

# STATE OF NEW JERSEY

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

## WATER

IN THE MATTER OF PINELANDS WASTEWATER
COMPANY FOR APPROVAL OF AN INCREASE IN
ITS RATES FOR WASTEWATER SERVICE AND
OTHER TARIFF CHANGES

ORDER SUSPENDING
INCREASES, CHANGES OR
ALTERATIONS IN RATES FOR
WASTEWATER SERVICE

**DOCKET NO. WR22090556** 

#### 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 Wastewater 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 wastewater service amounting to approximately \$417,160 or 26.76% above adjusted annual revenue for the test year ending December 31, 2022, with a proposed effective date October 7, 2022. The Company serves customers in portions of Southampton Township ("Township"), Burlington County, including contract service for part of the Township itself.

<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.

The Petitioner stated that the proposed rate increase is necessary due to expense increases, together with decreased wastewater treatment volumes, that have occurred since the rates were last set in 2019 or will occur shortly.<sup>2</sup> The expense increases include the costs of power, chemicals, testing requirements, 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, Petitioner argued that the current rates are inadequate to meet the Company's increased expenses and provide a reasonable return on its investment in the utility plant.

As the proposed revisions, if approved, will increase existing rates and change existing classifications in Petitioner's tariff, it is **HEREBY ORDERED** 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>2</sup> In re Pinelands Water Company for Approval of an Increase in its Rates for Water Service and other Tariff Changes, Docket No. WR19030417, Order dated October 25, 2019. Although the October 25, 2019 Order identified in the foregoing citation refers to Pinelands Water Company, the October 25, 2019 Order explains that the related matter, In re Pinelands Wastewater Company for Approval of an Increase in Its Rates for Wastewater Service and other Tariff Changes, Docket No. WR19030418, which pertains to the Petitioner here, Pinelands Wastewater Company, was consolidated at the OAL in OAL Docket No. PUC 06559-2019S with the Pinelands Water Company matter. The two matters were resolved together as detailed in the October 25, 2019 Order.

This Order shall be effective on October 5, 2022.

DATED: September 28, 2022

**BOARD OF PUBLIC UTILITIES** 

BY:

JOSEPH L. FIORDALISO PRESIDENT

MARY-ANNA HOLDEN COMMISSIONER

DIANNE SOLOMON COMMISSIONER

ROBERT M. GORDON COMMISSIONER DR 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 WASTEWATER COMPANY FOR APPROVAL OF AN INCREASE IN ITS RATES FOR WASTEWATER SERVICE AND OTHER TARIFF CHANGES

#### **DOCKET NO.WR22090556**

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