

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION)
OF ARTESIAN WATER COMPANY, INC.) PSC DOCKET NO. 11-207
FOR AN INCREASE IN WATER RATES)
(FILED APRIL 11, 2011))

ORDER NO. 8078

AND NOW, this 1st day of December, 2011:

WHEREAS, on April 11, 2011, Artesian Water Company, Inc. ("Artesian" or the "Company") filed an application with the Delaware Public Service Commission (the "Commission") requesting approval of a rate increase of \$10,926,304 (a 19.45% increase over existing rates) and of certain tariff revisions; and

WHEREAS, by Order No. 7964 dated May 10, 2011, the Commission opened this docket to consider Artesian's application, and in said order designated Senior Hearing Examiner Ruth Ann Price to, among other things, schedule and conduct such evidentiary hearings as may be necessary to have a full and complete record concerning the justness and reasonableness of the proposed increased rates and tariff modifications, and to file with the Commission her proposed findings and recommendations; and

WHEREAS, by Order No. 8074 dated November 11, 2011, we granted Artesian's application pursuant to 26 *Del. C.* §306(c) to place into effect rates designed to result in total additional revenue of less than 15% of Artesian's annual gross intrastate operating revenues, thus not exceeding the 15% ceiling set forth in section 306(b), with

PSC Docket No. 11-207, Order No. 8078 Cont'd

such increased rates to be subject to refund and otherwise subject the same conditions as set forth in PSC Order No. 7964 (May 10, 2011); and

WHEREAS, on November 22, 2011, Artesian, the Commission Staff, the Division of the Public Advocate and Intervenor Christiana Care Health Services, Inc. (collectively, the "Parties") submitted to the Commission a proposed settlement resolving the docket; and

WHEREAS, in light of their agreement to the proposed settlement, the Parties desire to avoid the delay that will occur if the proposed settlement is presented to the Hearing Examiner at an evidentiary hearing and the Hearing Examiner prepares recommendations for the Commission; and

WHEREAS, the Parties seek to hold an evidentiary hearing on the justness and reasonableness of the proposed settlement directly before the Commission for its consideration at its regularly-scheduled December 20, 2011 meeting; and

WHEREAS, in anticipation of the Commission's approval of the proposed amendment to Order No. 7964, the Parties caused notice of the proposed evidentiary hearing to be published in *The News Journal*, the *Delaware State News* and the *Cape Gazette*, which the public notice is attached hereto as Exhibit A;

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE VOTE OF NO
FEWER THAN THREE COMMISSIONERS:**

1. That Order No. 7964 is hereby amended to withdraw the reference of the docket to Senior Hearing Examiner Ruth Ann Price to conduct such evidentiary hearings as she deems necessary and to prepare a recommendation for the Commission.

2. That we shall conduct an evidentiary hearing on the proposed settlement during our regularly-scheduled meeting on **Tuesday, December 20, 2011 beginning at 1:00 p.m. in the Commission's Hearing Room, 861 Silver Lake Blvd., 1st Floor, Dover, DE 19904.**

3. That we ratify the form and content of the public notice attached hereto as Exhibit A.

4. That the Parties shall submit affidavits of publication of the public notice attached hereto as Exhibit A at the evidentiary hearing.

5. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary and proper.

BY ORDER OF THE COMMISSION:

Chair

/s/ Joann T. Conaway
Commissioner

EXHIBIT "A"

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

**IN THE MATTER OF THE APPLICATION)
OF ARTESIAN WATER COMPANY, INC.) PSC DOCKET NO. 11-207
FOR A REVISION OF RATES)
(Filed April 11, 2011))**

PUBLIC NOTICE OF EVIDENTIARY HEARING

TO: ALL CUSTOMERS OF ARTESIAN WATER COMPANY, INC. AND OTHER INTERESTED PERSONS

The Delaware Public Service Commission (the "Commission") will conduct an evidentiary hearing concerning the above-captioned case (as further explained below) at the following time and location:

<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
Tuesday, December 20, 2011	1:00 p.m.	Public Service Commission Hearing Room 861 Silver Lake Blvd., 1st Floor Dover, DE 19904

Anyone planning to attend the evidentiary hearing should consult the Commission's website prior to the event for any changes or cancellations in the time, place or date.

On April 11, 2011, Artesian Water Company, Inc. ("Artesian") filed an application with the Delaware Public Service Commission (the "Commission") pursuant to 26 *Del. C.* §§201, 209, 304 and 306 requesting approval of an increase in water service rates designed to produce an additional \$10,926,304 in annual revenues (a 19.45% increase over existing rates) and approval of proposed changes to its tariff language. Artesian, the Commission Staff, the Public Advocate and Christiana Care Health Services, Inc. have reached a settlement with respect to the Application, which they will present to the Commission for its consideration at this evidentiary hearing. You may review certain documents concerning the Application and the proposed settlement on the Commission's website at <http://depssc.delaware.gov/water.shtml>.

The deadline for submission of petitions for intervention was June 10, 2011. Only those persons or entities that were granted intervention in this matter may present witnesses, conduct cross-examination or introduce evidence in this proceeding and at the evidentiary hearing. *Members of the public are welcome to attend the evidentiary hearings as observers.*

The Commission will consider the Application, the pre-filed and live testimony of the parties and any other pertinent documents submitted by the parties, including the settlement. The Commission is obligated to reach its decision based upon the evidence presented at this evidentiary hearing.

In addition to being posted on the Commission's website, copies of the Application, testimony, the proposed settlement agreement and other documents are available for public inspection at the Commission's Dover office, 861 Silver Lake Blvd., Suite 100, Dover, DE 19904. You may also review copies of the documents 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 make an appointment to review the documents at that location.

Individuals with disabilities who wish to participate in these proceedings or to review these filings may contact the Commission to discuss any auxiliary aids or services needed to facilitate such review or participation. Such contact may be in person, by writing, telephonically, by use of the Telecommunications Relay Service, or otherwise. The Commission Staff is available for questions concerning the Application and other documents. The Commission's toll-free telephone number within Delaware is 1-800-282-8574. The Commission can also be reached at (302) 736-7500 and that number should be used for Text Telephone ("TT") calls. Inquiries can also be sent to the Commission by Internet e-mail to jack.schreyer@state.de.us.