

State of New Jersey

Board of Public Utilities

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NJ BPU
SE MANAGEMENT

IN THE MATTER OF THE PETITION :	PETITION
OF LAKE LENAPE WATER COMPANY :	
FOR APPROVAL OF AN INCREASE IN :	BPU DOCKET NO. WR 14030269
RATES FOR SERVICE :	OAL DOCKET NO.

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

Lake Lenape Water Company, a corporation and public utility of the State of New Jersey, with its' principal office at 83 Eagle Chase, Woodbury, County of Nassau, State of New York, pursuant to N. J. S. A. 48:2-21, hereby petitions the Honorable Board of Public Utilities for approval to revise and increase its' rates for water service to become effective July 1, 2014, a date at least thirty (30) days after the filing of this petition at the Office of the Secretary of the Board of Public Utilities.

Pursuant to N. J. A. C. 14:1-6.16 , Petitioner respectfully states:

1. The rates which Petitioner proposes to revise or increase, which have become unjust and unreasonable, are all of the currently effective rates of Petitioner now on file with your Honorable Board.
2. The operations of the Petitioner are conducted in the Township of Andover, in the County of Sussex, State of New Jersey.
3. Notices of the filing of this Petition and the date of hearing will be made by the Petitioner pursuant to the Board's Rules of Practice.

CMS
Beslow(2)
DAG
RPA
WATER(4)

M. KAMMER
J. FORD
R. LAMBERT

4. The reasons for the proposed increase of rates are as follows:

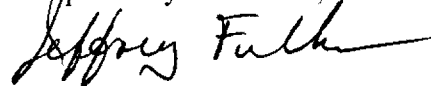
- (a) To eliminate operating losses.
- (b) To enable the Petitioner to meet increased operating expenses and decreased revenue, to establish its financial integrity.
- (c) To enable the Petitioner to continue to furnish safe, adequate and proper service to its' customers.

5. The following data required by the Board's Rules of Practice are attached Hereto as exhibits:

Schedule No.	Description
1.	Comparative Balance Sheets for the Three Years Ended Dec. 31, 2011, 2012, 2013
2.	Schedule of Operation and Maintenance Expenses for the Three Years Ended Dec. 31, 2011, 2012, 2013
3.	Summary of Earnings as of Dec. 31, 2011, 2012, 2013 And Rate Base Dec. 31, 2013
4.	Actual Expenses as of Dec. 31, 2013, Projected Expenses for The Calendar Year 2014, and Revenue Requirements for 2014
5.	Proposed Rates for 2014

WHEREFORE, Petitioner prays that the Board find and determine that the Petitioners' rates presently in effect are unjust and unreasonable; and that the Proposed increases in rates are just and reasonable.

Respectfully submitted,



Jeffrey Fuller
President

Lake Lenape Water Company

DATED: March 18, 2014

Lake Lenape Water Co.
 Comparative Balance Sheets for the Three
 Years Ended Dec. 31, 2011, 2012, 2013

Acct. No.	Assets and Other Debits	2011	2012	2013
101-03	Utility Plant	285,013	285,013	285,013
110	Accum. Provision for Depreciation	(224,891)	(230,667)	(236,443)
	Net Utility Plant	60,122	54,346	48,570
131	Cash	10,286	11,305	8,570
141	Notes Rec.	17,603	17,603	17,603
142	Customer Accounts Rec.	3,357	4,387	2,015
143	Other Accts Rec.	64,000	64,000	64,000
	Total Current Assets	95,246	97,295	92,188
124	Other Investments	70,450	96,591	101,099
	Total Assets & Other Debits	225,818	248,232	241,857
	Liabilities and Other Credits			
201	Common Capital Stock	25,500	25,500	25,500
216	Unappropriated Earned Surplus	117,081	149,310	154,056
	Total Proprietary Capital	142,581	174,810	179,556
231	Notes Pay.	19,051	9,561	3,987
232	Accounts Payable	11,300	10,650	5,800
236	Taxes Accrued	18,904	19,229	18,532
	Total Current & Accrued Liabilities	49,255	39,440	28,319
271	Contributions in Aid of Construction	33,982	33,982	33,982
	Total Liabilities & Other Credits	225,818	248,232	241,857

Lake Lenape Water Company
Schedule of Operation and Maintenance
Expenses for the Three Years Ended
Dec. 31, 2011, 2012, 2013

