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Berkeley users fight 37 percent water company rate hike

Elected officials to oppose increase

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TOMS RIVER BUREAU

BERKELEY — They can't afford an increase and they don't believe that the water is safe to drink. Those were the sentiments several United Water Toms River customers expressed as they urged the state Board of Public Utilities to deny the water company's request for a 37 percent rate increase.

"I'm speaking against the proposed rate increase. We have not gotten any kind of cost-of-living adjustment," said 81-year-old Edith Gbur of 364 Costa Mesa Drive, in the Holiday City West senior community.

"Our health bills are going up and people don't trust the water. Many people are drinking bottled water or are using filters," she said. "We should get reimbursed for that."

Gbur was one of more than a dozen opponents who spoke. About 150 people packed the meeting room during the afternoon public hearing session Monday at town hall. A second session was held in the evening.

The hearings were held to allow the public to put their comments on the record, said Susan McClure, a lawyer from the state Division of Rate Counsel. The hearings were presided over by Administrative Law Judge Walter M. Braswell.

A residential customer using an average of 16,000 gallons of water per quarter would see the bill increase from \$99.10 to \$138.48, an increase of \$39.38 per quarter or approximately 39.7 percent, according to United Water's petition for rate relief.

Carmen J. Amato, Berkeley Township Council president, said it is unconscionable that United Water is seeking another increase.

"It's deja vu all over again. Two years ago I stood before you (the BPU) at a hearing at the Ritacco Center (in Toms River), and here they are today seeking the balance of the increase they requested two years ago," Amato said, referring to United Water's request for a 91 percent rate increase in 2008.

Although the water company requested 91 percent, the state Board of Public Utilities unanimously granted it a 62-percent increase.

The water company's service territory includes about 50,000 homes in Toms River, South Toms River and Berkeley's Manitou Park section and Holiday City and Silver Ridge Park adult communities.

"The result of the new increase, if granted, would result in the average user's bill being doubled from 2007 to the present," said Berkeley Mayor Jason J. Varano, adding that another rate increase would be "outrageous and simply unacceptable."

Joseph A. KostECKI II, staff assistant to Rep. John H. Adler, D-N.J., said the congressman vehemently opposes an additional increase and wrote to the BPU president.

Customers adamant

Pat Riley, 73, of Marathon Street in Holiday City, said that he retired 20 years ago from his job at AT&T and has not received an increase in his pension.

"I disagree with any increase at this time, especially due to the economy of the United States," he said.

Rosemary Doherty, 68, of Santiago Drive in Holiday City South, said she was told by Adler that United Water was offered \$10 million in stimulus money to help pay for capital projects in Berkeley and the water company refused the money.

"I have a hard time understanding how the BPU could give them a rate increase. I thought the BPU was looking out for us — the consumers — and not the water company," she added.

Robert E. Swain Jr. of Swain, Dennen, Keszler & Bauman in Wall, the special counsel hired to represent Berkeley and Toms River in the rate case, said he is analyzing United Water's request and will be participating in the evidentiary hearings in July.

"We're going to make sure we get them down to what they actually need," he said.

United Water said the cost of water delivered to customers is less than 1 penny per gallon, and that at the time new rates could go into effect, more than \$29 million of investments will have been put into service since the company's last rate decision.

That cost includes \$10 million in water quality improvements at the Holly Water Treatment Plant in Toms River and \$12.3 million to construct the Berkeley Radionuclide Treatment Plant on Mule Road.

Stephen B. Genzer, United Water's lawyer, said the company plans to answer all of the questions posed by customers, including whether United Water declined to accept federal stimulus money.

Genzer said the company meets all state and federal water quality standards and that information is made public each June.