

**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 THE COMMUNITY)	PSC DOCKET NO. 07-WW-031
OF CHELESA VILLA LOCATED ON WILLOW)	("CHELESA VILLA WW")
GROVE ROAD, NORTH OF VIOLA, KENT)	
COUNTY, DELAWARE)	
(FILED DECEMBER 26, 2007))	

ORDER NO. 7372

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

This 18th day of March, 2008, 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 26 Del. C. § 203D(d)(3), a wastewater utility may obtain a CPCN for an existing development, subdivision, or generally recognized unincorporated community, by submitting one or more petitions requesting wastewater services executed by the landowners of record of

properties that constitute a majority of the properties in the existing development, subdivision or unincorporated community.

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. Artesian Wastewater Management, Inc. ("AWMI" or the "Company") is a public utility offering wastewater services, and is subject to the regulatory oversight of this Commission. On December 26, 2007, AWMI filed an application ("Application") with the Commission requesting a CPCN to provide its wastewater services to the community of Chelesa Villa, located on Willow Grove Road, north of Viola, Kent County, Delaware ("Proposed Service Area"). Chelesa Villa is an existing subdivision where the developer installed, owned and operated the wastewater infrastructure, but who now seeks to transfer those functions to AWMI. The basis for the Application, therefore, is the Company's possession of signed petitions requesting wastewater services representing a majority of the properties comprising the Proposed Service Area as set forth in 26 Del. C. § 203D(d)(3).¹ In this case, the Company has presented signatures from 28 of 35

¹Specifically, 26 Del. C. § 203D(d)(3) states: "In the case of an existing development, subdivision, or generally recognized unincorporated community, 1 or more petitions requesting wastewater service from the applicant executed by the landowners of record of parcels and properties that constitute a majority of the parcels or properties in the existing development, subdivision or unincorporated community."

landowners requesting wastewater services, representing 83 of the 87 properties in the existing community.

4. As required by 26 Del. C. § 203D(d)(3) and the Commission Regulations, AWMI included in its application: (a) petitions signed by the landowners of record of properties that constitute a majority of the properties in the existing development; and (b) evidence showing that all landowners in the Proposed Service Area were sent notice of AWMI's Application. A Kent 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 AWMI has been unwilling or unable to provide safe, adequate, and reliable wastewater services to its existing customers.² In its reply, DNREC reported that it had no objection to the Commission granting the requested CPCN to provide wastewater treatment and disposal services to the Proposed Service Area.

6. The Commission Staff has reviewed the Application and found no errors or omissions. Staff reports to the Commission in its

²Under 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 and the Kent County Department of Public Works ("the County") the opportunity to offer their views. In this case, the County did not offer comment on the applicant or the Application. The OSP states that because the Application is for services to a recorded subdivision, it had no comments regarding the project.

March 11, 2008 Memorandum that AWMI's Application meets all requirements for the granting of a CPCN under 26 Del. C. § 203D and the Commission's Regulations and recommends approval of the Application.

7. For these reasons, the Commission finds that AWMI has met the requirements for the granting of a CPCN and, therefore, the Commission shall approve the Application as filed in PSC Docket No. 07-WW-031 on December 26, 2007.

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

1. That, pursuant to the provisions of 26 Del. C. § 203D(d)(3), a Certificate of Public Convenience and Necessity is granted to Artesian Wastewater Management, Inc. to provide wastewater public utility services to the community of Chelesa Villa, more specifically identified by the Kent County Tax Map Parcels Numbers SM00-117.02-01-01.00 through SM00-117.02-01-39.00 and SM00-117.04-01-01.00 through SM00-117.04-01-44.00.

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 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

/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