



State of New Jersey

**DEPARTMENT OF PUBLIC UTILITIES
BOARD OF PUBLIC UTILITY COMMISSIONERS
R123 - STATE HOUSE ANNEX, TRENTON 25, N. J.**

December 18, 1956

Barkalow, McGowan & Krusen
2 East Main Street
Freehold, New Jersey

Attention: Mr. Clifton T. Barkalow

Dear Mr. Barkalow:

In compliance with your request
of December 13th I send you herewith the following:

Rules, Regulations and Recommendations
for Water Utilities

Regulations Applying to Requirements
of Deposits

General Rules and Regulations Governing
Extensions

Your check in the amount of \$6.00
is returned herewith for the reason that it should more
properly have been drawn in the sum of \$3.00.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Eugene E. Ebeling".

Eugene E. Ebeling
Assistant Secretary.

T P
Enc.

State of New Jersey

BOARD OF
PUBLIC UTILITY COMMISSIONERS

General Rules and Regulations

Recommended for Adoption

Governing Extensions by Electric Light and
Power, Gas and Water Companies

State of New Jersey

Board of Public Utility Commissioners

In the Matter of Establishing General)
Rules and Regulations Governing Ex-)
tensions by Electric Light and Power,) DECISION.
Gas and Water Companies.)

By section 16 of Chapter 195, Laws of 1911, the Board has power.

"(e) After hearing, by order in writing to fix just and reasonable standards, classifications, regulations, practices, measurements or service to be furnished, imposed, observed and followed thereafter by any public utility as herein defined."

Pursuant to the authority vested by statute, the Board gave notice to all public utilities furnishing electric light and power, gas and water, and to all municipalities, that it would on Thursday, December 7th, 1922, hold a hearing for the purpose of considering the adoption of rules and regulations governing extensions by the classes of utility companies named above.

As a preliminary to such hearing and discussion, a list of suggested rules and regulations was submitted to all electric light and power, gas and water utilities in the State, and public notice given to municipal authorities and others, and full opportunity was given for objections, suggestions and recommendations.

Following the hearing an opportunity for the submission of briefs was afforded, of which privilege a number took advantage. Practically all of the utilities doing business in the State were represented at the hearings and in the discussions. The suggested rules and regulations, excepting as to the effect of taxes on gross revenues, met with little objection. The Board has carefully considered the objections and recommendations offered, and after full consideration has concluded to approve the accompanying rules and regulations as generally just and reasonable.

In view of the fact that the statute, section 17 (c) * specifically authorizes the Board to require extensions to be made under certain conditions, the Board is not of the opinion that these suggested rules and regulations should be imposed by order upon the companies, as under the law any individual customer or any utility may appeal to the Board for special treatment in cases which do not appear to be appropriate for determination under the general rules. It is the opinion of the Board that so far as possible the companies should adopt these suggested rules and regulations in lieu of other rules and regulations not as favorable to the customers, or which are so complicated as to be confusing in the minds of applicants for service, and the Board so Recommends. Nothing in these rules is to be construed by any utility so as to prevent it from making general extensions which they would ordinarily undertake in the general expansion of the business. A copy of this decision and of the accompanying rules and regulations shall be sent to each utility to which they are applicable, and all utilities adopting the same shall so advise the Board.

January 2nd, 1923.

BOARD OF PUBLIC UTILITY COMMISSIONERS,

(Seal)

By (Signed) H. V. Osborne,

Attest:

President.

(Signed) Alfred N. Barber,

Secretary.

I HEREBY CERTIFY the foregoing to be a true copy of a decision made and filed by the Board of Public Utility Commissioners at a meeting held Tuesday, January 2nd, 1923.

Secretary.

*Section 17 (c) of the statute referred to above gives the Board power to order, after hearing, extensions where it appears "such extension is reasonable and practicable and will furnish sufficient business to justify the construction and maintenance of the same, and when the financial condition of the said public utility reasonably warrants the original expenditure required in making and operating such extension."

GENERAL RULES and REGULATIONS GOVERNING

EXTENSIONS by ELECTRIC LIGHT AND POWER

GAS and WATER

Definitions.

Extension: An extension shall be construed to mean the extension of mains along the street or avenue, whether gas, water or electricity, and shall not include the meter or transformer or any part of the house service connections nor shall the cost of the extension as referred to in these rules include the cost of fire hydrants with their branches.

Service: The service is defined as being the connection from the main line to the building served. Nothing in these rules is to be construed as in any way affecting the companies and this Board's rules and regulations, under which service connections are now installed.

I. General Rule Governing Extension Requested by Land Development Agencies.

(a) Where applications for extensions into newly developed tracts of land are made by individuals, partnership, or corporations interested in the development and sale of land, but not as ultimate residents, the utility may require a deposit from the applicant covering the entire cost of installing the necessary main lines to serve the tract.

(b) Such deposits are not to carry interest.

(c) Such deposits are to be returned to the depositor when and as new houses abutting on such main lines are completed, the prospective consumer's equipment such as wiring, piping, etc., installed, the house occupied by a bona fide owner or responsible tenant who has entered into a contract for use of the utility's service.

(d) Upon such completion and occupation there shall be returned to the depositor an amount equal to the estimated charge for three years service for an electrical extension, two years service for a gas extension; and three and one-half years' service for a water extension; provided, however, that no part of the deposit remaining over ten years is to be returned.

II. General Rule Governing Extensions Made Upon Application of Individual Permanent Residents.

Upon application for extension to reach a house not presently served with electricity, gas or water, an estimate shall be made of the costs of making such standard size extension to serve the applicant (or applicants where a number are concerned in one extension), and an estimate shall also be made of the anticipated normal revenue from this extension.

1. (a) Where the cost to the utility for an electric extension does not exceed three times the estimated normal annual charge for service at regular rates, the utility shall make the necessary extension upon receiving from the applicant the properly signed standard form of application for service. Such application to be made by the owner of the property or by a responsible tenant and to be for an indefinite period, not less, however, than the number of years necessary to produce at the normal annual charge the cost of the extension.

(b) Where the cost to the utility for a gas extension does not exceed twice the estimated normal annual charge for service at regular rates, the utility shall make the necessary extension upon receiving from the applicant the properly signed standard form of application for service. Such application to be made by the owner of the property or by a responsible tenant and to be for an indefinite period, not less, however, than the number of years necessary to produce at normal annual charge the cost of the extension.

(c) Where the cost to the utility for a water extension does not exceed three and one-half times the estimated normal annual charge for service at regular rates, including in such estimated charge the amounts to be received from the municipality for fire protection, the utility shall make the necessary extension upon receiving from the applicant the properly signed standard form of application for service. Such application to be made by the owner of the property or by a responsible tenant and to be for an indefinite period, not less, however, than the number of years necessary to produce at the normal annual charge the cost of the extension.

2. Where the cost of making an extension as defined above exceeds the amount which the utility must install without special guarantee, the extension shall be made upon either one of two plans as agreed upon between the applicants and the utility described below as Plan A and Plan B.

Plan A.

The excess cost of the extension, as defined above, shall be deposited with the utility and remain, without interest, in the possession of the utility until such time as the revenue from the particular extension is sufficient, in accordance with the rule above, when it shall be returned pro rata to the depositor, providing, however, that after a period of ten years, all deposits not then returned to the applicants shall remain the property of the utility and all transactions shall be treated in accordance with the standard classification of accounts.

Plan B.

The applicant for the extension shall guarantee the utility a monthly revenue equivalent to one-thirty-sixth of the total cost of the extension if electric, one-twenty-fourth of the total cost of the extension if gas, or one-forty-second of the total cost of the extension if water; provided, however, that the utility shall not be required to accept a guarantee of more than fifty per cent. above the normal charge for service to the particular applicant.

STATE OF NEW JERSEY
DEPARTMENT OF PUBLIC UTILITIES
BOARD OF PUBLIC UTILITY COMMISSIONERS

TRENTON Dec. 18, 1956

Barkalow, McGowan & Krusen

2 EAST MAIN ST.

FREEHOLD, N. J.

TERMS: *Due upon presentation*
Delinquent 10 days thereafter

Make checks payable to
Board of Public Utility Commissioners

Rules, Regulations & Recommendations for Water

\$ 1.00

Regulations Applying to Deposits

1.00

Rules Governing Extensions

1.00

\$ 3.00