



Division of the Public Advocate ("DPA") verified the completion of the projects; and

**WHEREAS**, the Settlement Agreement approved by the Commission further provides that Tidewater would be permitted to substitute projects for those identified in the Settlement Agreement as long as the aggregate value of the projects substituted did not exceed \$300,000; and

**WHEREAS**, the Settlement Agreement approved by the Commission as a result of its adoption of the Hearing Examiner's Findings and Recommendations further provides that Tidewater waive its right to file a DSIC application in January 2005, July 2005, and January 2006, and agrees not to file an application for a general rate increase for at least twelve (12) months after the filing of the above-referenced application for an additional \$533,598 in revenues or April 1, 2006, whichever is later; and

**WHEREAS**, on March 28, 2005, Tidewater submitted an application in which it requested approval of the additional \$533,598 of revenues referenced in the Settlement Agreement; and

**WHEREAS**, in that Application, Tidewater indicated that it was substituting the "Bayside Tank/Plant No. 1" project for the "Bridgeville Mall New Well and Pump House" project that had been identified in the Settlement Agreement; and

**WHEREAS**, Staff has verified that the capital projects identified in the Settlement Agreement (other than the "Bridgeville Mall New Well and Pump House") have been completed and are used and useful in providing water utility service to Tidewater customers; and

**WHEREAS**, the DPA has discussed Staff's verification of the capital projects with Staff and concurs with Staff's conclusions; and

**WHEREAS**, Tidewater has certified that the "Bayside Tank/Plant No. 1" project that it proposed to substitute for the "Bridgeville Mall New Well and Pump House" has been placed into service and is used and useful in providing utility service to Tidewater customers; now, therefore,

**IT IS HEREBY ORDERED:**

1. That Tidewater Utilities, Inc., is permitted to increase its rate base by \$4,312,723.

2. That Tidewater Utilities, Inc., is permitted to increase its rates so as to recover an additional \$533,598.00 in revenues; such rate increase to become effective April 27, 2005, as reflected in the supplemental tariff filed by Tidewater Utilities, Inc., with its Application.

3. That the Commission reserves jurisdiction and authority to enter such further Orders in this matter as may be necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae  
Chair

/s/ Joshua M. Twilley  
Vice Chair

/s/ Joann T. Conaway  
Commissioner

PSC Docket No. 04-152, Order No. 6612 Cont'd.

/s/ Jaymes B. Lester  
Commissioner

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Commissioner

ATTEST:

/s/ Karen J. Nickerson  
Secretary