

REPORT TO GOVERNOR RICHARD J. HUGHES FOR THE MONTH OF SEPTEMBER, 1963

ACTIVITIES

Decisions Issued	60
Petitions Filed	68
Formal Hearings	· 49
Informal Proceedings	2,373

REVENUES	1962	<u> 1963</u>
Filing Fees and Other Sources for the month of September	\$24,787 . 49	\$22,709.80
Filing Fees and Other Sources for the months of July-September	47,707.62	85,474•37

\$187,525,000 SECURITY SALES AUTHORIZED

The Board, in September, gave approval to Public Service Electric and Gas Company, Jersey Central Power & Light Company and the New Jersey Bell Telephone Company for the offering for sale of several types of securities.

Public Service will sell \$40,000,000 of debenture bonds, the money to be used for a current construction program and to pay off maturing debentures; Jersey Central will sell \$9,000,000 of debentures and \$18,525,000 in first mortgage bonds to finance construction work; and New Jersey Bell will issue \$80,000,000 in common stock and sell \$40,000,000 in debentures to pay a debt to its parent, American Telephone and Telegraph Co., and use the remainder for construction costs. Public Service and Jersey Central Expect bids in October

SUIT CONTEMPLATED AGAINST SEWER COMPANY

In its Order of August 8, 1963, the Board directed that 'Bordentown Sewer Company make improvements in its system to remedy, among other things, bad odors. As no compliance was forthcoming, a conference was held in September, attended by representatives of the State Department of Health, Bordentown Township, the Board's staff and the utility to determine the progress made. No evidence was presented that the problem was taken care of, thus, directives of both the Board and the State Health Department were being violated and the President of the utility was advised that a legal

action in court would be started by the Board to enforce compliance, or in the alternative, to appoint a receiver to properly operate the system. Also, the State Health Department may take action against the utility or the Township will ask the Board to revoke the utility's franchise in the Township.

DIVERSE WATER ISSUES

FREEHOLD TOWNSHIP

The Township, in a petition, has asked the Board to revoke its approval of franchises granted by the Township to the Freehold Water and Utility Company (Freehold) to operate a water company anywhere in the Township. At the same time, the Southern Gulf Water and Sewer Companies filed, for Board approval, a consent of the Township to serve in a development area in the northern section of the Township which is part of the franchise area given to Freehold. In still other matters, developers have asked that Freehold extend service to them and Freehold is attempting to get water diversion rights for its water plant system. Hearings are still to be held in some of the cases, while others are complete, but in the near future formal orders will issue on all the above cases.

RANDOLPH AND MANALAPAN TOWNSHIPS

Randolph Township petitioned the Board to revoke its approval of a consent and franchise to the Randolph Water Company by the Township. Wishing to set up a water company, the Manalapan Water and Utility Corp. wants the Board's approval of the consent of Manalapan Township to a franchise area, which is objected to by the Gordon's Corner Water Company (Gordon), presently serving in an adjoining area, on the ground that such service is unnecessary but, in any event, Gordon can best service the prospective customers.

HOLMDEL AND RARITAN TOWNSHIPS

William Mohrbutter, a resident home-owner in Holmdel Township, asked the Board to order the extension of water facilities to him by either the West Keansburg Water Company (West Keansburg) or the Strathmore Water Company (Strathmore). Mohrbutter and 7 other home owners reside in Holmdel and Raritan Township, part of the franchise area of West Keansburg which, while having a 10-inch main about one mile away, states that it cannot extend at its sole expense but must receive payment from the property owners. Strathmore is willing to serve if it is granted consent by the Township, with Board approval, as it has an 8-inch main in a nearby road. In the 1958 Piscataway extensions by saying that the utility may be compelled to extend even though the particular extension would not produce a profit, since profit is important only as it affects the over-all return of the utility.

PATH - PENNSYLVANIA RAILROAD TRAIN COLLISION MATTER HEARD

Five public hearings were held in September delving into the carriers' operating rules and instructions to see what or who was responsible for the July 24th train collision at Harrison involving a PATH and PRR train.

TRENTON ACQUIRES WATER COMPANY

In early 1963, Hillwood Manor Water Company asked the Board to approve a 67% increase in water rates but after public hearings and adjournment for purchase negotiations between the utility and the City of Trenton, the Board on September 12th, was advised that Trenton had acquired the utility facilities; consequently, the rate increase petition was dismissed on September 19th.

ELECTRIC AND TELEPHONE RATES REDUCED

Revised tariff filings on water heating service, total electric home service, residential service and street lighting service were accepted by the Board on September 26th, affecting customers of New Jersey Power & Light Company and Jersey Central Power & Light Company, as to the former customers annual savings of some \$260,000, and as to the latter, about \$181,000.

Furthermore, as a result of added types of equipment and base rate area expansion by the New Jersey Bell Telephone Company approved by the Board after 5 tariff filings, customers will save annually some \$10,250 and will enjoy improved service.

GRADE CROSSING PROTECTION PROGRAM

Work at 25 grade crossings following Board Orders under the 1960 law, R.S. 48:12-49.1, for protective devices ranging from standard wooden crossbuck signs or stop and flag requirements to automatic gates or automatic flashing lights with back lights, crossbucks and advance warning signs, is complete at 6 locations but pending at the other crossings. A concurrent related program is progressing with Board railroad inspectors (1) surveying railroad bridges for adequacy of size and capacity, and (2) checking stations and pedestrian subways for cleanliness and appearance.

EXTRAORDINARY UTILITY PROPERTY LOSS

Due to a premature retirement of sand filters and related equipment caused by a consent decision in a civil suit by the Department of Health of Brick Township to restrain the Lakewood Water Company from possibly polluting the Metedeconk River with alleged poorly treated affluent, the Board allowed the Company to amortize on its account books \$108,863.62 over 25 years, as an extraordinary property loss from an unforeseen happening.