

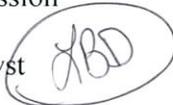


STATE OF DELAWARE
PUBLIC SERVICE COMMISSION
861 SILVER LAKE BLVD.
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

TELEPHONE: (302) 736-7500
FAX: (302) 739-4849

MEMORANDUM

TO: The Chair and Members of the Commission

FROM: Lisa B. Driggins, Public Utilities Analyst 

DATE: August 11, 2014

SUBJECT: IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICES PURSUANT TO 26 DEL. C. §203C (“BMR UNIQUEMA”) (SUBMITTED JUNE 3, 2014; FILED JUNE 20, 2014; AMENDED AUGUST 6, 2014)
PSC DOCKET NO. 14-CPCN-04

On June 3, 2014, Artesian Water Company, Inc. (“Artesian” or the “Company”) submitted an application with the Delaware Public Service Commission (the “Commission”) seeking a Certificate of Public Convenience and Necessity (“CPCN”) to provide water services to two parcels of land in New Castle County, Delaware, known as the BMR Uniquema (the “Proposed Service Area”) pursuant to 26 *Del. C.* §203C(e)(1)b.

As required by 26 *Del. C.* §203C(e)(1)b. and the Commission’s Regulations Governing Certificates of Public Convenience and Necessity for Water Utilities, 26 *Del. Admin. C.* §2002 (the “Regulations”), the submitted application contained the following documentation: (1) a copy of a petition signed by all of the landowners of record included in the Proposed Service Area requesting to be included in the Proposed Service Area; (2) copies of the United States Postal Service forms verifying that the Company sent, via certified mail, a Commission approved notice to all landowners of record of each parcel included in the Proposed Service Area; (3) a list of the County tax map parcel identification numbers of the properties and identification of all landowners of record included in the Proposed Service Area;¹ and (4) a copy of the associated tax map clearly marking the Proposed Service Area. Additionally, the Application contained Artesian’s statement that its expansion of service to the Proposed Service Area will comply with the water pressure requirements of 26 *Del. C.*

¹At Staff’s request, Artesian submitted a written certification that the Company (i) reviewed the appropriate tax or land record documents relating to the Proposed Service Area; (ii) confirmed that the landowner identified in the parcel listing are the landowners of record; and (iii) confirmed that the petitions included in the Application have been signed by each landowner of record.

§§403(a) and (b) and that Artesian is not barred by any of the restrictions set forth in 26 *Del. C.* §403(c).

In addition to the required notification to all the landowners of record in the Proposed Service Area, Artesian published a notice in The News Journal on June 6, 2014, and Delaware State News newspaper on June 6, 2014. The notice advised the public residents of the submitted application, that the submitted application may be reviewed at the Commission's office during normal business hours or on the Commission's website, that a hearing on this matter would not be held unless an appropriate request for a hearing was received, and that the landowner of record may object to or "opt-out" of the Proposed Service Area. To date, no comments regarding the Company or this submitted application have been received, and no landowners of record included in the Proposed Service Area have objected to the submitted application or elected to "opt-out" of the Proposed Service Area.

