

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
INLAND BAYS PRESERVATION COMPANY,)
INC., FOR APPROVAL OF RATES TO) PSC DOCKET NO. 05-59WW
GOVERN THE PROVISION OF WASTEWATER)
SERVICES IN DELAWARE)
(FILED FEBRUARY 18, 2005))

IN THE MATTER OF THE APPLICATION OF)
BASS PROPERTIES, INC., FOR APPROVAL)
OF RATES TO GOVERN THE PROVISION) PSC DOCKET NO. 05-205WW
OF WASTEWATER SERVICES IN DELAWARE)
(FILED JUNE 17, 2005))

ORDER NO. 6672

This 5th day of July, 2005, the Commission determines and Orders the following:

1. As the Commission has earlier outlined in PSC Order No. 6583 (March 8, 2005), in July 2004, non-governmental wastewater utilities became "public utilities" subject to the jurisdiction and supervision of this Commission. See 26 Del. C. §§ 102(2), 203D (2004 Supp.) (as amended by 74 Del. Laws ch. 317 §§ 1, 6 (2004)). Under this new regime, each wastewater utility that had been in operation on June 7, 2004 was obligated to promptly file an application for a Certificate of Public Convenience and Necessity ("CPCN"). 26 Del. C § 203D(a)(2) (2004 Supp.). In addition, each such utility had to file an initial rate application with the Commission so that the Commission might determine if the rates charged by that utility on July 6, 2004, or the rates which the utility might now propose to be charged, are just and reasonable. 26 Del. C. §§ 203D(a)(2), 301(c) (2004 Supp.).

2. The following two pre-existing public wastewater utilities have obtained the required CPCNs from this Commission. They have also

filed their initial rate applications as required by 26 Del. C. § 301(c):¹

<u>Name of Utility</u>	<u>Docket No.</u>	<u>Date Initial Rate Application Filed</u>
Inland Bays Preservation Company, Inc.	05-59WW	February 18, 2005
Bass Properties, Inc.	05-205WW	June 17, 2005

3. In order to complete its review of the rates tendered by the above-two "grandfathered" wastewater utilities, the Commission will direct that each of those utilities deliver the form of Notice set forth in Exhibit "A" to each of its current customers (as of the date of this Order). The Notices shall be delivered to each customer by first class United States mail. Each utility shall modify the attached form of Notice to include its name and the appropriate rates for that particular utility. Staff shall superintend these modifications to the form of Notice. The utility shall file proof of the mailing of such notices to its existing customers by appropriate affidavit lodged with the Commission on or before July 26, 2005. Such affidavit shall reflect the date of the mailing of the Notices.

4. In addition, the two utilities jointly shall publish a combined notice of their rate applications to be published in The News Journal newspaper. By way of this notice, other interested persons will be informed of these utilities' initial rate applications. The form of this newspaper notice is set forth in Exhibit "B". The Secretary shall coordinate the publication of such notice. However, the two utilities shall bear equally the cost of such newspaper

¹This listing does not include all the public wastewater utilities operating on June 7, 2004. In Order No. 6853, the Commission began the rate review process for six other "grandfathered" wastewater utilities.

publication. The Secretary shall, on or before July 26, 2005, file proof of such publication in each of the relevant dockets.²

5. As set forth in the Notices, customers and any other interested persons shall have the opportunity to file comments or objections concerning the rates proposed and the quality of the services now being provided by each utility. The Commission will enter such further Order in this matter after reviewing the comments or objections filed. If no comments or objections are filed, the Commission may approve the utility's proposed rates without conducting further evidentiary hearings and without further public notice.

Now, therefore, **IT IS ORDERED:**

1. That the initial rate application filed by each of the below-listed public wastewater utilities pursuant to the provisions of 26 Del. C. §§ 203D & 301(c) (2004 Supp.) have been separately docketed. Pursuant to the provisions of 26 Del. C. § 301(c) (2004 Supp.), the rates of each utility which were in effect on July 6, 2004 shall be each utility's temporary, tariffed rates which shall remain in effect unless subsequently ordered otherwise by this Commission. The utilities are:

Inland Bays Preservation Company, Inc.

Bass Properties, Inc.

2. That each of the above-listed utilities shall deliver to each of its current customers (as determined on the date of this

²The Commission chooses to use the abbreviated consolidated newspaper notice in order to reduce costs to the utilities.

Order) a copy of the form of Notice set forth in Exhibit "A". Such Notices shall be sent by first-class United States mail. The form of Notice shall be modified to include the appropriate information related to each of the utilities. Each utility shall file with the Commission, on or before July 26, 2005, proof of the mailing of such notices. The proof shall indicate the date of delivery.

3. That the two utilities listed in Ordering paragraph 1 shall jointly publish, as described in paragraph 4 of the body of this Order, the notice set forth in Exhibit "B" in The News Journal newspaper. Such notice shall be published in two-column format, outlined in black, on July 25, 2005. The Secretary shall superintend the publication of such notice. However, the two utilities shall jointly equally bear the costs of publication. The Secretary shall also serve a copy of this Order, along with a copy of such notice, on the Division of the Public Advocate. The Secretary shall submit proof of such newspaper publication on or before July 30, 2005.

4. That any person or entity may file objections or comments concerning either or both of the listed utilities' rate applications with the Commission. Such comments or objections must be filed on or before August 26, 2005. In such comments or objections, a person or entity can raise issues related to the rates to be charged, the terms and conditions of service, or the quality of service presently being provided. After the receipt of such comments or objections, or after the close of the period for filing such comments or objections, the Commission will enter further Orders as it deems appropriate. If no comments or objections are received concerning a particular utility's rate application, the Commission may approve that utility's rates

without further hearings and without any further public notice. Any interested person or entity may also file a petition to intervene in either particular docket under Rule 21 of the Commission's Rules of Practice and Procedure. If a significant objection is received, or if the Commission determines from the comments that further review might be appropriate, the Commission will determine, by later Order, the need for, and the course of, further proceedings.

