

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

IN THE MATTER OF THE APPLICATION OF)	
TIDEWATER ENVIRONMENTAL SERVICES,)	
INC., FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO PROVIDE)	PSC DOCKET NO. 07-WW-014
WASTEWATER SERVICES TO FOUR PARCELS)	("SEACOAST SPEEDWAY")
OF LAND LOCATED ON SPEEDWAY ROAD,)	
SOUTH OF GEORGETOWN, SUSSEX COUNTY,)	
DELAWARE (FILED MARCH 20, 2007))	

ORDER NO. 7242

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

This 7th day of August, 2007, the Commission determines and Orders the following:

1. This Commission exercises regulatory oversight over non-governmental wastewater public utilities that serve more than fifty customers. See 26 Del. C. § 102(6) (2006 Supp.). That regulatory oversight includes the authority to grant Certificates of Public Convenience and Necessity ("CPCN") to enable an entity to begin the business of a wastewater public utility or to permit an existing wastewater public utility to extend its system and operations. See 26 Del. C. § 203D (2006 Supp.), as now further amended by 76 Del. Laws ch. 57 (June 28, 2007) and 76 Del. Laws ch. 162 (July 18, 2007). Under such statutory regime, and specifically 26 Del. C. § 203D(d)(2), a wastewater utility may obtain a CPCN for a new service territory if it submits petitions requesting the utility's wastewater services

executed by the landowners of each parcel or parcels to be encompassed within such new service area.¹

2. In 2005, by PSC Order No. 6573 (Feb. 22, 2005), 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"). Those Regulations implement the CPCN regime for public wastewater utilities.

3. Tidewater Environmental Services, Inc. ("TESI") is a public utility offering wastewater services, and is subject to the regulatory oversight of this Commission. On March 20, 2007, TESI filed an application with the Commission requesting a CPCN to provide its wastewater services to a new service territory encompassing four parcels of land located on Speedway Road, south of Georgetown, Sussex County, Delaware ("Proposed Service Area").²

4. As required by 26 Del. C. § 203D(d)(2) and the Commission Regulations, TESI included in its application: (a) a petition

¹See 26 Del. C. § 203D(d)(2), as amended by 76 Del. Laws ch. 162 § 1 (July 18, 2007). In the case of this application (filed in March, 2007), the Commission will apply the provisions of § 203D(d)(2) as they exist as of the date of this Order. In doing so, the Commission notes that the application fulfills not only the present criteria for a Certificate under that provision, but would also meet the criteria under that provision which prevailed until June 28, 2007. In 76 Del. Laws ch. 162, the General Assembly did not offer any explicit guidance related to how the changes that such enactment made in such criteria (which mirror earlier amendments made in 76 Del. Laws ch. 57 § 3) should be applied to pending CPCN applications. In fact, earlier, in 76 Del. Laws ch. 57, the General Assembly directed that the changes made by that enactment would be "effective as of June 7, 2004 and shall apply to any submission to the Public Service Commission after June 7, 2004."

²A proposal for the parcels was reviewed during 2005 under the Preliminary Land Use Service (PLUS), as outlined in Chapter 92 of Title 29 of the Delaware Code (PLUS Project No. 2005-11-07).

requesting wastewater services signed by the single owner of the four parcels of land comprising the Proposed Service Area; and (b) evidence, in the form of a signed United States Postal Service certified mail receipt, showing that the landowner was sent notice of TESI's Application.³ A Sussex County Tax map showing the location of the Proposed Service Area was 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 that would indicate that TESI has been unwilling or unable to provide safe, adequate, and reliable wastewater services to its existing customers.⁴ In its reply, DNREC reported that it had no objection to the Commission granting the

³Prior to June 28, 2007, § 203D(d)(2) required the utility to provide notice to affected landowners of its application for a wastewater Certificate. That statutory requirement of notice was not carried forward in the June and July, 2007 amendments to § 203D(d)(2).

⁴Under the Commission's Regulations, the utility was required to submit a copy of its application to 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." Here, Staff solicited comments from DNREC and, by copy, also gave both the OSP, the Sussex County Engineering Department ("the County"), and the Town of Georgetown ("Georgetown") the opportunity to offer their views. In this case, the County stated that while the four parcels are located in its North Coastal Planning Area related to its possible future sewer services it currently had no objection to a CPCN being granted to TESI. The comments from the OSP indicate that the parcels are located in an Investment Level 4 Area (according to the "Strategies for State Policies and Spending") where new development activities are not supported by the State. Finally, Georgetown's comments note that the four parcels are located within its "Future Growth and Annexation Area" and also expresses concerns that Georgetown's ability to expand its wastewater utility services may be limited if these and other properties in their growth/annexation areas move toward privatized systems.

requested CPCN to provide wastewater treatment and disposal services to the four parcels of land.

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

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 Tidewater Environmental Services, Inc. to provide wastewater public utility services to the proposed "Sea Coast Speedway" subdivision located on Speedway Road, south of Georgetown, Sussex County, Delaware, and more specifically identified by the Sussex County Tax Map Parcels Numbers 133-2.00-22.00, 133-2.00-23.00, 133-2.00-24.00, and 133-2.00-24.01.

2. That Tidewater Environmental Services, 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 wastewater 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

PSC Docket No. 07-WW-014, Order No. 7242 Cont'd.

/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