

Agenda Date: 2/23/22 Agenda Item: VA

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/

<u>WATER</u>

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, AND OTHER TARIFF MODIFICATIONS ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE

BPU DOCKET NO.WR22010019

Parties of Record:

Bruce V. Miller, Esq., Cullen and Dykman LLP, on behalf of New Jersey-American Water Company, Inc.

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On January 18, 2022, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, New Jersey-American Water Company ("Company" or "Petitioner"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition to increase its base tariff rates and charges for water and wastewater service amounting to approximately \$94.7 million or 11.22% in additional annual revenues. The Company proposed that the increase in rates becomes effective on February 13, 2022.¹

The Company provides water service to approximately 660,000 customers and provides wastewater service to approximately 49,900 customers in portions of the following counties: Atlantic, Bergen, Burlington, Camden, Cape May, Essex, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Union, and Warren.

According to the petition, the primary driver of the proposed rate increase is the capital investment needed to maintain and improve the Company's infrastructure to continue providing safe, reliable and adequate service to its customers.

¹ By letter dated January 19, 2022, the Company indicated that it would not implement rates on an interim basis prior to the effective date of the Board's initial suspension order in this matter. However, the Company noted that it did not waive its right to implement the proposed rates at the conclusion of the second suspension period on October 13, 2022, should the Board not issue a final Decision and Order by that date.

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

- Pursuant to N.J.S.A. 48:2-21, the proposed revisions are suspended until June 13, 2022, unless prior to that date, the Board makes a determination disposing of the petition;
- (2) 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 Office of Administrative Law, 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), the 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 New Jersey Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, NJ 08625-0003), the clerk of the affected municipalities, the clerk of the Board of County Commissioners of the affected county, and, where 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 this Order shall be filed with the Board within 15 days of the date of this Order.

This Order shall be effective on February 23, 2022.

DATED: February 23, 2022

BOARD OF PUBLIC UTILITIES BY:

BY: FIORDALISO

OSEPH PRESIDENT

MARY ANNA HOLDEN COMMISSIONER

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ATTEST:

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DIANNE SOLOMOI

ROBERT M. GORDON COMMISSIONER

IN THE MATTER OF THE PETITION NEW JERSEY-AMERICAN WATER COMPANY, INC. FOR APPROVAL OF INCREASED TARIFF RATES AND CHARGES FOR WATER AND WASTEWATER SERVICE, AND OTHER TARIFF MODIFICATIONS

BPU DOCKET NO. WR22010019

SERVICE LIST

New Jersey American Water Company	Board of Public Utilities
Bruce V. Miller, Esq.	44 South Clinton Avenue, 1st floor
Cullen and Dykman LLP	Post Office Box 350
The Legal Center	Trenton, NJ 08625-0350
One Riverfront Plaza	
Newark, NJ 07102	Aida Camacho-Welch, Secretary
bmiller@cullenanddykman.com	board.secretary@bpu.nj.gov
Christopher M. Arfaa, Esq.	Benjamin Witherell, Chief Economist
Director, Corporate Counsel	benjamin.witherell@bpu.nj.gov
American Water	
1 Water Street	Division of Water
Camden, New Jersey 08102	
chris.arfaa@amwater.com	Michael Kammer, Director
	<u>mike.kammer@bpu.nj.gov</u>
Division of Rate Counsel	
140 East Front Street, 4 Floor	Justin Cederberg
P.O. Box 003	justin.cederberg@bpu.nj.gov
Trenton, NJ 08625	
	Andrew Tuzzo
Brian Lipman, Esq., Director	andrew tuzzo@bpu.nj.gov
<u>blipman@rpa.nj.gov</u>	
	Kyle Felton
Christine Juarez, Esq.	kyle.felton@bpu.nj.gov
<u>cjuarez@rpa.nj.gov</u>	
	Yanina Lepore
Susan E. McClure, Esq.	yanina.lepore@bpu.nj.gov
<u>smcclure@rpa.nj.gov</u>	
Dependence of Low and Dublic Opforts	Counsel's Office
Department of Law and Public Safety	Suzanna Datnouda, Saniar Coursel
Division of Law – Public Utilities Section	Suzanne Patnaude, Senior Counsel
Richard J. Hughes Justice Complex 7th Floor West	suzanne.patnaude@bpu.nj.gov
	David Sahmitt, Eag
25 Market Street, Post Office Box 112 Trenton, N.J. 08625	David Schmitt, Esq. david.schmitt@bpu.nj.gov
	uaviu.sonninu@ppu.nj.gov
Pamela Owen, DAG, Assistant Section Chief	
pamela.owen@law.njoag.gov	
pamoia.owon(@iaw.njoag.gov	
Meliha Arnautovic, DAG	
meliha.arnautovic@law.njoag.gov	
Brandon Simmons, DAG	
brandon.simmons@law.njoag.gov	
<u></u>	
Steven Chaplar, DAG	
steven.chaplar@law.njoag.gov	
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