## STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF CORNER WATER APPROVAL COMPANY **FOR CHANGE** THE **LEVELS** ITS PURCHASED WATER ADJUSTMENT **PURSUANT** CLAUSE TO N.J.A.C. 14:9-7.1 ET SEO.

## **VERIFIED PETITION**

Docket No WR25080471

## TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

Petitioner, Gordon's Corner Water Company ("GCWC" or the "Company"), avers as follows in support of this verified petition for approval to change the levels of its purchased water adjustment clause pursuant to N.J.A.C. 14:9-7.1 et seq. ("Petition"):

- 1. This Petition is filed pursuant to N.J.A.C. 14:9-7.1 to -7.7.
- 2. The Petition requests that the New Jersey Board of Public Utilities ("Board") approve a change to the level of GCWC's purchased water adjustment clause ("PWAC") that will allow the Company to recover increased purchased water costs above the level of costs included in the Company's last full base rate case (Docket No. WR23110853, Order Adopting Initial Decision and Stipulation dated June 27, 2024), PWAC case expenses and associated gross receipts and franchise taxes, as set forth in greater detail herein and in the attached exhibits.
- 3. The proposed rates resulting from this Petition would increase annual revenues by \$664,033 or 4.3%, effective January 1, 2026. To avoid any compression, the Company believes January 1, 2026 to be the appropriate effective date for this PWAC. See, e.g., Exhibit "G."
- 4. Communications and correspondence relating to this Petition should be served upon the following individuals:

Stephen B. Genzer, Esquire
Saul Ewing LLP
One Riverfront Plaza
1037 Raymond Blvd., Suite 1520
Newark, New Jersey 07102-5426
(973) 286-6712
stephen.genzer@saul.com

Shane P. Simon, Esquire
Saul Ewing LLP
650 College Road East, Suite 4000
Princeton, New Jersey 08540-6603
(215) 972-7160
shane.simon@saul.com

David G. Ern
President
Gordon's Corner Water Company
27 Vanderburg Road
Marlboro, New Jersey 07746-1418
(732) 946-9333
dgern@gordonscornerwater.com

Eric Olsen
Chief Operating Officer
Gordon's Corner Water Company
27 Vanderburg Road
Marlboro, New Jersey 07746-1418
(732) 946-9333
eolsen@gordonscornerwater.com

- 5. GCWC is a public utility of the State of New Jersey and subject to the jurisdiction of the Board.
- 6. The Company's principal office is located at 27 Vanderburg Road, Marlboro, New Jersey, 07746.
- 7. GCWC provides water to approximately 14,600 customers in portions of Marlboro and Manalapan Townships in Monmouth County, New Jersey.
- 8. On August 15, 2025, GCWC filed correspondence with the Board indicating its intent to file the Petition on or before August 31, 2025 and seeking, to the extent necessary, an extension of any applicable filing deadline pursuant to N.J.A.C. 14:9-7.3 or a waiver of any applicable deadline under that provision pursuant to N.J.A.C. 14:1-1.2. A copy of the August 15, 2025 correspondence is attached hereto as **Exhibit "A."**
- 9. On August 21, 2025, the New Jersey Division of Rate Counsel ("Rate Counsel") filed correspondence in this matter noting that it would "not object to the Board either extending

the deadline for filing by two weeks or to waiving the notice provision entirely." A copy of Rate Counsel's August 21, 2025 corespondence is attached hereto as **Exhibit "B."** 

- 10. To the extent the "notice" requirement of N.J.A.C. 14:9-7.3 applies to this Petition, which has been filed in response to notice of a potential and as of yet unknown change rather than a definite and defined change in its purchased water costs, the Company requests that the Board deem this Petition as timely filed following an extension of time on a nunc pro tunc basis or, in the alternative, waive the "notice" requirement of N.J.A.C. 14:9-7.3 pursuant to N.J.A.C. 14:1-1.2.
- 11. The Company obtains a substantial portion of the water necessary to meet its overall water supply requirements through water purchase contracts with two sources: (1) the Township of Marlboro, and (2) Veolia-Matchaponix Water Company.
- 12. The Company's tariff contains a PWAC of \$0.00 per thousand gallons for all water sales, which was reset to that "0" level by the Board's Order in GCWC's most recent rate case<sup>1</sup> in conformance with applicable PWAC regulations. A copy of the Board's Order is attached to the Petition as **Exhibit "C"** in conformance with N.J.A.C. 14:9-7.6(b)(7).
- 13. As set forth in the Board's Order approved in the Company's most recent rate case, the Company's purchased water expense level was set at \$4,865,583, which was based on the Company paying the following rates, per thousand gallons of water, to its suppliers: (a) \$3.1382 to Veolia-Matchaponix Water Company, and (b) \$5.74871 to Marlboro Township Water Utility Division ("Marlboro").
- 14. Pursuant to N.J.A.C. 14:9-7.6(b)(1), a copy of the Company's current water purchase contract with Veolia-Matchaponix Water Company is attached hereto as **Exhibit "D"**

