

Agenda Date: 07/26/17 Agenda Item: VB

## STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314 Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

**DIVISION OF WATER** 

IN THE MATTER OF THE PETITION OF THE ANDOVER UTILITY COMPANY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WASTEWATER SERVICE ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WASTEWATER SERVICE

DOCKET NO. WR17070726

Parties of Record:

Craig Goodstadt, Esq., General Counsel, Andover Utility Company, Inc. Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:1

On July 7, 2017, pursuant to <u>N.J.S.A.</u> 48:2-21 and <u>N.J.A.C.</u> 14:1-5.12, Andover Utility Company, Inc. ("Andover," "Company," or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the Board of Public Utilities ("Board"), filed a Verified Petition for authority to increase its base tariff rates and charges for sewerage service amounting to approximately \$130,332 or 27.56%. The increase in rates is proposed to become effective on August 7, 2017. Andover services three (3) customers: Rolling Hills Condominium Association, which consists of 258 apartments; Andover Sub-Acute One; and Andover Sub-Acute Two, located in Andover Township, Sussex County, New Jersey.

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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 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.

<sup>&</sup>lt;sup>1</sup> Commissioner Upendra J. Chivukula did not participate.

Because the case will not be completed by August 7, 2017, and the proposed revisions will increase existing rates and change or alter existing classifications in Petitioner's tariff, it is **HEREBY ORDERED** that:

- Pursuant to <u>N.J.S.A.</u> 48:2-21, the proposed revisions be, and are suspended until December 7, 2017, 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 <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 (140 East Front Street, 4<sup>th</sup> Floor, Post Office Box 003, Trenton, N. J. 08625-0003), the clerk of the affected municipality, the clerk of the Board of Chosen Freeholders of the affected county and, if 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 5, 2017.

IRENÉ KÌM ASBURY

SECRETARY

DATED: 7/26/17 BOARD OF PUBLIC UTILITIES BY: RICHARD S. MROZ PRESIDENT JOSÉPH L. FIORDALISO COMMISSIONER COMMISSIONER DIANNE SOLOMON COMMISSIONER I HEREBY CERTIFY that the within

ATTEST:

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 ANDOVER UTUILTY COMPANY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR WASTEWATER SERVICE DOCKET NO. WR17070726

## SERVICE LIST

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