

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

IN THE MATTER OF THE APPLICATION OF)
ARTESIAN WATER COMPANY, INC. TO)
IMPLEMENT A RATE APPLICABLE TO) PSC DOCKET NO. 12-227T
12-INCH PRIVATE FIRE DETECTOR CHECK)
SERVICE)
(FILED MAY 23, 2012))

ORDER NO. 8170

This 3rd day of July 2012, the Commission determines and orders the following:

WHEREAS, in late January of 2011, before filing a petition requesting an increase in its existing tariff rates for water service, Artesian Water Company, Inc. ("AWC") initiated a 12-inch private fire detector check service for a new customer, the Delaware River and Bay Authority or the "DRBA", and billed the DRBA pursuant to the existing tariff's rates; and

WHEREAS, on April 11, 2011, in PSC Docket No. 11-207, AWC filed a petition requesting an increase in its existing tariff rates and, as part of its petition, AWC removed, by mistake, its 12-inch private fire detector check service rate based on data from a test year that ended December 10, 2010; and

WHEREAS, the Commission approved the final tariff rates effective January 1, 2012, for PSC Docket No. 11-207, and the final tariff rates did not include a 12-inch private fire detector check service rate; and

WHEREAS, when AWC converted from quarterly to monthly billing in April 2012, no rate existed in their billing program for the 12-inch private fire detector check service. Thus, AWC was unable to continue

to bill the DRBA for the service it has been providing since January of 2011; and

WHEREAS, on May 23, 2012, AWC filed an application seeking approval, on an expedited basis, to implement a revision to AWC's existing tariff to implement a new rate applicable for 12-inch private fire detector check service; and

WHEREAS, on June 12, 2012, AWC also filed a request for a waiver of the 60-day notice requirement for tariff changes so that the Commission could act expeditiously with regard to AWC's new tariff rate implementation; and

WHEREAS, by letter dated June 12, 2012, AWC notified the DRBA of its pending application; and

WHEREAS, on June 19, 2012, in PSC Order No. 8159, the Commission granted AWC's waiver request for a waiver of the 60-day notice requirement and ordered that the Secretary of the Commission provide notice to the DRBA of the July 3, 2012 proceeding and the opportunity to offer any objections to the proposed charge; and

WHEREAS, Staff has reviewed AWC's application and based in its review, Staff has found that the proposed new rate is in compliance with previous Commission Orders and with Delaware laws and regulations. Thus, Staff recommends that the Commission authorize AWC to implement a revision to AWC's existing tariff to add the new rate for 12-inch private fire detector service to be charged beginning on or after July 3, 2012, and to permit AWC to incorporate the revised tariff pages which add this new rate for 12-inch private fire detector service; and

WHEREAS, the DRBA did not oppose the proposed implementation by AWC of a tariff revision to add the new rate for 12-inch private fire detector service to be charged beginning on or after July 3, 2012;

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

1. That the Commission hereby approves Artesian Water Company, Inc.'s application to implement a revision to the company's existing tariff to add a new rate for 12-inch private fire detector service to be charged beginning on or after July 3, 2012, and to permit Artesian Water Company, Inc. to incorporate the revised tariff pages which add this new rate for 12-inch private fire detector service. The new revised tariff pages are attached as Exhibit "A."

2. That Artesian Water Company, Inc. is hereby notified that it will be assessed the costs of this proceeding pursuant to 26 Del. C. §114(b).

3. 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:

Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Dallas Winslow
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary

EXHIBIT "A"

REVISED TARIFF LEAF

ARTESIAN WATER COMPANY, INC.

ARTESIAN WATER COMPANY, INC.
P.S.C. No. 1 - WATER
Effective: July 3, 2012

Thirty-fourth Revised Sheet No. 5
Canceling
Thirty-third Revised Sheet No. 5

Private Fire Protection Charge:

A charge for customers who are provided with private fire protection through a sprinkler system or a private fire hydrant. The charge will be billed monthly in advance as follows:

1-1/2" detector check.....	\$ 19.28
2" detector check.....	\$ 40.95
4" detector check.....	\$ 106.69
6" detector check.....	\$ 227.47
8" detector check.....	\$ 378.70
10" detector check.....	\$ 565.73
12" detector check.....	\$ 618.19
Charge per private hydrant.....	\$ 227.47

Charges for water registered on bypass meters installed on lines providing private fire protection will be billed monthly in arrears. All water registered on bypass meters will be billed at the rate of \$ 8.277 per 1,000 gallons.

Distribution System Improvement Charge

In addition to the net charges provided for in this Tariff, a charge of 0.00% will apply to all charges rendered on or after June 10, 2011.

This charge will be recomputed semi-annually, using the elements prescribed by Section 314 of Title 26 of the Delaware Code.

SPECIAL SERVICES

The following Rules and Rates are applicable throughout the territory served by the Company for the following specified services.

Payment Terms:

All bills are due and payable upon presentation. See section titled "Bills and Payment" for additional information.

ARTESIAN WATER COMPANY, INC.
P.S.C. No. 1 - WATER
Effective: ~~January~~ July 3, 2012

Thirty-~~third~~-fourth Revised Sheet No. 5
Canceling
Thirty-~~second~~-third Revised Sheet No. 5

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A charge for customers who are provided with private fire protection through a sprinkler system or a private fire hydrant. The charge will be billed monthly in advance as follows:

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2" detector check.....	\$ 40.95
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