cc: Adm
10/11/16

Agenda Date: 09/23/16
Agenda Item: VA

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

WATER

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| IN THE MATTER OF THE PETITION OF MOUNT OLIVE VILLAGES WATER COMPANY, INC. FOR APPROVAL OF AN INCREASE IN RATES FOR SERVICE | ) | ORDER FURTHER SUSPENDING INCREASES, CHANGES OR ALTERATIONS IN RATES FOR WATER SERVICE |
| | ) | BPU DOCKET NO. WR16050390 |
| | ) | OAL DOCKET NO. PUC 07416-2016N |

**Parties of Record:**

**Judith A. Fairweather, Esq.,** PinilisHalpern, LLP on behalf of Mount Olive Villages Water Company, Inc.
**Stefanie A. Brand, Esq., Director**, New Jersey Division of Rate Counsel

BY THE BOARD:

On May 4, 2016, Mount Olive Villages Water Company, Inc. ("Company" or "Petitioner"), a public utility subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a verified Petition pursuant to N.J.S.A. 48:2-18 and N.J.S.A. 48:2-21, seeking to increase and revise its rates and charges for water service amounting to approximately $158,650 or 112.3%. The increase in water rates was proposed to become effective for service rendered on and after thirty (30) days from the filing date of the Company's petition.[1] Mount Olive Villages Water Company serves approximately 301 water customers in a portion of the Township of Mount Olive, Morris County, New Jersey.

[1] The Company's petition was filed on May 4, 2016, thus the proposed effective date was June 5, 2016. By letter dated May 18, 2016, the Petitioner notified the Board that it will not implement the proposed rates on an interim basis prior to the effective date of the Board's Suspension Order resulting from the Board's June 29, 2016 meeting. But that "does not change the intention of the Company to implement the proposed rates at the conclusion of the suspension period on January 1, 2017 should the Board not issue a final Decision and Order by that date." Id.

According to the petition, the Company seeks the increase to make necessary improvements and repairs to its thirty-year old water system; maintain a satisfactory credit position; preserve its financial integrity; permit proper maintenance and improvement of the utility plant required to furnish safe, adequate and proper service to its customers; encourage good effective management; provide incentives for efficiency; prevent confiscation or diminution of its property; and earn a reasonable return upon the fair value of its property used and useful in public service. The Company had never filed for a rate increase since its inception in 1986.[2]

On May 11, 2016, the Board transmitted this matter to the Office of Administrative Law for hearings and on June 29, 2016, the Board issued an Order suspending the Company's proposed rate increase until October 5, 2016.

Because this matter will not be completed by October 5, 2016, and 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 further suspended until February 5, 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 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 Division of Rate Counsel (140 East Front Street, 4th Floor, Post Office Box 003, Trenton, N.J. 08625), the clerk of the affected municipality, the clerk of the Board of Chosen Freeholders of the affected county, and where appropriate, the executive officer of the 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.

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[2] Mount Olive Villages' initial tariff was approved in I/M/O Mount Olive Villages Water Company, Inc., for Approval of a Franchise, Authority to Issue Common Stock and Acceptance of an Initial Tariff Docket No. 8505565, December 15, 1986.

The effective date of this Order shall be October 3, 2016.

DATED: 9/23/16

BOARD OF PUBLIC UTILITIES
BY:

RICHARD S. MROZ
PRESIDENT

JOSEPH L. FIORDALISO
COMMISSIONER

MARY-ANNA HOLDEN
COMMISSIONER

DIANNE SOLOMON
COMMISSIONER

UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:

KENNETH J. SHEEHAN
ACTING 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 MOUNT OLIVE VILLAGES WATER COMPANY, INC.
FOR APPROVAL OF AN INCREASE IN RATES FOR SERVICE

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OAL DOCKET NO. PUC 07416-2016N

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