



STATE OF DELAWARE

PUBLIC SERVICE COMMISSION
861 SILVER LAKE BLVD.
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

TELEPHONE:
FAX:

(302) 736-7500
(302) 739-4849

MEMORANDUM

TO: The Chair and Commissioners

FROM: Lisa B. Driggins, Public Utilities Analyst

DATE: September 11, 2015

SUBJECT: IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC., FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICES PURSUANT TO 26 DEL. C. § 203C (FILED FEBRUARY 13, 2009) – **PSC DOCKET NO. 09-CPCN-04 (“SOUTHERN NEW CASTLE COUNTY 2008”)**

IN THE MATTER OF THE APPLICATION OF ARTESIAN WATER COMPANY, INC. TO ABANDON UNDER 26 DEL. C. § 203A(d) WATER SERVICES PROVIDED UNDER A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY (SUBMITTED APRIL 28, 2015; FILED AUGUST 14, 2015)
PSC DOCKET NO. 15-0956

Artesian Water Company, Inc. (“AWC” or “Company”) is a utility providing water services for public use that is subject to the regulatory jurisdiction of this Commission. On May 19, 2009, the Commission granted via Order No. 7567 AWC’s application for a Certificate of Public Convenience and Necessity (“CPCN”) for water services for 18 parcels of land located in New Castle County, Delaware, and identified as Southern New Castle County 2008. On April 28, 2015, AWC submitted an application (the “Application”) with the Commission seeking to partially abandon or discontinue its CPCN for water operations or services by removing six of the parcels of land from its CPCN, specifically New Castle County Tax Map Parcel Numbers 23-001.00-143, 23-028.00-243, 23-028.00-244, 23-028.00-245, 23-028.00-246 and 23-028.00-248 (the “Parcels”). If the Commission grants the Application, AWC will still have a CPCN for all of the other parcels that are within the existing CPCN.

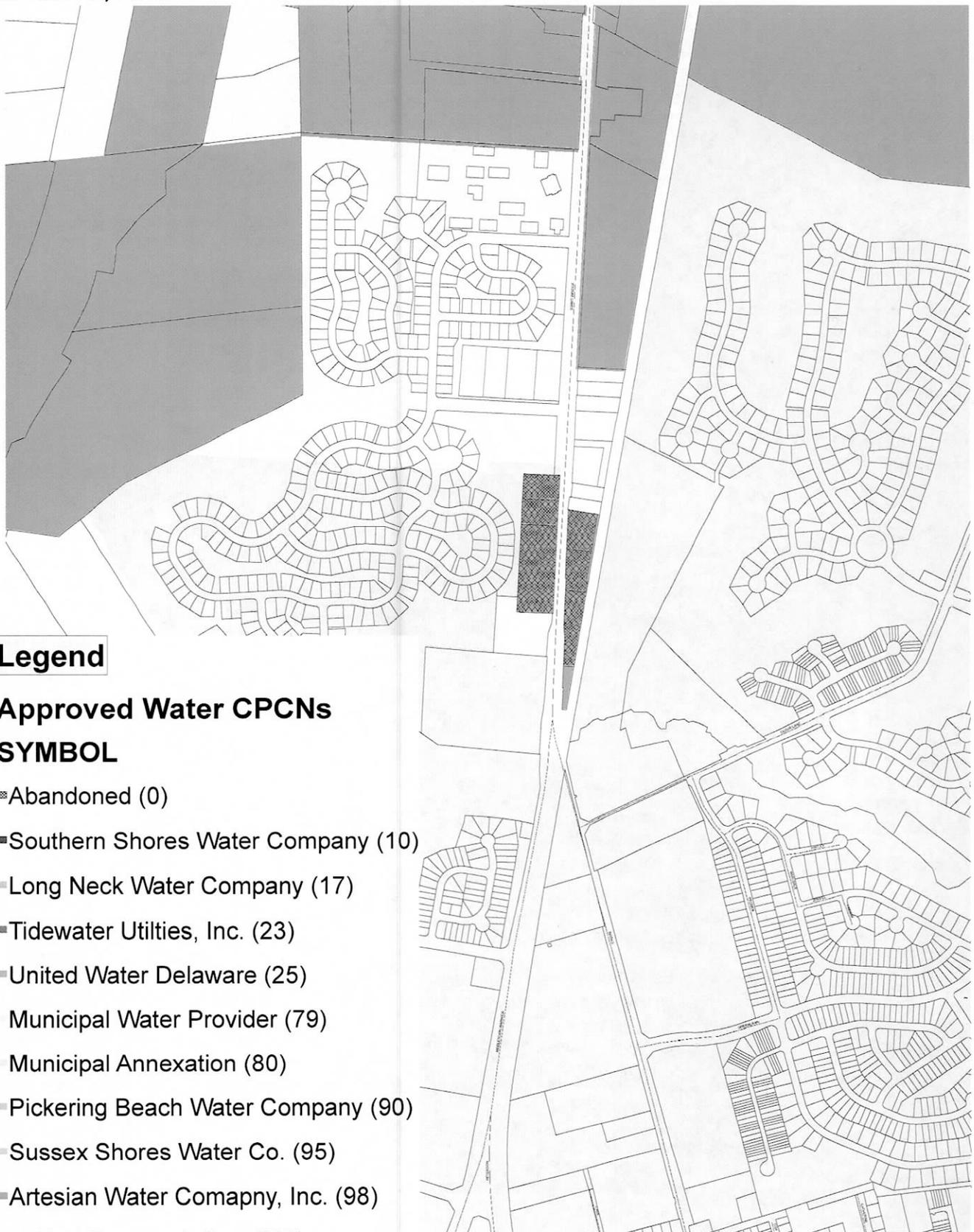
At the request of Staff, on July 6, 2015 and August 14, 2015, AWC made supplemental filings to its Application to show that the individual requesting the parcels be abandoned was authorized to sign on behalf of the business entity that owns all of such parcels thus providing all of

the necessary documentation for the application. At that time, the submitted Application and this additional required information completed the filing (the "Completed Application").

Delaware law provides that no public utility shall abandon or discontinue, in whole or in part, any regulated public utility business, operations or services provided under a certificate of public convenience and necessity without first having received Commission approval for such abandonment or discontinuance. 26 *Del. C.* §203A(d)(1). Such applications must be made to the Commission in writing, verified by oath or affirmation, and be in such form and contain such information as the Commission may from time to time require. 26 *Del. C.* §203A(d)(2). Finally, the Commission must approve any such application when it finds that the utility has met its burden of proving that the abandonment or discontinuance is reasonable, necessary and not unduly disruptive to the present or future public convenience and necessity. 26 *Del. C.* §203A(d)(3).

Staff reviewed the Completed Application for abandonment and found it complies with all Delaware statutory and regulatory requirements. The Company provided a verified Application that requests to abandon a portion of the CPCN which relates to water services for the Parcels. Staff believes the abandonment is reasonable because AWC does not currently supply water services to the Parcels as the owner of the parcels moved to an alternate location. The abandonment is necessary because the owner of the Parcels requested in writing that AWC remove such Parcels from AWC's CPCN service area. Finally, the abandonment will not be unduly disruptive to the present convenience and necessity because no existing AWC customers are located on the Parcels. In addition, AWC has asserted the Parcels are located adjacent to the Town of Middletown's water system and therefore could easily serve them more effectively with central water. Hence, if the Commission grants the Application's request, the abandonment would not be unduly disruptive to the future convenience and necessity because future customers would not be impeded (in general) from receiving water services from another public utility.

Therefore, Staff recommends that the Commission grant AWC's request to partially abandon its CPCN.



Legend

**Approved Water CPCNs
SYMBOL**

- Abandoned (0)
- Southern Shores Water Company (10)
- Long Neck Water Company (17)
- Tidewater Utilities, Inc. (23)
- United Water Delaware (25)
- Municipal Water Provider (79)
- Municipal Annexation (80)
- Pickering Beach Water Company (90)
- Sussex Shores Water Co. (95)
- Artesian Water Company, Inc. (98)
- J. H. Wilkerson & Son (110)