

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

IN THE MATTER OF THE APPLICATION OF)
UNITED WATER OF DELAWARE INC. (UWDE)) PSC DOCKET NO. 14-0526
FOR A REVISION TO ITS RESIDENTIAL)
VOLUMETRIC RATE RESULTING FROM A)
CHANGE TO MONTHLY BILLING)
(FILED NOVEMBER 13, 2014))

ORDER NO. 8712

AND NOW, this 3rd day of March 2015:

WHEREAS, on November 13, 2014, United Water of Delaware ("UWDE") filed with the Delaware Public Service Commission (the "Commission") an application (the "Application") seeking approval for a revision to its residential volumetric rate resulting from converting its residential customers from quarterly to monthly billing beginning January 1, 2015; and

WHEREAS, UWDE currently bills its customers on a quarterly basis, per 1,000 gallons for residential customers, but is permitted by its existing tariff to bill on a monthly basis, and now proposes effective January 1, 2015 to re-state the consumption blocks to equivalent monthly amounts and make minor adjustments to the rate per 1,000 gallons for the second and third blocks; and

WHEREAS, on November 25, 2014 UWDE also filed a request with the Commission for a waiver of the 60-day notice requirement for tariff changes under 26 Del. C. § 304 so that the Commission may act expeditiously with regard to this proposed billing and rate change since the conversion to monthly billing will result in a slight

revenue decrease in UWDE rates overall and that will benefit its residential customers; and

WHEREAS, on December 16, 2014 the Commission approved Order No. 8690 that waived the 60-day notice requirement of 26 Del. C. § 304 and permitted the conversion to monthly billing to go into effect January 1, 2015, subject only to Staff review of the final tariff filing to ensure that the residential blocks are converted from quarterly to monthly in a manner consistent with the Application; and

WHEREAS, Staff has completed its review and, as reflected in its February 20, 2015 memorandum, has determined that the filed tariff correctly converts the quarterly residential rates to monthly rates (See **Exhibit "A"** attached hereto); and

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

1. That the change in rates and revised tariff sheets filed by UWDE on November 13, 2014, permitting the conversion from quarterly to monthly billing, are approved as the final rates in this proceeding for UWDE's residential customers.

2. 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/ Dallas Winslow
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

Commissioner

ATTEST:

/s/ Donna Nickerson
Acting Secretary

UNITED WATER DELAWARE INC.

Staff Replication of Proposed 14-0526 Proof of Revenue

	Approved 10-421 Rates		Revised 14-0526 Rates		% Increase
	Rate (2)	Revenue (3)	Rate (4)	Revenue (5)	
<u>Billing Determinants</u>	(1)				(6)
<u>Residential</u>					
Service Charge Usage (G./Qtr.)		\$4,904,752			
1st 5,000 G.	649,888	\$3.3819			
Next 15,000 G.	1,033,257	\$4.0280			
Over 20,000 G.	249,942	\$5.6786			
Subt Usage	1,933,087	\$1,419,321			
Total Residential		\$7,779,136			
<u>Residential</u>		\$12,683,888			
Service Charge 1/ Usage (G./Mo.) 2/				\$4,904,752	
1st 2,000 G.	756,979		\$3.3819	\$2,560,027	0.00%
Next 5,000 G.	941,424		\$4.0880	\$3,848,541	1.49%
Over 7,000 G.	234,684		\$5.7286	\$1,344,411	0.88%
Subt Usage	1,933,087			\$7,752,979	
Total Residential				\$12,657,731	
Difference in rate revenue					(\$26,157)

Notes:

- 1/ No change to customer charges in 14-0526.
- 2/ Total 10-421 usage spread over new monthly rate blocks, per 10-421 bill frequency analysis.