E X H I B I T "4"

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE ADOPTION OF RULES CONCERNING THE IMPLEMENTATION OF 72 DEL. LAWS CH. 402 (2000) GRANTING THE COMMISSION THE JURISDICTION TO GRANT AND REVOKE THE CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY FOR PUBLIC UTILITY WATER UTILITIES (OPENED NOVEMBER 12, 2000; REOPENED MARCH 20, 2007)	)	PSC REGULATION DOCKET NO. 51

NOTICE OF FURTHER PROPOSED RULE-MAKING:
AMENDMENT OF RULES FOR GRANTING, SUPERVISING, and REVOKING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY FOR WATER UTILITIES

TO: ALL WATER UTILITIES, CONSUMERS, AND OTHER INTERESTED PERSONS

Under 26 *Del. C.* § 203C, the Public Service Commission ("PSC") holds the authority to grant a Certificate of Public Convenience and Necessity ("CPCN") to authorize an entity to begin water utility operations or allow an existing water utility to expand its operations or business to a new proposed service territory. This CPCN authority encompasses water utilities subject to the PSC's general regulation as well as municipal and other governmental water utilities, districts, or authorities. In 2001, the PSC adopted "Regulations Governing Water Utilities Including the Public Service Commission's Jurisdiction to Grant and Revoke Certificates of Public Convenience and Necessity." See 5 DE Reg. 212 (July 1, 2001). Those regulations set forth the process and criteria for reviewing, granting, or denying requests for CPCNs filed by water utilities.

Earlier, the PSC proposed to repeal the 2001 Rules related to water utility CPCNs in favor of a proposed new set of Rules. See 10 DE Reg. 1563-1580 and 11 DE Reg. 465-484. The Commission has now withdrawn those earlier proposed rules.

Pursuant to 26 *Del. C.* §§ 203(c) and 209(a), the PSC now proposes to repeal the 2001 rules and replace them with new "Regulations Governing Certificates of Public Convenience and Necessity for Water Utilities." As set forth in PSC Order No. 7774 (May 4, 2010), the PSC believes the new rules will make improvements in the administration of the CPCN process. Initially, the proposed new rules implement the statutory changes made to the criteria for obtaining a CPCN (and the provisions of 26 *Del. C.* § 203C) by 76 Del. Laws ch. 55 (June 28, 2007). Second, the new rules provide for more detailed requirements for notice to affected landowners, other interested persons, and the public of the CPCN application and provide specific requirements about the form of notice to be sent to affected landowners to inform them of their options. In addition, the new regulations add provisions placing limitations on the number of Proposed Service Areas that may be included in a CPCN application, and requiring the inclusion of a Plan of Service with the CPCN application.

You can review PSC Order No. 7774 (May 4, 2010) and the proposed new rules in the June 1, 2010 issue of the Delaware Register of Regulations. You can also review the Order and the new regulations at the PSC's Internet website located at http://depsc.delaware.gov. Written copies of the Order and proposed regulations can be obtained at the PSC's office at the address located below, for $0.25 per page.

The PSC now solicits comments, suggestions, compilations of data, briefs, or other written materials about the proposed repeal of the 2001 Water Utility CPCN rules and the adoption of the proposed new Water Utility CPCN rules. If you want to file any such materials, you should submit an original and ten copies of such written documents on or before June 30, 2010. You should file such materials with the PSC at the following address:

Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, DE 19904
Attn: Reg. Dckt. No. 51

If possible, you should accompany such written comments with an electronic version of the submission. Such electronic copy may be filed on a copy-capable CD-Rom disk or sent as an attachment to an Internet e-mail addressed to alisa.bentley@state.de.us.

The PSC will also conduct a public hearing on the new proposed regulations on Thursday, July 22, 2010. That hearing will begin at 1:00 P.M. and will be held at the PSC's office at the address set forth above. You may also submit comments and materials at such public hearing.

If you are disabled and need assistance or help to participate in the proceedings, please contact the PSC to discuss that assistance. If you want more information or have questions, you can contact the PSC about the matter at (800) 282-8574 (toll-free in Delaware) or (302) 736-7500. Inquiries can also be sent by Internet e-mail addressed to andrea.maucher@state.de.us.