BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
ARTESIAN WASTEWATER MANAGEMENT, INC.)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO PROVIDE)
WASTEWATER SERVICES PURSUANT TO 26)
DEL. C. §203D (FILED FEBRUARY 19,)
2014; AMENDED MAY 8, 2014))

ORDER NO. 8560

This 13th day of May, 2014, the Delaware Public Service Commission (the "Commission") determines and Orders the following:

WHEREAS, the Commission exercises regulatory oversight over nongovernmental wastewater public utilities that serve fifty or more customers. <u>See</u> 26 Del. C. §\$102(2) and 203D(a). That regulatory oversight includes the authority to grant Certificates of Public Convenience and Necessity ("CPCN") to enable an entity to begin the business of a wastewater public utility or to permit an existing wastewater public utility to extend its system and operations. <u>See</u> 26 Del. C. §203D(a). Under such statutory regime, and specifically 26 Del. C. §203D(d)(2), a wastewater utility may obtain a CPCN for a new service territory if it submits petitions executed by the landowners of record of each parcel or property to be encompassed within such new proposed service area which request that the utility's wastewater services be extended; and

WHEREAS, on April 1, 2005, the Commission adopted final Regulations Concerning the Jurisdiction of the Public Service Commission to Grant and Revoke Certificates of Public Convenience and Necessity to Provide Wastewater Services, 26 Del. Admin. C. §6002 (the PSC Docket No. 14-WW-001, Order No. 8560, Cont.

"Regulations"). These Regulations implement the CPCN regime for public wastewater utilities; and

WHEREAS, Artesian Wastewater Management, Inc. ("AWMI") is a public utility offering wastewater services and is subject to the regulatory oversight of the Commission. On February 19, 2014, AWMI filed an application (the "Application") requesting a CPCN to provide wastewater services to two parcels of land in Sussex County, Delaware (the "Proposed Service Area"); and

WHEREAS, on May 8, 2014, AWMI amended its Application (the "Amended Application") by filing with the Commission additional required information to show that the individual who signed as the landowner of all of the parcels in the Proposed Service Area was authorized to sign on behalf of the business entity that owns all of such parcels; and

WHEREAS, as required by 26 Del. C. §203D(d)(2) and the Regulations, AWMI included in its Application: (a) petitions requesting wastewater service signed by the landowners of record of each parcel or property encompassed within the Proposed Service Area; and (b) evidence, in the form of signed United States Postal Service certified mail receipts, showing that the landowners were sent notice of AWMI's Application. A Sussex County Tax Map showing the location of the Proposed Service Area was also included with the Application; and

WHEREAS, as required by the Regulations, Staff requested written comment from the Division of Water Resources of the Department of Natural Resources and Environmental Control ("DNREC"). On March 31,

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2014, DNREC responded stating it had no objection to the Application but indicated a concern about granting wastewater CPCNs for parcels or areas where the respective County officials have not yet approved a subdivision or development and urged Staff to contact Sussex County Engineering Department (the "County"); and,

WHEREAS, on January 9, 2014, the County stated in a letter that they reviewed the above mentioned Application and would not object to a CPCN being approved for this project; and

WHEREAS, on April 14, 2014, OSP filed a response which did not object to the Application, but merely provided the Commission with the State of Delaware investment level planning information with respect to the parcels included in the Proposed Service Area; and

WHEREAS, the Commission Staff ("Staff") has reviewed the Amended Application and found no errors or omissions. Staff reports to the Commission in its May 8, 2014 memorandum that the Amended Application meets all applicable requirements for granting a CPCN pursuant to 26 *Del. C.* §203D and the Regulations; and

WHEREAS, for these reasons, the Commission finds that AWMI has met the requirements for the granting of a CPCN and, therefore, the Commission shall approve the Application;

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

1. Pursuant to the provisions of 26 *Del. C.* §203D(d)(2), the Amended Application is approved and the Commission hereby grants a CPCN to AWMI to provide wastewater public utility services to the area more specifically identified by the Sussex County Tax Map Parcel Numbers 234-15.00-40.00 and 234-15.00-40.01.

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2. AWMI shall comply with any and all federal, state, county, and local statutes, ordinances, orders, regulations, rules, and permit conditions that are applicable, or may become applicable, to any matter involving wastewater utility services provided to the service territory granted by this CPCN.

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:

/s/ Dallas Winslow Chair

<u>/s/ Joann T. Clark</u> Commissioner

<u>/s/ Jaymes B. Lester</u> Commissioner

/s/ Jeffrey J. Clark Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley Secretary