

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

IN THE MATTER OF THE APPLICATION OF)
TIDEWATER ENVIRONMENTAL SERVICES,)
INC., FOR APPROVAL OF RATES TO GOVERN)
THE PROVISION OF WASTEWATER SERVICES) PSC DOCKET NO. 06-24WW
TO THE COUNTRY GROVE SUBDIVISION,)
SUSSEX COUNTY, DELAWARE)
(FILED JANUARY 13, 2006))

ORDER NO. 7058

This 31st day of October, 2006, the Commission determines and Orders the following:

1. Tidewater Environmental Services, Inc. ("TESI") holds a Certificate of Public Convenience and Necessity to provide public wastewater utility services within a service territory denominated "Country Grove." See PSC Order No. 6935 (June 6, 2006). In PSC Order No. 6955 (June 20, 2006), the Commission approved, on a temporary basis (and subject to refund, proposed tariff provisions for services in that particular territory. Those tariff provisions included an annual rate (\$1,024.92) for services with an additional "upfront" impact fee of \$21,390.46 to be charged to each customer that first purchases a served lot in the Country Grove service area. The Commission sought, via public notices, comment or objection to the tariff provision, the annual rate, and the impact fee. No comments or objections were received.

2. Subsequent to such notices, TESI asked to amend its tariff to delete the impact fee to be charged subscribers. According to TESI's proposed revision, the impact fee amounts would not be charged

customers but would be borne by the real estate developer as a non-tariffed contribution in-aid-of construction. Staff had earlier presumptively endorsed the tariff provisions and rates (including the impact fee) as just and reasonable. Staff now recommends final approvals of the tariff provisions, the annual rate of \$1,024.92, and the deletion of the impact fee for customers.

3. In Order No. 6955, the Commission indicated that with the absence of objection, unless significant questions might arise, the Commission might finally approve the rates previously allowed to go into effect. The deletion of the impact fee is just such a significant event. However, Staff suggests the new proposed rate structure (without the impact fee) is still just and reasonable. The Commission so finds and finds no reason to pursue another round of notices given that the proposed changes will result in lesser tariff charges for customers.

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

1. That the rates and tariff provisions proposed by Tidewater Environmental Services, Inc. in its filing, and as subsequently amended by the filing of September 25, 2006, are hereby finally approved as just and reasonable. In particular, the annual rate of \$1,024.92 for public wastewater services is just and reasonable.

2. That Tidewater Environmental Services, Inc. shall file appropriate final tariff provisions consistent with this Order within ten days. The rates here finally approved shall become effective after Staff approves such compliance filing.

3. That, if Tidewater Environmental Services, Inc. has collected any impact fee from any subscriber under the temporary rates allowed to go into effect under PSC Order No. 6955 (June 20, 2006), Tidewater Environmental Services, Inc. shall promptly refund such amount to such charged subscriber. Tidewater Environmental Services, Inc. shall, within ten days, file with the Commission a list of the names and addresses of subscribers due such refunds and shall thereafter notify the Commission in writing when all such refunds have been paid.

4. 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

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

/s/ Jeffrey J. Clark
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary