

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
THE ARTESIAN WATER COMPANY, INC.) PSC DOCKET NO. 14-132
FOR A REVISION OF RATES)
(FILED APRIL 11, 2014))

ORDER NO. 8802

AND NOW, this 6th day of October, 2015, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on April 11, 2014, Artesian Water Company, Inc. ("Artesian" or the "Company") filed with the Commission an application (the "Application") that requested an increase in its water rates; and

WHEREAS, by PSC Order No. 8558 (dated May 13, 2014), the Commission opened this docket to consider the Application; designated Senior Hearing Examiner Lawrence to conduct any necessary evidentiary hearings and to submit his proposed findings and recommendations to the Commission; and authorized Artesian to implement temporary rates to collect approximately \$2,460,674 of additional annual water service revenues effective June 10, 2014, pursuant to 26 *Del. C.* §306(c); and

WHEREAS, the Commission Staff ("Staff"), the Division of the Public Advocate (the "DPA"), Christiana Care Health Services, Inc. ("CCHS"), and the Independence Homeowner's Association ("the Association") intervened or otherwise participated in the proceedings; and

WHEREAS, by PSC Order No. 8664 (**dated** November 13, 2014), Artesian placed an additional interim rate increase of \$7,000,000 into effect pursuant to 26 *Del. C.* §306(a); and

WHEREAS, evidentiary hearings were held before Senior Hearing Examiner Lawrence on December 8 and 9, 2014; and

WHEREAS, Senior Hearing Examiner Lawrence issued proposed Findings and Recommendations (the "Hearing Examiner's Report") regarding the Application on June 2, 2015; and

WHEREAS, Artesian, Staff, the DPA, and CCHS filed exceptions to certain matters addressed in the Hearing Examiner's Report; and

WHEREAS, the Commission met in public session on August 18, 2015, to hear oral argument and conduct deliberations on the issues addressed in the Hearing Examiner's Report and to consider the exceptions taken to the Hearing Examiner's Report; and

WHEREAS, on September 8, 2015, the Commission issued a Minute Order in this Docket, PSC Order No. 8783, which approved an overall increase in Artesian's rates of \$6,030,000, and noted that customers were entitled to a refund since the new rates to be implemented were lower than the existing rates placed into effect on November 13, 2014;

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

1. On September 8, 2015, the Commission entered Order No. 8783, which included an effective date of September 8, 2015 for the new compliance tariffs. However, at the time the Commission approved the new revenue requirement for Artesian, Staff and the other parties had not completed their review of the Company's proposed compliance tariffs. We have been advised that the review of the compliance tariffs has now been completed. Accordingly, the effective date of Artesian's compliance tariffs shall be October 6, 2015.

2. Artesian Water Company, Inc. will begin refunding the over-collection in this case within 14 days of this Order. The refund details are as follows:

- Any Artesian customer that received service at any time between November 13, 2014 and October 6, 2015 is entitled to a refund for the difference between the rates that were effective on November 13, 2014 and the Commission-approved rates that become effective October 6, 2015. This includes customers who are still active customers as well as those that have left Artesian's system.
- Interest on the amount to be refunded shall be calculated in accordance with 26 *Del. Admin. C.* §1003. Interest shall be calculated based on the overpayment of the billing periods being refunded from November 13, 2014 through the date of the credit adjustment.
- Within sixty (60) days after the last refunds are posted or issued, Artesian shall provide the Commission with a summary report of the refunds applied to customer accounts and/or issued to former customers. Interest shall be reported separately.

3. 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:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary