

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
TIDEWATER ENVIRONMENTAL SERVICES, INC.)
FOR APPROVAL OF A WASTEWATER TARIFF)
RATE FOR WASTEWATER SERVICES TO BE) PSC DOCKET NO. 11-274WW
PROVIDED TO "THE RIDINGS" DEVELOPMENT) ("THE RIDINGS")
LOCATED ON THE WEST SIDE OF BEAVER)
DAM ROAD, SUSSEX COUNTY, DELAWARE)
(FILED JUNE 9, 2011))

ORDER NO. 8005

This 12th day of July, 2011, the Public Service Commission (the "Commission") determines and orders the following:

WHEREAS, Tidewater Environmental Services, Inc. ("TESI") is a public wastewater utility subject to the regulatory supervision of the Delaware Public Service Commission (the "Commission"); and

WHEREAS, by a previous Order, the Commission granted TESI a Certificate of Public Convenience and Necessity ("CPCN") to begin operations and provide wastewater services in a development known as "Ritter Farm"¹ located in Sussex County, Delaware on the west side of Beaver Dam Road. See PSC Order No. 6705 (August 23, 2005); and

WHEREAS, TESI has now asked the Commission to approve a wastewater tariff rate of \$1,245.00 per year for wastewater services to be provided for customers in The Ridings; and

WHEREAS, TESI has provided to the Commission Staff a copy of a wastewater model which contains financial, operational, and maintenance estimates that TESI claims support the requested rate of

¹The name of the development has changed from "Ritter Farm" to "The Ridings" since the date that TESI's CPCN application was approved.

\$1,245.00 per year for wastewater services to be provided to customers in The Ridings; and

WHEREAS, Staff recommends that the Commission permit TESI to put its requested annual rate into effect, on a temporary basis, while also requiring TESI to provide public notice of the proposed rate. Staff suggests that the Commission provide interested persons, including any present landowners in the area and the Division of the Public Advocate, the opportunity to file objections or comments concerning TESI's proposed rate. The Commission accepts Staff's recommendations and will -- following to a large extent the process utilized in PSC Order No. 7056 (Oct. 31, 2006)-- allow the annual rate to go into effect on a temporary basis while soliciting comments and objections from any interested persons or entities. If comments or objections are forthcoming, or further information comes to light, the Commission can then determine what additional process, if any, might be appropriate before the Commission undertakes any final decision concerning the proposed rate. Conversely, if no person or entity files objections or comments raising significant issues, the Commission might finally approve the rate now allowed to go into effect on a temporary basis without further hearings or protracted proceedings; and

WHEREAS, by letter dated May 18, 2011, TESI notified the Commission that on or about July 15, 2011, it will file for a general rate increase for other wastewater customers located elsewhere in its service territory.

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

1. That, for the reasons set forth in the body of this Order, Tidewater Environmental Services, Inc. is hereby authorized to charge, on a temporary basis, an annual customer fee of \$1,245.00 for its wastewater services provided to customers in the development known as "The Ridings." The annual rate allowed to go into effect by this Order shall be subject to refund, in whole or in part, if the Commission shall later finally determine that such rate is unjust or unreasonable.

2. That Tidewater Environmental Services, Inc. shall cause to be published in The News Journal and Delaware State News newspapers, in two-column format outlined in black, the form of Notice set forth in the attached Exhibit "A" to this Order. Such Notice shall be published on or before July 29, 2011. Tidewater Environmental Services, Inc. shall file proof of such publication with the Commission prior to August 12, 2011. In addition, Tidewater Environmental Services, Inc. shall also cause a copy of the Notice attached hereto as Exhibit "A" to be sent, by first-class United States mail, to each customer presently connected to its wastewater system in the development known as "The Ridings." Such notice shall be mailed on or before July 29, 2011. Tidewater Environmental Services, Inc. shall file a certification of such mailing, listing the names and addresses of the persons so served, on or before August 19, 2011.

3. That the Secretary shall promptly serve a copy of this Order on the Division of the Public Advocate.

4. That, as outlined in the form of Notice and the body of this Order, interested persons or entities are afforded the opportunity to file objections to the proposed rate. Such objections or comments shall be filed on or before September 2, 2011. If the Commission does not receive any objections or comments raising significant issues, the Commission may, by later Order, approve the rate now allowed to go into effect, without further notice or proceedings. If objections or significant comments are filed, the Commission will, by later Order, determine the course of any appropriate further proceedings.

