Agenda Date: 03/9/11 Agenda Item: VA



STATE OF NEW JERSEY Board of Public Utilities Two Gateway Center, Suite 801 Newark, NJ 07102 www.nj.gov/bpu/

WATER

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IN THE MATTER OF THE PETITION OF ROXITICUS WATER COMPANY FOR AN INCREASE IN RATES AND CHARGES FOR WATER SERVICE AND FOR AUTHORIZATION TO EXTEND THE TERM OF AN EXISTING LOAN ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE

BPU DOCKET NO. WR11020051

Douglas R. Kleinfeld, Kleinfeld & Kleinfeld, Esqs., 219 South Street, New Providence, New Jersey, 07974

BY THE BOARD:

On February 3, 2011, pursuant to <u>N.J.S.A.</u> 48:2-21, Petitioner, Roxiticus Water Company ("Petitioner," "Company, or "Roxiticus"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board") and serving approximately 104 water customers within its service territory a portion of Mendham Township, in the County of Morris, New Jersey, filed a petition for a revision of its rates for water service, amounting to an overall increase of approximately \$27,956 or 19.25% in annual revenues. The increase in rates was proposed to become effective on March 15, 2011. The Company is also seeking a three-year extension of a \$93,000 principal amount loan that expired on December 31, 2010, pursuant to <u>N.J.S.A.</u> 48:3-9.

Petitioner's current tariff includes a Purchased Water Adjustment Clause (PWAC) which was approved by the Board in Docket No. WR09020156 Order dated July 31, 2009. In the present matter, Petitioner proposes to reset the PWAC to \$-0- and establish the base data for future PWAC filings pursuant to <u>N.J.A.C.</u> 14:9-7.1 et. seq.

According to the petition, the rate increase is required to enable the Petitioner to meet the cost of operating the facilities used and useful in the service of the public; to obtain a just and reasonable return on the investment in said facilities, to maintain its financial integrity, attract capital, and to compensate investors for the risks assumed on a basis comparable to that in other business undertakings attended by corresponding risks; to encourage good management and furnish incentive for efficiency; to continue to provide safe, adequate and proper utility service, and to maintain its facilities in such condition as to discharge its public duties.

It appearing that the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is <u>HEREBY ORDERED</u> that:

Pursuant to <u>N.J.S.A.</u> 48:2-21, the proposed revisions be, and are suspended until July 15, 2011, 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, NJ 07102) proof of compliance with the Notice provisions of <u>N.J.S.A.</u> 48:2-32.2 and <u>N.J.A.C.</u> 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 (31 Clinton Street, P. O. Box 46005, Newark, NJ 07102), the clerk of the affected municipality, the clerk of the Board of Chosen Freeholders of each affected county, 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 fifteen (15) days of the date of this Order.

DATED:

3/9/11

BOARD OF PUBLIC UTILITIES BY:

LEE A. SOLOMON

PRESIDENT

NE M. FOX COMMISSIONER

/ JÖSEPH L. FIORDALISO COMMISSIONER

NICHOLAS ASSELTA COMMISSIONER

ATTEST:

KRISTI IZZO U SECRETARY

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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