

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
PICKERING BEACH WATER COMPANY FOR AN) PSC DOCKET NO. 08-413
INCREASE IN WATER RATES)
(FILED DECEMBER 4, 2008))

ORDER NO. 7498

AND NOW, on this 16th day of December, 2008;

WHEREAS, Pickering Beach Company, a non-profit corporation whose membership consists of the majority of the water customers in the presently occupied area of Pickering Beach, which has, with prior Commission approval granted in this docket by PSC Order No. 2991 (Oct. 18, 1988), acquired Pickering Beach Water Company ("PBWC") as a wholly-owned subsidiary; and

WHEREAS, on February 21, 1989, the Commission entered Order No. 3042, which, among other things, approved an annual water rate of \$100 per member for PBWC; and

WHEREAS, on April 15, 2008, PBWC filed a letter with the Commission indicating that it intended to file an application for a rate increase of not more than \$200 per member due to, among other things, a failure of its main well; and

WHEREAS, on December 4, 2008, PBWC filed an application with the Commission to increase their water rate to \$300 annually per member; and

WHEREAS, the Commission having determined that, pursuant to 26 Del. C. § 306(a)(1), PBWC's proposed rate increase shall be suspended

pending an investigation and a full and complete hearing into the justness and reasonableness of the proposed new rate; now, therefore,

IT IS ORDERED:

1. That the rate proposed by Pickering Beach Water Company in its application filed with the Commission on December 4, 2008, is hereby suspended pursuant to 26 Del. C. § 306(a)(1) and shall not be placed into force or effect except pursuant to further Order of the Commission or pursuant to law, and then only to the extent such further Commission Order or such law may permit or allow.

2. That, as soon as reasonably practical, Pickering Beach Water Company shall coordinate and convene a meeting of its members and a staff member of the Commission for the purpose of affording members an opportunity to comment on the proposed increase (the "Meeting").

3. That, not later than twenty (20) days prior to the Meeting, Pickering Beach Water Company shall give written notice to each of its members of: (a) the application for increased rates; and (b) the date, place, and time of the Meeting to each member. No later than seven (7) days prior to the Meeting, Pickering Beach Water Company shall file the notice, with proof of service on each member, with the Commission.

4. That, Commission Staff shall investigate the justness and reasonableness of the proposed rate and, following their investigation, report to the Commission with their recommendation.

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

BY ORDER OF THE COMMISSION:

Chair

/s/ Joann T. Conaway
Commissioner

/s/ Dallas Winslow
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary