STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

In the Matter of PINELANDS : PETITION

WASTEWATER COMPANY For

Approval of an Increase in its Rates for

Wastewater Service and Other : Docket No. WR2209

Tariff Changes

TO: THE HONORABLE BOARD OF PUBLIC UTILITIES:

Petitioner, Pinelands Wastewater Company (hereinafter referred to as "Petitioner", "Pinelands Wastewater" or the "Company") respectfully submits this Petition pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.11 and 14:1-5.12; and shows that:

FIRST COUNT FOR AN INCREASE IN RATES

- 1. Pinelands Wastewater is a corporation organized and existing under the laws of the State of New Jersey, with its principal offices located at 485C Route One South, Suite 400, Iselin, New Jersey 08830. Communications relating to this Petition should be sent to Jay L. Kooper, Esq., 485C Route One South, Suite 400, New Jersey 08830, and Stephen B. Genzer, Esq., Saul Ewing Arnstein & Lehr LLP, One Riverfront Plaza, Newark, New Jersey 07102-5490, and copies thereof should also be sent to Mr. A. Bruce O'Connor, Vice President, Pinelands Wastewater Company, 485C Route One South, Suite 400, Iselin, New Jersey 08830.
- 2. Pinelands Wastewater is a duly organized and existing public utility of the State of New Jersey subject to the jurisdiction of the Board. The Company is engaged in the business of collecting and treating wastewater for customers in Southampton Township, Burlington County, including contract service for part of the Township itself. The Company owns and operates wastewater collection and treatment facilities for these purposes. Pinelands Wastewater

is a wholly-owned subsidiary of Middlesex Water Company ("Middlesex"), a New Jersey corporation and public utility subject to the jurisdiction of the Board. This Petition, however, is being filed on a "stand-alone" basis, that is, for the Pinelands Wastewater service area.

- 3. By this Petition, the Company seeks approval of an increase in rates, and approval of other tariff changes, pursuant to N.J.S.A. 48:2-21, N.J.A.C. 14:1-5.11 and N.J.A.C. 14:1-5.12 and other related provisions of statutes and regulations.
- 4. Expense increases, together with decreased wastewater treatment volumes, have occurred since the rates were last set in 2019. Such expense increases, including those in the costs of power, chemicals, testing requirements, maintenance, security, taxes, insurance, labor and employee benefits have occurred or will shortly do so. The Company is also engaged in a capital improvement program to maintain and improve safe, adequate and proper service to its customers. Such capital improvements and needed expense increases have improved the quality of service, but have impacted earnings.
- 5. Petitioner's present rates for wastewater service are inadequate to meet such expenses, support capital improvement programs and provide Petitioner with a reasonable return on its investment in the utility plant. Without the increase, Petitioner's financial condition could be jeopardized, as would its ability to continue to render safe, adequate and proper service to the public.
- 6. The additional revenues requested are further required to enable Petitioner to preserve its financial integrity, to permit proper maintenance, development and improvement of the utility plant required to furnish safe, adequate and proper service and to earn a reasonable return upon the fair value of its property used and useful in the public service.

- 7. Petitioner notifies the Board that, for the reasons stated above, it seeks approval to increase its rates for wastewater service, as provided in Exhibit A attached hereto, for service rendered on and after October 7, 2022 which date is at least 30 days after the filing of this Petition. Petitioner also notifies the Board that it will implement the proposed rates on June 7, 2023, on an interim basis, pursuant to law if the Board has suspended the effective date of the new rates pursuant to N.J.S.A. 48:2-21 but not finally determined a just and reasonable tariff prior to that date.
- 8. Petitioner's rates are being requested to be increased for the purpose of producing additional annual revenues of \$417,160 or 26.76% above the adjusted annual level of revenues for the test year ending December 31, 2022.
- 9. Notice of this filing, a copy of this Petition, and all other annexed exhibits are being served upon the municipal clerk in Southampton Township and the clerk of the Board of Chosen Freeholders of Burlington County, respectively the municipality and county in which the Petitioner provides service, and, in duplicate, upon the Department of Law and Public Safety and the Director of the Division of Rate Counsel. Notice of the filing and a statement of its effect will be furnished to Petitioner's customers by publication in newspapers published and circulated in Petitioner's service area pursuant to the rules of the Board.
- 10. Proof of service of the notices referred to herein will be filed with the Board by Petitioner in accordance with the Board's regulations.

- 11. Annexed hereto and made a part hereof as if fully set forth herein are the following exhibits:
 - Exhibit A Proposed Changed Tariff Sheets including Rate Schedules and Proof of Revenues.
 - Exhibit B Present Tariff Sheets Corresponding to Exhibit A.
 - Exhibit C Comparative Balance Sheets December 31, 2021, 2020 and 2019.
 - Exhibit D Comparative Statements of Income for the Twelve Months ended December 31, 2021, 2020 and 2019.
 - Exhibit E Balance Sheet as of June 30, 2022.
 - Exhibit F Pro Forma Statement of Income and Rate of Return for the Twelve Months ending December 31, 2022 at Present and Proposed Rates.
 - Exhibit G Payments or Accruals to Affiliated Companies.
 - Exhibit H Form of Notice to be given of this filing and of Public Hearing.
 - Exhibit I Affidavit of Robert J. Capko.

WHEREFORE, the Petitioner respectfully requests that the proposed increase in rates be approved pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12 and that such other relief as is just and proper be granted by the Board.

SECOND COUNT FOR OTHER TARIFF CHANGES

- 1. Petitioner repeats and realleges the allegations of the First Count and incorporates them into this Second Count as if fully set forth at length herein.
- 2. In this proceeding the Company proposes to make changes to its Tariff substantially as set forth in Exhibit A annexed hereto. A copy of the pages of the existing Tariff which are proposed to be changed is set forth in Exhibit B.

3. Notice of proposed Tariff changes is to be included in the notices proposed in

paragraphs 9 and 10 of the First Count herein. The date on which the Company proposes to

make the Tariff changes effective shall be the date on which new rates become effective as set

forth in paragraph 7 of the First Count hereof unless the Board shall act earlier on any or all of

these changes.

WHEREFORE, Petitioner respectfully requests that pursuant to N.J.A.C 14:1-5.11, the

Board approve the Tariff proposed herein and that such other relief as is just and proper be

granted by the Board.

Respectfully Submitted,

General Counsel

Pinelands Wastewater Company 485C Route One South, Suite 400

Iselin, New Jersey 08830

Dated: September 7, 2022

Iselin, New Jersey

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