

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)	
ARTESIAN WASTEWATER MANAGEMENT, INC.,)	
FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO PROVIDE)	
WASTEWATER SERVICES TO FIFTEEN)	PSC DOCKET NO. 05-WW-015
PARCELS OF LAND TO BE DEVELOPED AS)	(SILVER OAK FARMS)
SILVER OAK FARMS, LOCATED WEST OF THE)	
TOWN OF CLAYTON, KENT COUNTY,)	
DELAWARE (FILED JUNE 24, 2005))	

ORDER NO. 6688

**CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
TO PROVIDE WASTEWATER SERVICES**

This 9TH day of August, 2005, the Commission determines and Orders the following:

1. By the provisions of 74 Del. Laws ch. 317 (July 6, 2004), the General Assembly and Governor included wastewater systems within the public utilities subject to the regulatory oversight of this Commission. 74 Del. Laws ch. 317 (2004) (amending "public utility" definition in 26 Del. C. § 102(2)).¹

2. The law includes a specific regime for the granting of Certificates of Public Convenience and Necessity ("CPCNs") to begin the business of a wastewater public utility or to extend the system and operations of an existing wastewater public utility. 74 Del. Laws

¹The enactment continued, in the context of wastewater systems, exemptions from Commission oversight systems owned or operated by municipalities and specific water and sewer districts. 74 Del. Laws ch. 317 §§ 3, 5 (2004) (amending 26 Del. C. § 202(b)). The new law also exempted from Commission oversight wastewater public utilities serving fewer than fifty customers in the aggregate. 74 Del. Laws ch. 317 § 4 (2004), adding 26 Del. C. § 202(h).

ch. 317 § 6, adding 26 Del. C. § 203D. Under the statute, specifically 26 Del. C., §203D(d)(2), the Commission shall grant a CPCN to an applicant if it has submitted a petition requesting wastewater services signed by a majority of the landowners in the proposed service area, as well as the proof that all of the landowners in the proposed service area were notified of the application. Under 26 Del. C., §203D(e), the Commission may deny a request for a CPCN if the applicant is currently subject to a Commission finding, or if the Commission finds that the applicant is unable or unwilling to provide safe, adequate, and reliable service to existing customers.

3. On February 22, 2005, by PSC Order No. 6573, the Commission adopted as final *Regulations Concerning the Jurisdiction of the Public Service Commission to Grant and Revoke Certificates of Public Convenience and Necessity to Provide Wastewater Services* ("Regulations"). These Regulations govern the process by which non-governmental wastewater utilities serving, or planning to serve, fifty or more customers (in the aggregate) apply for and are granted a CPCN to provide wastewater services.

3. Artesian Wastewater Management, Inc. ("AWMI")² is a public utility offering wastewater services, and is subject to the regulatory oversight of this Commission. AWMI was granted an initial CPCN to provide wastewater services by PSC Order No. 6589, signed March 8, 2005, and was deemed to possess the financial, operational and managerial capability to operate as a wastewater utility.

²Artesian Wastewater Management, Inc. ("AWMI") is a wholly-owned subsidiary of Artesian Resources Inc., the parent company of Artesian Water Company, Inc.

4. On June 24, 2005, AWMI filed an application with the Commission requesting a CPCN to provide wastewater services to fifteen parcels of land to be developed as Silver Oak Farms, located west of the Town of Clayton in Kent County, Delaware ("Proposed Service Area"). As required by 26 Del. C., § 203D(d)(2), AWMI included in its application: (a) petitions requesting wastewater services signed by a majority of the landowners in the Proposed Service Area; and (b) evidence, in the form of a United States Postal Service certified mail receipt, showing that all of the landowners in the Proposed Service Area were sent notice of the application. Also included in the application were Kent County tax maps showing the location of the Proposed Service Area.

6. As previously noted, AWMI is a relatively new utility and to the best of the Commission's knowledge, is not presently providing wastewater services to any customers. Thus, there is no determination to be made as to whether or not the utility is unwilling or unable to provide safe, adequate, and reliable service to existing customers. During its review of the Application, the Commission Staff provided notice of the application to the Division of Water Resources of the Delaware Department of Natural Resources and Environmental Control ("DNREC"), the Delaware Office of State Planning ("OSP"), and the Kent County Department of Public Works ("County"). None of these agencies contacted Staff with questions or comments on the Application.

7. Consequently, consistent with the statutory requirement, the Commission shall grant a CPCN to provide wastewater public utility

services within the service territory described in Exhibit "A" to this Order.

Now, therefore, **IT IS ORDERED:**

1. That, pursuant to the provisions of 26 Del. C. § 203D(d)(2), a Certificate of Public Convenience and Necessity is granted to Artesian Wastewater Management, Inc., to provide wastewater public utility services to the fifteen parcels of land, described by the Kent County tax parcel numbers shown in Exhibit "A" to this Order.

2. That Artesian Wastewater Management, Inc., shall comply with any and all federal, state, county, and local statutes, ordinances, orders, regulations, rules, and permit conditions that are applicable, or may become applicable, to any matter involving water utility services provided to the service territory granted by this Certificate of Public Convenience and Necessity.

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

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae
Chair

Vice Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

PSC Docket No. 05-WW-015, Order No. 6688 Cont'd.

/s/ Dallas Winslow
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary

E X H I B I T "A"

APPROVED SERVICE AREA
PARCELS WITHIN CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY

KENT COUNTY TAX MAP PARCEL NOS.

KH00-017.00-01-67.00

KH00-017.00-01-67.02

KH00-017.00-01-67.03

KH00-017.00-01-67.04

KH00-017.00-01-67.05

KH00-017.00-01-68.00

KH00-017.00-01-68.01

KH00-017.00-01-68.02

KH00-017.00-01-68.03

KH00-017.00-01-68.04

KH00-017.00-02-01.00

KH00-017.00-02-09.00

KH00-017.00-02-21.00

KH00-017.00-02-22.00

KH00-026.00-01-07.00