5. That Tidewater Environmental Services, Inc. is hereby notified that it will, pursuant to 26 Del. C. §114(b), be assessed the costs of this proceeding.

6. That Tidewater Environmental Services, Inc. shall provide the Commission Staff with any additional necessary data to allow the Commission to determine whether the rate requested by Tidewater Environmental Services, Inc. for wastewater services is just and reasonable. Such data shall include, but not be limited to, information about Tidewater Environmental Services, Inc.'s revenues, expenses, cash balances, system operations, rates, and other information.

7. That if Tidewater Environmental Services, Inc. files on or about July 15, 2011, for a general rate increase for other wastewater

E X H I B I T "A"

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

IN THE MATTER OF THE APPLICATION OF)
TIDEWATER ENVIRONMENTAL SERVICES, INC.)
FOR APPROVAL OF A WASTEWATER TARIFF)
RATE FOR WASTEWATER SERVICES TO BE) PSC DOCKET NO. 11-274WW
PROVIDED TO "THE RIDINGS" DEVELOPMENT) ("THE RIDINGS")
LOCATED ON THE WEST SIDE OF BEAVER)
DAM ROAD, SUSSEX COUNTY, DELAWARE)
(FILED JUNE 9, 2011))

**NOTICE OF FILING OF PROPOSED RATES AND TARIFF
BY TIDEWATER ENVIRONMENTAL SERVICES, INC.
TO GOVERN ITS WASTEWATER SERVICES IN
"THE RIDINGS" DEVELOPMENT IN SUSSEX COUNTY, DELAWARE**

TO: ALL CUSTOMERS OF TIDEWATER ENVIRONMENTAL SERVICES, INC.:

Tidewater Environmental Services, Inc. ("TESI") is a public wastewater utility subject to the regulatory supervision of the Public Service Commission ("Commission"). TESI currently holds a Certificate of Public Convenience and Necessity to provide public wastewater services to "The Ridings" development located on the West side of Beaver Dam Road in Sussex County, Delaware. On June 9, 2011, TESI filed an application with the Commission seeking approval of a tariff rate for its wastewater services in this service territory. The rate is an annual customer fee of \$1,245.00.

In PSC Order No. 7805 (July 12, 2011), the Commission allowed the above annual rate as proposed by TESI to go into effect on a temporary basis. The Commission now solicits from any interested person or entity comments or objections to TESI's proposed rate. If you wish to

file any such comments or objections, you must file such document (10 copies) with the Commission by **September 2, 2011**. Such comments or objections shall be filed with the Commission at the following address:

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building
Suite 100
Dover, Delaware 19904
ATTN: PSC Docket No. 11-274WW

If you wish to participate as a party in this docket, with the right to present evidence and be heard by counsel, you must file a petition to intervene under Rule 11 of the Commission's Rules of Practice and Procedure. You must file that petition on or before **Friday, September 2, 2011**, at the Commission's office in Dover, Delaware. A petition filed thereafter will not be considered except for good cause shown.

The Commission will make its decision on this matter on the basis of the evidence of record taken at the public evidentiary hearings. The Commission may approve or reject, in whole or in part, the proposed tariff rate.

TESI customers are invited to review the application and supporting documents to determine how their individual interests may be affected. Thus, you, as a customer of TESI in The Ridings, may review the documents during normal business hours in the Commission's Dover office at the address listed above or on the Commission's website at <http://dep.sc.delaware.gov/wastewater.shtml>. You may also review copies of the filing at the office of the Division of the Public Advocate located at the Carvel State Office Building, 4th

Floor, 820 North French Street, Wilmington, Delaware 19801. Please call (302) 577-5077 to arrange for a time to review the documents at that location.

If no comments or objections raising significant issues are submitted, the Commission may finally approve the rate and tariff revision proposed by TESI without further notice or further proceedings.

If you have a disability and wish to participate in, or to review the materials in these proceedings, please contact the Commission to discuss any auxiliary aids or services which you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet e-mail, or other means. If you have questions about this matter, you can call the Commission at 1-800-282-8574 (toll-free in Delaware) or you may call (302) 736-7500 (voice and text telephone). You may also send questions or request information by Internet e-mail addressed to heidi.wagner@state.de.us.