

Agenda Date: 9/28/22 Agenda Item: VB

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Trenton, New Jersey 08625-0350 www.ni.gov/bpu/

<u>WATER</u>

IN THE MATTER OF PINELANDS WATER COMPANY FOR APPROVAL OF AN INCREASE IN ITS RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES ORDER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE

DOCKET NO. WR22090555

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel Jay L, Kooper, Esq., General Counsel, Pinelands Water Company, Petitioner

BY THE BOARD:

On September 7, 2022, the Pinelands Water Company ("Company" or "Petitioner"), a public utility of the State of New Jersey with its principal business office located at 485C Route One South, Suite 400, Iselin, New Jersey 08830, filed a petition pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.11 and 14:1-5.12 ("Petition"). Petitioner requested authorization to increase its base tariff rates and charges for water service amounting to approximately \$609,576 or 64.22% above the adjusted annual revenue for the test year ending December 31, 2022, to take effect on October 7, 2023.<sup>1</sup> The Company serves customers in portions of Southampton Township ("Township"), Burlington County, including contract service for part of the Township itself.

The Petitioner claimed the proposed rate increase is necessary due to expense increases that either have occurred since the rates were last set in 2019 or will occur soon. The expense increases include the costs of power, chemicals, maintenance, security, taxes, insurance, labor and employee benefits. The Company is also engaged in a capital improvement program to maintain and improve safe, adequate and proper service to its customers. The Company claimed that the capital improvements and needed expense increases have improved the quality of service, but have impacted earnings. Further, the Company stated that the current rates are inadequate to meet the Company's increased expenses and provide a reasonable return on its

<sup>&</sup>lt;sup>1</sup> By letter dated September 8, 2022, the Petitioner notified the Board that it will not implement the proposed rate increase on an interim basis prior to the effective date of the Board's initial suspension order for this matter. However, it remains Petitioner's intention to implement the proposed rates at the conclusion of the suspension period should the Board not issue a final Decision and Order by the end of the period.

investment in the utility plant.<sup>2</sup>

As the proposed revisions, if approved, will increase existing rates and change existing classifications in Petitioner's tariff, it is <u>HEREBY</u> <u>ORDERED</u> that:

- Pursuant to N.J.S.A. 48:2.21(d), the proposed revisions are suspended until February 7, 2023, unless prior to that date the Board disposes of the Petition or enters an Order further suspending the proposed revisions;
- (2) Petitioner shall, at least 10 days prior to the date set for hearing on the Petition by the Office of Administrative Law ("OAL"), file with the Board, and with the OAL, proof of compliance with the notice provisions set forth in N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12(b) and (c), including 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 OAL; the Division of Rate Counsel; the clerk of the Board of County Commissioners of the affected county; and, where appropriate, the executive officer of the affected county. 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.

<sup>&</sup>lt;sup>2</sup> <u>See In re Pinelands Water Company for Approval of an Increase in its Rates for Water Service and Other</u> <u>Tariff Changes</u>, Docket No. WR19030417, Order dated October 25, 2019.

This Order shall be effective on October 5, 2022.

DATED: September 28, 2022

BOARD OF PUBLIC UTILITIES BY:

2. In me

JOSEPH L. FIORDALISO PRESIDENT

eder.

MARY-ANNA HOLDEN

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DIANNE SOLOMON COMMISSIONER

ROBERT M. GORDON COMMISSIONER

OR. ZENON CHRISTODOULOU COMMISSIONER

ATTEST:

ROBERT M. GORDON COMMISSIONER

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 PINELANDS WATER COMPANY FOR APPROVAL OF AN INCREASE IN ITS RATES FOR WATER SERVICE AND OTHER TARIFF CHANGES

## DOCKET NO.WR22090555

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