



STATE OF NEW JERSEY
Board of Public Utilities
44 S. Clinton Avenue, CN350
Trenton, NJ 08625
www.nj.gov/bpu/

WATER

IN THE MATTER OF THE PETITION OF)	ORDER SUSPENDING
NEW JERSEY - AMERICAN WATER)	INCREASES, CHANGES OR
COMPANY, INC. FOR APPROVAL OF)	ALTERATIONS IN RATES FOR
INCREASED TARIFF RATES AND CHARGES)	SERVICE
FOR WATER AND WASTEWATER SERVICE,)	
CHANGE IN DEPRECIATION RATES AND)	
OTHER TARIFF MODIFICIATIONS)	BPU DOCKET NO. WR11070460

Ira G. Megdal, Esq. on behalf of New Jersey-American Water Company, Inc., Petitioner and;
Debra F. Robinson, Deputy Rate Counsel, on behalf of the Division of Rate Counsel;

BY THE BOARD:

On July 29, 2011, New Jersey-American Water Company ("Company" or "Petitioner"), a public utility of the State of New Jersey filed with the Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1¹, N.J.A.C. 14:1-5.7 and N.J.A.C. 14:1-5.12, a petition ("Petition") seeking to increase rates for water and wastewater service. The combined proposed rates would increase the Company's annual revenues by \$95.5 million or approximately 15.5% over pro-forma present rate revenues of \$565 million. Petitioner serves approximately 648,000 water and wastewater customers in all or part of 189 municipalities in 18 of the State's 21 counties. The increase in rates was proposed to become effective on August 29, 2011². The Petitioner does not seek interim rate relief pending final determination on the petition.

According to the petition, the rate increase is required to enable the Petitioner to recover its investment in utility plant assets, its increased operating expenses to meet service quality and reliability goals, and to permit the Company the opportunity to earn a fair and adequate rate of return on its net investment in utility property, so to enable the Company to continue to provide safe, adequate and proper utility service to its customers.

¹ The Board notes that although the petition cites N.J.S.A. 48:2-21.1, the petition does not include a request for an adjustment of rates during the pendency of the hearing.

² On August 25, 2011, the Company filed a letter with the Board revising the effective date from August 29, 2011 to October 1, 2011. The Company further stated that although it revised its initial effective date from August 29, 2011 to October 1, 2011, the four (4) month suspension period will still run from August 29, 2011 through December 29, 2011.

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 suspended until December 29, 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, 15th Floor, 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 Department of Public Advocate, Division of Rate Counsel (31 Clinton Street, P.O. Box 46005, Newark, NJ 07102), the clerk of each affected municipality, the clerk of the Boards of Chosen Freeholders of each affected county, and where appropriate, the executive officer of each 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.

This Order shall be effective on October 1, 2011.

DATED: 9/22/11

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER

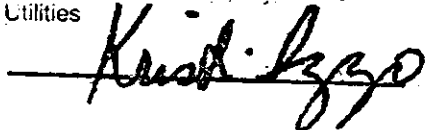

JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
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 New Jersey-American Water
Company, Inc. for Approval of Increased Tariff Rates and
Charges for Water and Wastewater Service, Change in
Depreciation Rates and Other Tariff Modifications
BPU Docket No. WR11070460

SERVICE LIST

Ira G. Megdal, Esq.
Cozen O'Connor
457 Haddonfield Road
P.O. Box 5459
Cherry Hill, NJ 08002

Suzana Duby, Esq.
Associate Corporate Counsel
New Jersey-American Water Company, Inc.
167 J.F. Kennedy Parkway
Short Hills, NJ 07078

Stefanie Brand, Esq., Director
Paul Flanagan, Esq.
Debra Robinson, Esq.
Division of Rate Counsel
31 Clinton Street
P.O. Box 46005
Newark, NJ 07102

Geoffrey Gersten, DAG
Caroline Vachier, DAG
Alex Moreau, DAG
Department of Law and Public Safety
Division of Law
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, NJ 07101

Maria Moran, Director
Marco Valdivia, Bureau Chief
Michael Kammer, Supervising Administrative Analyst
Matthew Koczur, Administrative Analyst II
Justin Cederberg, Administrative Analyst II
Charles Brobbey, Administrative Analyst II
David Gartenberg, Administrative Analyst II
Magdy Mekhaeil, Supervising Engineer
State of New Jersey
Board of Public Utilities
Division of Water
44 S. Clinton Ave.
P.O. Box 350
Trenton, New Jersey 08625