New Jersey, Inc. ("SWNJ," "Company" or "Petitioner") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking to increase rates for water service in the amount of \$35,450,181 or approximately 12.00% above the annual level of present rate revenues on January 1, 2021.

SWNJ maintains its principal business office at 461 From Road, Suite 400, Paramus, New Jersey 07652. SWNJ is engaged in the business of collecting, treating and distributing water for retail service to customers located in the northern and western portions of the State. SWNJ serves approximately 258,000 customers located in portions of Bergen, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Sussex, and Warren Counties.

According to the petition, the base rate increase is largely driven by continuing increases in the Company's investment in its rate base, as well as its operating expenses, which include significant capital expenditures required to continue to provide safe, adequate and proper water service and to comply with state and federal regulations. The Company also states that increased expenses, coupled with increased capital investment, have reduced its earnings. Consequently, the Petitioner's present rates for water and wastewater service are inadequate to meet those increased expenses, support the required capital investment programs, and provide the Petitioner with a reasonable return on its investment in utility plant.

Furthermore, the Company represents that the rate increase proposed in the petition is required to enable the Company to maintain a satisfactory credit position; to preserve its financial integrity; to permit proper maintenance and improvement of utility facilities required to furnish safe, adequate and proper service to its customers; and to earn a reasonable return upon the fair value of its property used and useful in the public service.

On November 24, 2020, the Board transmitted this matter to the Office of Administrative Law ("OAL") for hearing and initial disposition as a contested case, where it was assigned to Administrative Law Judge ("ALJ") Irene Jones. On December 15, 2020, the Board also issued an Order initially suspending the Company's proposed rate increase until May 1, 2021.

On January 21, 20121, Gordon's Corner Water Company ("Gordon's Corner") filed a motion to intervene. ALJ Jones granted Gordon's Corner's motion by Order dated January 21, 2021.

It appearing that the proposed revisions will increase existing rates and change or alter existing classifications in the 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 September 1, 2021, unless the Board prior to that date, makes a determination disposing of the petition.
- (2) The Petitioner shall, at least 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 OAL (33 Washington Street, Newark, NJ 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) The Petitioner shall, serve copies of this Order upon the OAL, the Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, NJ 08625), the clerks of all affected municipalities, the clerks of the Board of County Commissioners of all affected counties, and where appropriate, the executive officer of the affected county within its service area. 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 15 days of the date of this Order.

This Order shall be effective on May 7, 2021.

DATED: April 27, 2021

BOARD OF PUBLIC UTILITIES

BY:

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IN THE MATTER OF THE PETITION OF SUEZ WATER NEW JERSEY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES

BPU DOCKET NO. WR120110729 OAL DOCKET NO. PUC10966-2020

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