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<sup>&</sup>lt;sup>1</sup> <u>See I/M/O The Petition of Gordon's Corner Water Company for an Increase in Rates and Charges for Water Service</u>, Docket No. WR23110853 (N.J. B.P.U. June 27, 2024).

and a copy of the Company's water purchase contract with the Marlboro Township Water Utility Division is attached hereto as **Exhibit "E."** 

- 15. In accordance with N.J.A.C. 14:9-7.6(b)(3), as of the conclusion of the Company's most recent rate case, the Company served approximately 14,600 water and fire service customers. The Order in that case was issued on June 27, 2024, and was effective July 1, 2024. See Exhibit "C."
- 16. Under N.J.A.C. 14:9-7.6(b)(4), the total actual volume of purchased water ("TGY") as set in the Company's most recent base rate case was 1,095,000 thousand gallons, and the actual volume of purchased water ("TGY") at the end of the most recent calendar year (2024) was 1,098,000 thousand gallons.
- 17. Pursuant to N.J.A.C. 14:9-7.6(b)(6) and N.J.A.C. 14:1-5.12, a copy of the proposed GCWC PWAC tariff sheet is annexed hereto as **Exhibit "F."**
- 18. The Company has investigated the basis for the increased costs charged by its suppliers. Veolia-Matchaponix's rates are set by Board Order and its rates are set by its Board tariff. See Exhibit "C." Marlboro's rates to GCWC are set by the contract between Marlboro and GCWC, which contract is attached as noted as Exhibit "E."
- 19. Further, with respect to the water the Company purchases from Marlboro, the Company understands that Marlboro obtains a portion of its water supply from Middlesex Water Company ("Middlesex") and that the rates Middlesex charges Marlboro are proposed to be increased as a result of Middlesex's recently filed base rate petition. See I/M/O Middlesex Water Company for Approval of an Increase in its Rates for Water Service and other Tariff Changes, Docket No. WR25060372 (N.J. B.P.U. June 30, 2025). The increased costs to Marlboro from

Middlesex will be passed along to the Company, and the Company anticipates that pursuant to the Middlesex base rate proceeding, the rate charged by Marlboro to the Company will increase.

- 20. The Company intervened in the last Veolia-Matchaponix base rate case to attempt to ensure that the ultimate rate resulting from that base rate case only covers appropriate costs. GCWC is also in constant contact with Marlboro so that Marlboro's charges, as well, will not hamper GCWC's efforts to ensure that its rates remain just and reasonable. See N.J.A.C. 14:9-7.6(8).
  - 21. A schedule of purchase water costs is attached hereto as Exhibit "G."
- 22. As required by N.J.A.C. 14:9-7.6(b)(9), a schedule of expenses, including legal expenses, anticipated in connection with this proceeding is attached hereto as **Exhibit "H."** Legal expenses will be updated as the proceeding progresses.
  - 23. A draft public notice for this matter is attached hereto as **Exhibit "I."**
- 24. Notice of this filing, a copy of this Petition and the exhibits annexed thereto are being served upon the municipal clerk in each of the municipalities of the affected customers, and upon the Department of Law and Public Safety and the Director of the Division of Rate Counsel.
- 25. Notice of filing and a statement of its effect will be furnished to the Company's customers by publication in newspapers published and circulated in the Company's service area pursuant to the applicable Board rules and regulations.
- 26. Proof of service of the notices referenced in the preceding paragraphs will be filed with the Board by the Company in compliance with the applicable Board rules and regulations.

WHEREFORE, Gordon's Corner Water Company respectfully requests that the Board grant the following relief:

- (a) approving a PWAC rate as proposed herein as just and reasonable for recovery of increased water purchase costs and authorizing same to be placed into effect on January 1, 2026;
- (b) If applicable, grant an extension of the "notice" requirement under N.J.A.C. 14:9-7.3 on a nunc pro tunc basis or a waiver of the "notice requirement" pursuant to N.J.A.C. 14:1-1.2; and
- (c) for any other, further relief that the Board may deem proper, equitable, and just

Respectfully submitted,

Shane P. Simon

Stephen B. Genzer, Esquire SAUL EWING LLP One Riverfront Plaza 1037 Raymond Blvd., Suite 1520 Newark, New Jersey 07102-5426 (973) 286-6712 stephen.genzer@saul.com

Shane P. Simon, Esquire SAUL EWING LLP 650 College Road East, Suite 4000 Princeton, New Jersey 08540-6603 (215) 972-7160 shane.simon@saul.com

Dated: August 29, 2025

## **VERIFICATION**

David G. Ern hereby certifies as follows:

- 1. I am President of Petitioner, Gordon's Corner Water Company, and am authorized to execute this Verification on its behalf. I have reviewed the Petition and supporting Exhibits filed in this matter.
- 2. I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

David G. Ern

President

Gordon's Corner Water Company

DATED: August 29, 2025