5. 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

Vice Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary

E X H I B I T "A"

UTILITY LETTERHEAD OR OTHER APPROPRIATE CAPTION

Notice of Initial Rate Filing
and Period for Filing
Comments or Objections with the Public Service Commission

TO: ALL SUBSCRIBERS TO WASTEWATER SERVICES FROM
[UTILITY AND ABBREVIATED NAME]

On July 7, 2004, [utility] became a public wastewater utility subject to regulation and supervision by the Delaware Public Service Commission ("the Commission"). Under the regulatory regime, the Commission is empowered to supervise the rates that [utility] may charge its customers for its wastewater services. The Commission will also supervise the terms and conditions related to such services and monitor the adequacy and sufficiency of the services provided.

Pursuant to the provisions of 26 Del. C. §§ 203D & 301(c), [utility] has filed its initial rate application in order to have the Commission approve its now-regulated rates. The significant aspects of those rates are set forth below:

[List Periodic or Annual Fee and Other Significant Charges]

The Commission has opened a docket to examine the justness and reasonableness of the rates and the other terms and conditions for [utility]'s services. The Commission now solicits comments or

objections concerning the initial rates submitted by [utility], as well as other concerns related to [utility]'s provision of wastewater services. This notice is being delivered to each customer of [utility].

If you wish to object to any of the rates to be charged by [utility], or if you wish to comment concerning those rates or any other matter related to [utility]'s wastewater services, you must file such objection or comments with the Commission on or before August 26, 2005. You must file ten copies of such objection or comments at the following address:

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904
Attn: PSC Docket No. [fill in docket No.]

If you wish to intervene as a party in [utility]'s initial rate application (with the right to participate in further proceedings), you must also file a petition to intervene under Rule 21 of the Commission's Rules of Practice and Procedure. If you wish to intervene, you must file such a petition under Rule 21 even if you also file objections or comments. Such petition must be filed with the Commission by August 26, 2005. Only persons or entities filing comments, objections, or intervention petitions will receive further notice of the Commission's actions in the proceedings involving [utility]. In your submission, you should include your name, address, telephone number, facsimile number, and Internet e-mail address.

If the Commission does not receive any objection from subscribers concerning [utility]'s rates, and does not receive any

further information which might call those rates into question, the Commission may approve such rates without further public hearings, inquiries, or notice. Once approved, such rates would be [utility]'s tariffed rates which it must charge each customer and which cannot be changed except with Commission approval.

You can review the materials submitted by [utility] at the Commission's office at the address set forth above. Those materials are available for inspection and copying during normal business hours.

If you are disabled and need aids to participate in this proceeding, contact the Commission to discuss such assistance. If you have questions or if you want more information, you can contact the Commission at 1-800-282-8574 (Delaware only) or (302) 739-4247 (text telephone also). You can also send questions and inquiries by Internet e-mail to robert.ambrose@state.de.us.

E X H I B I T "B"

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

INLAND BAYS PRESERVATION
COMPANY, INC.

PSC DOCKET NO. 05-59WW

BASS PROPERTIES, INC.

PSC DOCKET NO. 05-205WW

**Notice of Initial Rate Filings
By Two "Grandfathered" Public Wastewater Utilities**

Under the provisions of 74 Del. Laws ch. 317 (2004), non-governmental wastewater operators and systems are now "public utilities" subject to the supervision and regulation of the Public Service Commission ("the Commission"). Pursuant to the provisions of 26 Del. C. §§ 203D & 301(c) (2004 Supp.), the two public wastewater utilities listed below have filed initial rate applications for the Commission's review:

Inland Bays Preservation Company, Inc.

Bass Properties, Inc.

By PSC Order No. 6672 (July 5, 2005), the Commission has directed each of these utilities to provide notice of its initial rate application to its current customers. By this general notice (and by those customer notices), the Commission solicits objections or comments concerning the rates to be charged by each of these utilities, as well as comments or objections related to the terms and conditions for such service.

You can also file comments about the quality of services provided by the utility. Any such comments or objections must be filed with the

Commission in the specific docket for the particular utility on or before August 26, 2005. In addition, if you want to intervene and become a party to either proceeding, you must file a petition to intervene under Rule 21 of the Commission's Rules of Practice and Procedure by August 26, 2005. Only persons or entities filing comments, objections, or petitions to intervene under will receive further notice of the proceedings in the particular docket.

In the absence of an objection to a particular utility's rates, or the development of further information that might call into question the reasonableness of the particular utility's rates or terms and conditions, the Commission might approve that utility's initial rates without further proceedings or public notice.

If you wish further details about a particular utility's rates you should contact the Commission. If you need additional information about the mechanics for filing objections or comments, or intervening, you should consult PSC Order No. 6672. It is available on the Commission's website at www.state.de.us/delpsc. Objections, comments, and intervention petitions should be filed with the Commission at:

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, Delaware 19904
Attn: PSC Docket No. _____
[fill in appropriate docket no.]

You can contact the Commission at 1-800-282-8574 or (302) 739-4247 (including text telephone). You can also send inquiries by Internet email to robert.ambrose@state.de.us. If you are disabled and need assistance to participate, please contact the Commission by any of the above means to make the appropriate arrangements.