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State of New Jersey  
DIVISION OF RATE COUNSEL  
140 EAST FRONT STREET, 4<sup>TH</sup> FL.  
P. O. Box 003  
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CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

STEFANIE A. BRAND  
*Director*

REC'D  
2013 DEC 5 10:16 AM  
CASE # 13-00000000000000000000

December 2, 2013

Via Email and Regular Mail

Kristi Izzo, Secretary  
State of New Jersey, Board of Public Utilities  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
P.O. Box 350  
Trenton, New Jersey 08625

**RE: IN THE MATTER OF THE PETITION OF UNITED WATER  
PRINCETON MEADOWS, INC. FOR DEFERRAL ACCOUNTING  
AUTHORITY FOR THE FINANCIAL IMPACT OF DAMAGE RELATED  
TO HURRICANE IRENE AND SUPERSTORM SANDY  
BPU DOCKET NO.: WO13100969**

Dear Secretary Izzo:

Please accept for filing an original and ten copies of the Division of the 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.

On October 22, 2013, United Water Princeton Meadows, Inc., ("UWPM" or the "Company") filed a Petition with the State of New Jersey, Board of Public Utilities ("BPU" or "Board"), requesting authority from the BPU to defer on its books the actually incurred incremental storm costs associated with Hurricane Irene and Superstorm Sandy that are not otherwise recovered through its currently approved base rates.

OCMS  
J. Kane  
service list copied

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UWPM is a public utility of the State of New Jersey subject to the jurisdiction of the Board. The Company is engaged in the business of collecting, treating and disposing of waste water, on a retail basis, to customers in a portion of the Township of Plainsboro. The Company owns and operates sewerage facilities.

In its Petition, the Company states that the storm related incremental expenses that UWPM is seeking to defer will only include actual, prudently incurred costs associated with the impact of Hurricane Irene and Superstorm Sandy on the UWPM sewerage facilities. The costs for which UWPM is seeking deferral authority include the cost of overtime, outside contractor costs, fuel, generator rental and transport, rental of equipment, and other directly related expenses resulting from storm damage mitigation, assessment, repair, clean up and restoration activities in its affected service areas which would not otherwise have been incurred. The Company states that the costs that are the subject of this petition do not include the replacement of and cost of removal for plant infrastructure, which are appropriately included in Plant in Service and Accumulated Depreciation.

The Company represents that no ongoing, routine non-emergency expenses are included in the requested deferral accounts established for Hurricane Irene and Superstorm Sandy storm damage.

The Division of Rate Counsel does not object to the Company's Petition seeking to defer on its books for accounting purposes only the actual incurred, uninsured incremental storm costs associated with Hurricane Irene and Superstorm Sandy that are not otherwise recovered through its currently approved base rates.


Also, The Division of Rate Counsel requests that any BPU Order approving the Company's Petition contain the following language:

1. This Order shall not affect nor in any way limit the exercise of the authority of this Board or of this State. in any future Petition or in any proceedings with respect to rates, franchises, service, financing, accounting, capitalization, depreciation, or in any other matters affecting the Petitioner.
2. The Company shall file a Petition for a base rate case within two years from the date of the Board's Order where the prudence and recoverability of actually incurred storm costs will be determined.

These provisions will satisfy the concerns of Rate Counsel.

Very truly yours,

Stefanie A. Brand  
Director, Division of Rate Counsel

By:   
Susan E. McClure  
Assistant Deputy Rate Counsel

SEM:iaa  
c: Service List

**United Water Princeton Meadows,  
Inc.  
BPU Dkt. No. WO13100169**

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***\*Receives all correspondence except  
discovery.***

***< Receives e-mail only.***