Colleen A. Foley Phone (973) 286-6711 Fax: (973) 286-6811 cfoley@saul.com

www.saul.com

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April 29, 2014

## Via Overnight Delivery

Honorable Kristi Izzo, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 9th floor P.O. Box 350 Trenton, NJ 08625-0350

Re:

I/M/O the Petition of Aqua New Jersey, Inc. for Approval of Municipal Consents to Provide Water and Wastewater Service to Areas of the Township of North Hanover and the Borough of Wrightstown, and Other Required Approvals

BPU Docket No. WE13121186

Dear Secretary Izzo:

On behalf of Petitioner, Aqua New Jersey, Inc. ("Aqua" or the "Company"), please accept this letter as an amendment to Paragraph 10 of the Petition initiating this proceeding.

## Background

As the Board of Public Utilities (the "Board") is aware, the Company intends to purchase the water and wastewater systems currently providing service to the mobile home community known as Spartan Village. The residents of Spartan Village presently receive water and wastewater services in conjunction with their rental of lots located in Spartan Village. The individual residences are not metered, and the cost of the lot rental includes the cost of the water and wastewater services provided by Spartan Village.

In its Petition, the Company has requested the Board's approval of municipal consents granted by the Township of North Hanover and the Borough of Wrightstown, the municipalities in which Spartan Village is located. In addition, the Company has requested the authority to implement a fixed rate for water service on an interim basis in conjunction with the current owner of Spartan Village reducing the rental charges for the lots. After consultation with the Staff of the Board, the Company hereby amends and clarifies Paragraph 10 of its Petition.

One Riverfront Plaza, Suite 1520 . Newark, NJ 07102-5426 . Phone: (973) 286-6700 . Fax: (973) 286-6800 Stephen B. Genzer - Newark Managing Partner

## **Amended Request**

Paragraph 10 of the Petition addresses the Company's request to implement an initial flat rate for water service to the residents of Spartan Village. As noted in the Petition, Aqua intends to replace many of the mains serving the existing water and wastewater systems located at Spartan Village. Aqua estimates that this project will require an investment of approximately \$300,000. At the time Aqua performs the mains replacement project, it will also install meters at the individual homes in Spartan Village. Given the nature of this work, it must be performed during the construction season.

While Aqua had hoped that it would receive Board approval in this docket in time to complete the mains replacement project during the 2014 construction season, that timing now seems doubtful. Therefore, Aqua hereby amends its Petition and requests that the Board approve the implementation of an initial flat rate for water service of \$25.00 per month to be applicable only to customers located in Spartan Village. Attached to this letter is a proposed tariff sheet for this proposed initial rate. Aqua proposes that the \$25.00 monthly flat rate be charged for water service only until such time as the mains replacement project is complete, and meters are installed and operational. Aqua hereby withdraws its request to impose a Distribution System Improvement Charge ("DSIC") until such time as the meters are installed and operational at Spartan Village.

Finally, in Paragraph 10 Aqua also proposed that wastewater charges for Spartan Village be set at the Company's approved tariff rate at the time the Board grants the Company's requests in this docket and the Spartan Village asset purchase transaction closes. At the time the Petition was filed, that rate was \$41.58 per month (for a 5/8" meter), but the Board has since authorized an increase in the rate to \$51.98 per month effective March 1, 2014, and a further increase to \$61.40 per month effective March 1, 2015. Consistent with its Board-approved tariffs, Aqua intends to charge whichever of these wastewater rates is applicable at the time the Board grants the requests in this docket.

If you have any questions regarding this filing, please contact me. Thank you for your attention to this matter.

Respectfully submitted,

Colleen A. Foley
Colleen A. Foley

CAF/jg Enclosure

cc: Service List (w/encl.)

