

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
ARTESIAN WASTEWATER MANAGEMENT, INC.)
FOR APPROVAL OF A UNIFORM TARIFF) PSC DOCKET NO. 09-116WW
APPLICABLE TO ALL OF ITS WASTEWATER)
SERVICE TERRITORIES)
(FILED MARCH 13, 2009))

ORDER NO. 7604

This 7th Day of July, 2009, the Commission determines and Orders the following:

1. In PSC Order No. 6825 (Jan. 24, 2006), this Commission approved an initial tariff to govern the rates and terms and conditions for the provision of wastewater public utility services by Artesian Wastewater Management, Inc. ("AWMI" or the "Company") in the "Stonewater Creek" development. The Stonewater Creek Tariff included an annual customer charge of \$900 (to be billed on a monthly basis at \$75 per month) and a specific connection fee to be charged in that development.

2. In PSC Order No. 7419 (Aug. 5, 2008), the Commission approved a tariff for AWMI's "Independence Run" service territory, which tariff also included the \$900 annual customer charge and a specific connection fee to be collected from the developer of the property. Between Orders Nos. 6825 and 7419, the Commission approved the \$900 annual customer charge for four other developments served by AWMI, with varying connection fees that are based on projected construction costs for those properties.

3. Based upon a recommendation of Staff, PSC Order No. 7419 also provided that AWMI submit with its next tariff application a proposed uniform tariff that would be applicable to all of its current territories and future expansions, without the need for incremental approval.¹

4. As directed, on March 13, 2009, AWMI filed an application (the "Application") for approval of a uniform tariff applicable to all of AWMI's wastewater service territories. In its Application, AWMI states that it is ready to add two new service territories, "Windstone"² and "Oakwood Village,"³ to its wastewater system and, therefore, has proposed a uniform tariff (the "Uniform Tariff"), which is attached to its Application. AWMI states that its Uniform Tariff would be applicable to all of AWMI's service territories, current and future, including the Windstone and Oakwood Village territories.

5. Like AWMI's other tariffs, the Uniform Tariff proposes an annual residential charge for service of \$900 to be billed monthly in advance. The Uniform Tariff also provides for separate commercial and industrial service charges for those services.

6. On April 7, 2009, the Commission entered Order No. 7549, which, among other things, approved AWMI's Application on a temporary

¹See PSC Order No. 7419, ¶ 2. As noted in Order 7419, note 2, AWMI's connection fee varied with each new development, based on its capital costs for that development, and AWMI collects such fee from the developer under a negotiated agreement. Accordingly, AWMI's uniform tariff should not - and in fact does not - contain a fixed connection fee for new developments.

²See PSC Order No. 7206 (June 19, 2007) (granting Certificate of Public Convenience and Necessity to AWMI to serve this territory).

³See PSC Order No. 7083 (Dec. 5, 2006) (granting Certificate of Public Convenience and Necessity to AWMI to serve this territory).

basis and, with respect to Windstone and Oakwood Village and any future expansion, with the rates subject to refund. Order No. 7549 further required that AWWMI serve a notice, attached to the Order, advising its existing wastewater customers of the relief requested in the Application and providing for a deadline for the filing of comments and objections. The notice further provided that if no comments or objections raising significant issues were filed, the Commission may finally approve the proposed uniform tariff and rates without further notice or proceedings.

7. AWWMI has served the notice attached to Order No. 7549, as required by that Order, and no objections or comments have been filed. Staff has also reviewed the Application and the uniform tariff and has concluded that the uniform tariff and the annual customer charge of \$900 should be approved subject to the conditions set forth in PSC Order No. 6825 (Jan. 24, 2006). Accordingly, Staff has recommended that the Commission approve the Application.

**NOW THEREFORE, IT IS ORDERED BY THE AFFIRMATIVE VOTE OF
NOT FEWER THAN THREE COMMISSIONERS:**

1. That, for the reasons set forth in the body of this Order and subject to the conditions and clarifications set forth in PSC Order No. 6825 (Jan. 24, 2006),⁴ Artesian Wastewater Management, Inc., is hereby authorized to charge the rates proposed in its March 13, 2009 application and its proposed uniform tariff for wastewater services provided to Windstone and Oakwood Village, as well as future expansions.

⁴With the exception of Ordering Paragraph # 4 of Order No. 6825.

2. That the proposed uniform tariff, attached to the March 13, 2009 application of Artesian Wastewater Management, Inc. for approval of a uniform tariff, is hereby approved to the extent its terms are not inconsistent with applicable law and regulations.

3. That Commission Staff shall, on an annual basis, monitor the financial information of Artesian Wastewater Management, Inc. to ensure that the rate herein approved continues to be just and reasonable.

4. 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:

/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/ Katie Rochester
Acting Secretary