



**WHEREAS**, seven months having now lapsed from the date of the filing of the Company's rate filing; and

**WHEREAS**, Artesian having on December 1, 2008, submitted a petition to increase by 10% the rates allowed under bond, as now permitted by the provisions of 26 Del. C. § 302(b), with such increased bonded rates to be subject to the same conditions as set forth in PSC Order No. 7396 (May 20, 2008); and

**WHEREAS**, it appearing that the bonded rates proposed by the petition of December 1, 2008 will result in total additional revenue to Artesian equivalent to 15% of Artesian's annual gross intrastate operating revenues; thus not exceeding the 15% ceiling set forth in section 306(b); and

**WHEREAS**, the Commission having reviewed the December 1, 2008 petition of Artesian to put increased rates into effect under refund bond without surety and the supporting information demonstrating that the proposed increase is within the limitations established by 26 Del. C. § 306(b) and otherwise complies therewith for the collection of rates under bond;

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

1. That the Commission finds, pursuant to 26 Del. C. § 306(b), that Artesian Water Company, Inc., has the statutory right, after the expiration of seven months from the filing of its rate increase application, to place into effect temporary rates, subject to refund, so long as such temporary rates do not exceed fifteen percent (15%) of the Company's annual gross intrastate operating revenues and provided

that the Commission approves as reasonable the amount of the refund bond without surety.

2. That the Commission hereby continues in force the rate refunding bond, without surety, filed by Artesian Water Company, Inc., in the principal amount of Four Million Dollars (\$4,000,000). Such rate refunding bond shall further guarantee repayment of the increased interim rates now to be collected pursuant to 26 Del. C. § 306(b). The Commission reserves the right to subsequently increase the principal amount of the rate refunding bond, or require surety on any such amount, if the proceedings in this matter are not concluded under the present procedural schedule.

3. That the proposed temporary rates set forth above in the tariff sheets filed by Artesian Water Company, Inc., on December, 1 2008, are reasonably designed to produce, on an annual basis, less than fifteen percent (15%) of the gross annual intrastate operating revenues of Artesian Water Company, Inc., and may, therefore, be placed into effect on December 17, 2008, under 26 Del. C. § 306(b), subject to any refund as the Commission may hereafter Order.

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

BY ORDER OF THE COMMISSION:

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Chair

\_\_\_\_\_  
/s/ Joann T. Conaway  
Commissioner

PSC Docket No. 08-96, Order No. 7499 Cont'd.

/s/ Dallas Winslow  
Commissioner

/s/ Jaymes B. Lester  
Commissioner

/s/ Jeffrey J. Clark  
Commissioner

ATTEST:

/s/ Karen J. Nickerson  
Secretary