

**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 ONE PARCEL OF)
LAND LOCATED ON CONLEYS CHAPEL ROAD) PSC DOCKET NO. 06-WW-021
AND TO ONE PARCEL OF LAND LOCATED ON) ("SPRINGCAP AND WILKINSON")
THE LEWES-GEORGETOWN HIGHWAY, BETWEEN)
THE TOWNS OF GEORGETOWN AND LEWES,)
SUSSEX COUNTY, DELAWARE)
(FILED OCTOBER 31, 2006))

ORDER NO. 7100

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

This 19th day of December 2006, 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)). The law includes a specific regime for the granting of Certificates of Public Convenience and Necessity ("CPCN") 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 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.

2. On February 22, 2005, by PSC Order No. 6573, the Commission adopted 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") which govern the process that non-governmental wastewater utilities serving, or planning to serve, fifty or more customers (in the aggregate) apply for and are granted a CPCN.

3. Artesian Wastewater Management, Inc. ("AWMI") is a public utility offering wastewater services, and is subject to the regulatory oversight of this Commission. On October 31, 2006, AWMI filed an application with the Commission requesting a CPCN to provide wastewater services to one parcel of land located on Conleys Chapel Road ("Springcap") and to one parcel of land located on the Lewes-Georgetown Highway ("Wilkinson"), between the towns of Georgetown and Lewes, Sussex County, Delaware ("Proposed Service Areas").

4. As required by 26 Del. C. § 203D(d)(2) and Commission Regulations, AWMI included in its application: (a) petitions requesting wastewater services signed by the majority of the landowners (in this case all) in the Proposed Service Areas; and (b) evidence, in the form of a signed United States Postal Service certified mail receipt, showing that all of the landowners were sent notice of the Application. Sussex County Tax maps showing the

locations of the Proposed Service Areas were also included with the Application.

5. Pursuant to Commission Regulations, Commission Staff requested written comment from the Delaware Department of Natural Resources and Environmental Control ("DNREC") as to whether there are any outstanding issues with that Agency indicating AWMI has been unwilling or unable to provide safe, adequate and reliable wastewater services to its existing customers.¹ In its reply, DNREC indicated it had no objection to the Commission granting the requested CPCN to provide wastewater treatment and disposal services to the seven parcels of land.

6. Consequently, consistent with the statutory requirement, the Commission shall grant a CPCN to AWMI to provide wastewater public utility services within the Proposed Service Areas.

¹Under Commission rules, the utility is required to file a copy of its application with DNREC, the Office of State Planning ("OSP"); and "a) any county within whose boundaries the proposed service territory would be located; and b) any municipality, town or local authority: i) whose boundaries are adjacent to the proposed service territory, or ii) within whose boundaries or existing wastewater service territory the proposed service territory would be located." Staff copied the OSP and the Sussex County Engineering Department ("the County") on its request for comment sent to DNREC. While written comment is only required from DNREC, by notifying the other agencies Staff can be alerted if an Application is not filed, or if there is a significant issue with an Applicant or Application that the Commission may wish to consider. In this case, comments from the County indicate that while it has no objection to the Commission granting the requested CPCN, the properties involved are within a Sussex County Sewer Planning Area and that if County wastewater services become available to the area that it will work with AWMI regarding abandonment strategies and connection to the County system. The Commission does not here take any position on the validity of the County's comments. Any questions, and answers, about the ability of Sussex County to serve in the proposed service territory at a later time can be addressed when they arise. Finally, the OSP did not offer comment.

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 two parcels of land identified by the Sussex County Tax Map Parcels Numbers 234-11.00-72.00 and 235-30.00-37.05.

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

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

PSC Docket No. 06-WW-021, Order No. 7100 Cont'd.

/s/ Jeffrey J. Clark
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary