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# STATE OF NEW JERSEY

Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

		WATER
IN THE MATTER OF THE PETITION OF VILLAGE UTILITY, LLC FOR APPROVAL OF A MUNICIPAL CONSENT TO PROVIDE SEWERAGE SERVICE TO A PORTION OF THE TOWNSHIP OF SPARTA, FOR APPROVAL OF IMPLEMENTATION OF AN INITIAL TARIFF FOR WASTEWATER SERVICE WITHIN THE TOWNSHIP OF SPARTA, AND FOR OTHER REQUIRED APPROVALS	) ) ) ) ) )	AMENDED ORDER <sup>1</sup> DOCKET NO. WE18080926

#### Parties of Record:

Courtney L. Schultz, Esq., Saul Ewing Arnstein and Lehr, LLP Brian Lipman, Esq., Acting Director, New Jersey Division of Rate Counsel

### BY THE BOARD:

On August 21, 2018, Village Utility, LLC, ("Petitioner" or "Village Utility") a public utility of the State of New Jersey, filed a petition with the New Jersey Board of Public Utilities ("Board"), pursuant to N.J.S.A. 48:2-14, N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.5 and N.J.A.C. 14:1-5.11, seeking approval of the following: (1) a municipal consent, Ordinance No. 18-07<sup>2</sup> ("Ordinance"), adopted August 14, 2018, by the Township of Sparta ("Township"), to allow the Petitioner to provide wastewater service to the franchise area in the Township; and (2) the implementation of an initial tariff for wastewater service within the Township, County of Sussex, New Jersey.

Following a review of discovery and subsequent settlement discussions, Village Utility, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") executed a Stipulation of Settlement ("Stipulation") on February 25, 2019, which, <u>inter alia</u>, required the Petitioner to file a base rate case on or before December 31, 2021. On March 29, 2019, the Board entered a Decision and Order approving the Stipulation<sup>3</sup>.

<sup>&</sup>lt;sup>1</sup> This Order supersedes the Order entered on March 29, 2019 to further reflect the Board's action.

<sup>&</sup>lt;sup>2</sup> The Ordinance incorrectly referred to the proposed service area as Block 16001, Lots 4, 8 and 9. By letter dated February 22, 2019, the Township indicated that it had corrected the first page of the Ordinance to replace Lots 8 and 9 with Lots 89 and 91. The Petitioner provided a copy of the corrected Ordinance on February 25, 2019.

<sup>&</sup>lt;sup>3</sup> <u>I/M/O of the Petition of Village Utility, LLC for Approval of a Municipal Consent to Provide Sewerage Service to a Portion of the Township of Sparta, for Approval of Implementation of an Initial Tariff or Wastewater Service Within the Township of Sparta, and for Other Required Approvals, BPU Docket No. WE18080926 (March 29, 2019).</u>

Thereafter, Village Utility and Rate Counsel filed a joint letter on August 9, 2021, indicating that the current rates were established based on the assumption that a full build-out of the project would occur before December 31, 2021; however, the Petitioner stated that it will require additional time to complete construction and secure leases before full build out will be reached. The Petitioner further stated that it is anticipated that the full site build-out and full occupancy will occur closer to the end of 2022. Accordingly, Village Utility and Rate Counsel jointly requested that the Board grant the Petitioner relief from the requirement that it file a rate case before December 31, 2021.

# **DISCUSSION AND FINDINGS:**

Accordingly, based upon the above, the Board <u>HEREBY AMENDS</u> the Board's Order of March 29, 2019 to reflect that the Petitioner shall file its next base rate case or another appropriate rate recovery proceeding as may be necessary to ensure the continuation of safe, adequate and proper service to its customers.

The Board <u>FURTHER ORDERS</u> that the terms and conditions of the Board's prior order of March 29, 2021, which are incorporated herein by reference, shall remain in effect, except as modified by this Order.

In addition, Village Utility's costs shall remain subject to audit by the Board. This Decision and Order shall not preclude the Board from taking any such actions deemed to be appropriate as a result of any such audit.

SEPH L. FIORDALISO

RESIDENT

This Order shall be effective on Octoben 13, 2021.

DATED: 10/6/21

**BOARD OF PUBLIC UTILITIES:** 

BY:

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COMMISSIONER

DIANNE SOLOMON COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

ROBERT M. GORDON COMMISSIONER

ATTEST: Dida Camacho Welch

AIDA CAMACHO-WELCH

**SECRETARY** 

IN THE MATTER OF THE PETITION OF VILLAGE UTILITY LLC FOR APPROVAL OF A MUNICIPAL CONSENT TO PROVIDE SEW ERAGE SERVICE TO A PORTION OF THE TOWNSHIP OF SPARTA, FOR APPROVAL OF IMPLEMENTATION OF AN INITIAL TARIFF FOR WASTEWATER SERVICE WITHIN THE TOWNSHIP OF SPARTA, AND FOR OTHER REQUIRED APPPROVALS

### BPU DOCKET NO. WE18080926

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