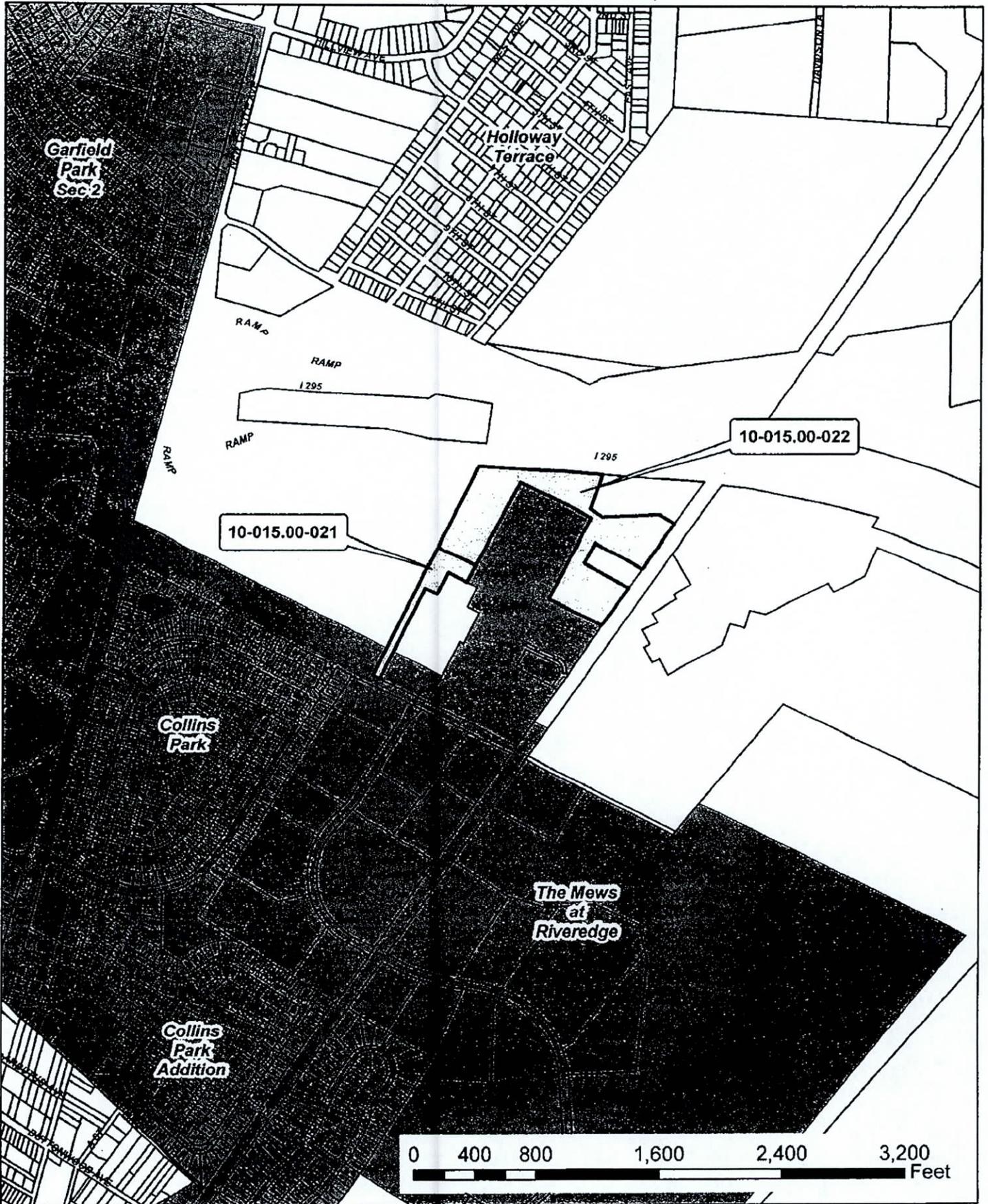
At the request of Staff, the Company filed on June 20, 2014, additional required information to show that the individual who signed the petitions for water services was legally authorized to sign and submit such document on behalf of the landowners of record.² At that time, the submitted application and this additional required information completed the filing (the "Application").

On August 6, 2014, the Company filed an amendment to the Application (the "Amended Application") to request that an informal fact-finding process be utilized in this docket pursuant to 29 *Del. C.* §10123.

The Commission Staff ("Staff") reviewed the Amended Application to ensure compliance with the statutory provisions of 26 *Del. C.* §203C and the Regulations. No errors or omissions were found. Finally, to determine whether the Commission should deny the requested CPCN as set forth in 26 *Del. C.* §203C(f), Staff solicited comments from the Delaware Department of Natural Resources and Environmental Control, the Office of the State Fire Marshal, and the Office of Drinking Water of the Division of Public Health. All three agencies responded and confirmed they have no issues relating to Artesian's ability to provide safe, adequate, and reliable water services to its existing customers.

In summary, Artesian has submitted the necessary proof required by the provisions of 26 *Del. C.* §§203C(e)(1), 203C(e)(1)b., 203C(e)(3) and the Regulations for issuance of a CPCN. Staff also finds no reason to deny the Company a CPCN under the provisions of 26 *Del. C.* §203C(f). Therefore, Staff recommends that the Commission grant the Company a CPCN based on the Amended Application.

² Under 26 *Del. Admin. C.* §2002-8.4, if a petition for water utility services is executed by an agent of the landowner of record, the applicant must provide with the petition evidence to demonstrate the agent's authority to act for the landowner of record. The Company failed to provide such evidence in the originally-submitted application.



NCC TP#10-015.00-021 & 022

 AWC CPCN

