CHRIS CHRISTIE



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> STEFANIE A. BRAND Director

KIM GUADAGNO Lt. Governor

Governor

July 1, 2015

## VIA E-mail and OVERNIGHT DELIVERY

Irene Kim Asbury, Secretary State of New Jersey, Board of Public Utilities 44 South Clinton Avenue, 9th Floor P.O. Box 350 Trenton, New Jersey 08625

Re: I/M/O the Petition of Lake Lenape Water Company for

Approval of an Increase in Rates for Service

BPU Docket No.: WR14030269 OAL Docket No.: PUC 04042-2014

Dear Ms. Asbury

Please accept for filing an original and eleven copies of the Division of Rate Counsel's ("Rate Counsel") comments regarding the above referenced matter. Please date stamp the additional copy as "filed" and return it in the enclosed, self-addressed, stamped envelope. Thank you for your consideration and attention to this matter.

## Background:

On August 20, 2014, the Board of Public Utilities ("BPU" or "Board") issued an Order under the above referenced docket (the "Order"), approving an Initial Decision/Settlement for a rate increase totaling \$10,000 or 7.54% for Lake Lenape Water Company ("Lake Lenape" or the "Company"). The Company, Board Staff and Rate Counsel, the only parties to the case, were the only signatories to the approved Stipulation. The Order specified that, among other things "[t]he Petitioner will begin the

necessary upgrades to paint the interior of the water tank on or before October 15,

2014." The Stipulation included this provision and further included a provision that a

temporary water tank would be installed and placed on-line in order to facilitate the

necessary tank painting." The Order and rate increase became effective on August 30,

2014.

On December 18, 2014, Rate Counsel received a copy of a letter dated, December

5, 2014, from, Jeffrey Fuller, President of Lake Lenape, to the Secretary of the Board.

Mr. Fuller states in his letter that the Company could not perform the necessary upgrades

to paint the water tank due to "many unsolved potential issues that could pose serious

threat to the water service". Mr. Fuller attached a memo from the Company's system

operator enumerating the difficulties and unsolved problems.

In response to the situation, the Board issued an Order revising the Petitioner's

rates to interim rates on January 21, 2015, pending completion of the tank painting. On

June 17, 2015, the Petitioner submitted a letter of certification indicating that the tank

painting had been completed prior to June 15, 2015. Rate Counsel does not object to the

issuance of an order changing Petitioner's rates back to final status, as all work has been

completed.

Respectfully submitted,

STEFANIE A. BRAND, ESQ.

Director, Rate Counsel

By:

Susan E. McClure, Esq.

Assistant Deputy Rate Counsel

SEM/vls

cc: Service List

<sup>1</sup> Order, p.2.

<sup>2</sup> Stipulation, para. 6.

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