#### SERVICE LIST

I/M/O the Petition of Aqua New Jersey, Inc.
For Approval of Municipal Consents to Provide Water and
Wastewater Service to Areas of the Township of North Hanover
And the Borough of Wrightstown,
And Other Required Approvals
BPU Docket No. WE13121186

Maria Moran Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> fl. P.O. Box 350 Trenton, NJ 08625-0350 maria.moran@bpu.state.nj.us

Michael Kammer Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> fl. P.O. Box 350 Trenton, NJ 08625-0350 mike.kammer@bpu.state.nj.us

Mark Beyer Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> fl. P.O. Box 350 Trenton, NJ 08625-0350 mark.beyer@bpu.state.ni.us

Mona Mosser Board of Public Utilities 44 South Clinton Avenue, 9<sup>th</sup> fl. P.O. Box 350 Trenton, NJ 08625-0350 mona.mosser@bpu.state.nj.us

Rupal Patel
Division of Water
Board of Public Utilities
44 South Clinton Avenue, 9<sup>th</sup> fl.
P.O. Box 350
Trenton, NJ 08625-0350
rupal.patel@bpu.state.nj.us

Jim Kane
Board of Public Utilities
44 South Clinton Avenue, 9th fl.
P.O. Box 350
Trenton, NJ 08625-0350
jim.kane@bpu.state.nj.us

Caroline Vachier, DAG
Division of Law
Dept. of Law and Public Safety
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, NJ 07101
caroline.vachier@dol.lps.state.ni.us

T. David Wand, Esq.
Division of Law
Dept. of Law and Public Safety
124 Halsey Street, 5<sup>th</sup> Floor
P.O. Box 45029
Newark, NJ 07101
david.wand@law.dol.lps.state.ni.us

Geoffrey R. Gerstein, DAG
Division of Law
Dept. of Law and Public Safety
124 Halsey Street, 5th Floor
P.O. Box 45029
Newark, NJ 07101
geoffrey.gersten@dol.lps.state.nj.us

Stefanie A. Brand, Director Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Fl. P.O. Box 003 Trenton, NJ 08625

Debra F. Robinson, Esq. Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> F1. P.O. Box 003 Trenton, NJ 08625 drobinson@rpa.state.nj.us

Christine Juarez, Esq.
Division of Rate Counsel
140 East Front Street, 4<sup>th</sup> FI.
P.O. Box 003
Trenton, NJ 08625
cjuarez@rpa.state.nj.us

Darlene Nichols, Water Paralegal Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Fl. P.O. Box 003 Trenton, NJ 08625 dnichols@rpa.state.nj.us

Frank Petrino, Esq. Eckert Seamans 50 West State Street, Suite 1400 Trenton, NJ 08607

Stephen Coyle, President Spartan Village, Inc. 511 Wrightstown-Sykesville Road Wrightstown, NJ 08562

Margaret Carmeli, Esq. Tyler & Carmeli, P.C. 1 AAA Drive, Suite 204 Robbinsville, NJ 08691

Howard Woods, P.E. Howard J. Woods, Jr. & Associates, LLC 138 Liberty Drive Newton, PA 18940-1111 howard@howardwoods.com

John Hildabrant
Vice President of Operations
Aqua New Jersey, Inc.
10 Black Forest Road
Hamilton, NJ 08691
ihildabrant@aquaamerica.com

Colleen A. Foley, Esq. Saul Ewing LLP One Riverfront Plaza, 15<sup>th</sup> Fl. 1037 Raymond Blvd. Newark, NJ 07102 cfoley@saul.com

# RATE SCHEDULE NO. 1F UNMETERED FIXED RATE SERVICE – SPARTAN VILLAGE

APP	LIC	AB	IL	ITY

Applicable to the use of unmetered water supplied to customers served by the Company within the Spartan Village service area.

# CHARACTER OF SERVICE

Continuous.

RATE:

Type of Structure

Residence

Non-residential building

Fixed Monthly Charge

\$25.00

\$25.00

The unmetered fixed rate for water service will be charged to water service customers located in Spartan Village until such time as individual customer meters are installed and operational. Upon the installation of individual customer meters, customers will be charged the fixed service charge and the general metered consumption charge set out in Rate Schedule No. 1 – General Metered Service – Main.

### TERMS OF PAYMENT:

BILLS ARE DUE FIFTEEN (15) DAYS AFTER THE BILL IS SENT. Bills for unmetered fixed rate service will be rendered monthly in arrears.

Issued	<b>!</b> :	Effective Date:		
By:	Nicholas V. Asselta, President 10 Black Forest Road Hamilton, NJ 08691			
	pursuant to decision and order of the Board of Puet No. WE13121186.	ablic Utilities dated, 2014 in		