

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

IN THE MATTER OF THE APPLICATION)
OF INLAND BAYS PRESERVATION COMPANY,) PSC DOCKET NO. 09-327WW
INC. FOR A GENERAL RATE INCREASE)
PURSUANT TO 26 *DEL C.* §304)
(FILED JULY 29, 2009))

ORDER NO. 7636

AND NOW, this 9th day of September, 2009:

WHEREAS, Inland Bays Preservation Company, Inc. ("Inland Bays"), having, on July 29, 2009, filed with the Delaware Public Service Commission (the "Commission") an application seeking approval for a general increase in its rates for wastewater service; and

WHEREAS, in its application, Inland Bays requests an increase in annual operating revenues of \$263,400, or approximately 96.3% over current wastewater sales revenues; and

WHEREAS, the Commission having determined that pursuant to the authority granted to the Commission by 26 *Del. C.* § 306(a)(1), the filing by Inland Bays shall be suspended pending full and complete evidentiary hearings into the justness and reasonableness of the proposed new rates and tariff sheets and a final decision of the Commission;

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

1. That the rates and revised tariff sheets filed by Inland Bays Preservation Company, Inc. on July 31, 2009 are hereby suspended pursuant to 26 *Del. C.* §306(a)(1) and shall not be placed into force or effect except pursuant to law or further Order of the Commission,

and then only to the extent such law or further Commission Order may permit or allow.

2. That, pursuant to the requirements of 26 *Del. C.* §§102A and 304, Inland Bays shall give public notice of the application for increased rates and revised tariff sheets by causing the publication of the notice attached hereto as Exhibit "A" in the Delaware State News, The Wave and The Cape Gazette newspapers, in two-column format, outlined in black, on the following dates:

Tuesday, September 15, 2009 (Delaware State News)

Tuesday, September 15, 2009 (The Wave)

Tuesday, September 15, 2009 (The Cape Gazette)

Inland Bays shall file proof of such publication with the Commission as soon thereafter as is reasonably practicable but prior to the date set for any evidentiary hearing in this docket.

3. That Mark Lawrence is designated as Hearing Examiner for this matter pursuant to the terms of 26 *Del. C.* § 502 and 29 *Del. C.* ch. 101 to schedule and conduct, upon due notice, such public comment sessions and evidentiary hearings, as may be necessary, to have a full and complete record concerning the justness and reasonableness of the proposed increased rates and tariff modifications. Thereafter, the Hearing Examiner shall file with the Commission his proposed findings and recommendations. Pursuant to Rule 21 of the Commission's Rules of Practice and Procedure, the Hearing Examiner is specifically delegated the authority to grant or deny petitions seeking leave to intervene. In addition, the Hearing Examiner is delegated the authority, under 26

Del. C. § 102(A), to determine the form and manner of any further public notice in this matter.

4. That the deadline for petitions to intervene in this docket pursuant to Rule 11 of the Commission's Rules of Practice and Procedure shall be October 9, 2009.

5. Inland Bays is hereby placed on notice that the costs of the proceeding will be charged to it under the provisions of 26 Del. C. § 114(b)(1).

6. 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/ Katie Rochester
Acting Secretary

E X H I B I T "A"

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

IN THE MATTER OF THE APPLICATION)
OF INLAND BAYS PRESERVATION) PSC DOCKET NO. 09-327WW
COMPANY, INC. FOR A GENERAL RATE)
INCREASE PURSUANT TO 26 DEL.C. §304)
(FILED JULY 31, 2009))

**PUBLIC NOTICE OF APPLICATION OF
INLAND BAYS PRESERVATION COMPANY, INC.
FOR A GENERAL RATE INCREASE**

TO: ALL CUSTOMERS OF INLAND BAYS PRESERVATION COMPANY, INC.:

On July 29, 2009, Inland Bays Preservation Company, Inc. ("Inland Bays" or "the Company"), filed an application with the Delaware Public Service Commission ("the Commission") to increase its rates for wastewater service.

In its application, Inland Bays seeks an increase in annual operating revenues of \$263,400, or approximately 96.3% over current wastewater sales revenues.

Below is a comparison of Inland Bay's present rates and proposed new rates:

WASTEWATER CHARGE - ANNUAL FLAT RATE PER RESIDENTIAL DWELLING UNIT

	PRESENT RATE	PROPOSED RATE
Pot Nets - Bayside	\$160.00	\$240.00
Pot Nets - Lakeside	\$160.00	\$240.00
Baywood	\$368.00	\$868.00

CONNECTION FEE PAID AT TIME OF APPLICATION FOR WASTEWATER SERVICE

	PRESENT RATE	PROPOSED RATE
Pot Nets - Bayside	\$2,950.00	\$3,250.00
Pot Nets - Lakeside	\$2,950.00	\$3,250.00
Baywood	\$2,950.00	\$3,250.00

On September 9, 2009, the Commission, pursuant to 26 *Del. C.* § 306(a)(1), suspended the effectiveness of the proposed new rates and tariff revisions pending further investigation, public comment sessions, and public evidentiary hearings, which will be held later after further public notice. However, Inland Bays is expected to exercise its rights under 26 *Del. C.* § 306(c) to place a portion of its proposed increases into effect under bond and subject to refund sixty (60) days after the initial July 31, 2009 filing date.

The Commission will make its decision on this matter on the basis of the evidence of record taken at public evidentiary hearings. The Commission may approve or reject, in whole or in part, the proposed rate increase and tariff revisions, and may approve a different method for allocating any increase should one be found to be appropriate.

Inland Bays customers are invited to review the application and supporting documents to determine how your interest may be affected. You may review the documents during normal business hours in the Commission's Dover office at the address listed below or on the Commission's website at www.state.de.us/delpsc/water.shtml. You may also review copies of the filing at the office of the Division of the Public Advocate located at the Carvel State Office Building, 4th Floor, 820 North French Street, Wilmington, Delaware 19801. Please call (302) 577-5077 to arrange for a time to review the documents at that location. If you wish to participate as a party in this docket, with the right to present evidence and be heard by counsel, you must file a petition to intervene under Rule 11 of the Commission's Rules

of Practice and Procedure. You must file that petition on or before **October 9, 2009** at the Commission's office located at:

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building
Suite 100
Dover, Delaware 19904
ATTN: PSC Docket No. 09-327WW

A petition filed thereafter will not be considered except for good cause shown.

If you have a disability and wish to participate in, or to review the materials in, these proceedings, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, in writing, by telephone (including text telephone), or by Internet e-mail. If you have questions about this matter, please call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions or request information by Internet e-mail addressed to heidi.wagner@state.de.us.