Acct. No	Operation and Maintenance Expenses	2011	2012	2013
620	Operation Labor	\$ 9,000	\$ 9,000	\$ 9,000
622	Power Purchased	10,455	10,163	10,923
625	Maintenance of Pump. Plant	34,224	34,163	35,144
	Total Pumping Expenses	53,679	53,326	55,067
901	Meter Reading Labor	1,591	1,900	1,750
	Administration and General expenses			
920	Admin. & General Salaries	13,560	13,560	13,560
921	Office Supplies	14,306	12,328	12,528
923	Outside Services	-	-	-
924	Insurance	12,137	12,081	11,974
926	Employee Pensions	-	-	-
930	Misc. General Expenses-Rent	3,000	4,200	4,585
928	Regulatory Commission Exp.	5,817	5,765	6,240
	Total Operation & Maintenance Expenses	104,090	103,160	105,704

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Lake Lenape Water Company

Summary of Earnings as of Dec. 31, 2011, 2012

2013, and Rate Base Dec. 31, 2013

Acct. No.	# Customers	2011	2012	2013	Projected 2014
	Metered Sales to Gen. Customers	355	351	349	349
Operating Revenues					
461	Metered Sales to Gen. Customers	\$141,731	\$133,503	129,730	\$ 129,730
474	Other Water Revenues-Hydrants	2,902	2,902	2,902	2,902
	Total Operating Revenues	<u>144,633</u>	<u>136,405</u>	<u>132,632</u>	<u>132,632</u>
Operating Expenses					
401	Operation Expense	60,866	59,997	62,557	63,630
402	Maintenance Expense	43,224	43,163	43,147	45,000
403	Depreciation	5,776	5,776	5,776	5,776
408	Taxes other than Income	20,445	21,515	21,381	24,965
	Total Operating Expenses	<u>130,311</u>	<u>130,451</u>	<u>132,861</u>	<u>139,371</u>
	Operating Income	\$ 14,322	\$ 5,954	\$ (229)	\$ (6,739)

	2010 rate case	Adjustments 2010-2013 (1)	Pro-Forma Rate Base
Rate Base			
Utility Plant	\$ 341,859	\$ 37,700	\$ 379,559
Working Capital	12,500		12,500
Accum. Depreciation	(203,056)		(236,443)
Contributions in aid Of Construction	(33,982)		(33,982)
Rate Base (1) Capital Improvements	<u>\$ 117,321</u>	<u>\$ 37,700</u>	<u>\$ 121,634</u>

**Lake Lenape Water Co.
83 Eagle Chase
Woodbury, N.Y. 11797
(516)802-7103**

Increases to Rate Base 2010-2014

Customer meters-cost with installation	\$ 4,700
Tank painting	33,000

	\$ 37,700

Lake Lenape Water Company

Actual Expenses as of Dec. 31, 2013

Projected Expenses for the Calendar Year 2014

Requirements for 2014

Operation and Maintenance Accounts	Actual 12/31/13	Projected 12/31/14
Operation Labor	\$ 9,000	\$ 9,600
Power Purchased	10,923	11,000
Maintenance of Pump. Plant	35,144	36,000
Admin. And General Expenses-Salary	13,560	14,300
Office Supplies	4,674	4,900
Outside Services	-	-
Insurance	11,974	12,000
Regulatory Commission Expenses	6,240	6,240
Rent	4,585	4,600
Transportation	1,188	1,200
Meter Reading	1,750	1,800
Employee Pension	-	-
Depreciation Expense	5,776	5,776
Income Taxes	1,994	3,000
Taxes-Other		
Excise	1,706	1,940
Gross Receipts	10,464	11,900
Franchise	6,010	6,825
Real Estate	6,576	6,900
Payroll	1,207	1,300
NJ PWT	90	90
Total Operating Expenses	<u>132,861</u>	<u>139,371</u>
Allowable Return on rate Base- 10% of Rate Base		12,163
Required Revenue-2014		<u>151,534</u>
Operating Revenue 2014-Projected		132,632
Required Increase in Operating Revenue - 14.3%		<u>18,902</u>

Lake Lenape Water Company

Proposed Rates for 2014 for Water Service

METERED RATE SERVICE

1. There will be a Fixed Service Charge of \$30.65 per quarter for each customer.
2. In addition to the Fixed Service Charge, there will be a charge of \$6.76 per Thousand gallons used during the quarter.
3. A finance charge of 1 ½% per month shall be charged on all valid unpaid balances of Customers.

FIRE PROTECTION

1. There will be a quarterly charge of \$75.40 per hydrant, or \$301.60 yearly, for Fire Protection service.