

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

IN THE MATTER OF THE APPLICATION OF)
SLAUGHTER BEACH WATER COMPANY FOR AN) PSC DOCKET NO. 13-364
INCREASE IN WATER RATES)
(FILED SEPTEMBER 18, 2013))

ORDER NO. 8474

AND NOW, on this 22th day of October, 2013, the Delaware Public Service Commission ("Commission") determines and orders the following:

WHEREAS, on September 18, 2013, Slaughter Beach Water Company ("Slaughter Beach" or the "Company") filed an application (the "Application") seeking approval of a new annual residential unmetered water rate of \$336, which represents a 60% increase from its current rate and a new 2" Metered Commercial water rate of \$175/month, plus \$3.00/1000 gal. over 25,000 gal./month which represents a 577.40% increase from its current rate (the "Proposed Rate Increase"). The Application states that the Proposed Rate Increase is necessary "to continue to provide quality water service to the Town of Slaughter Beach";

WHEREAS, Slaughter Beach's last requested rate increase was approved by the Commission over 15 years ago at Docket No. 95-162;

WHEREAS, Slaughter Beach is a regulated water company serving approximately 260 unmetered residential customers, 3 metered commercial customers and 1 municipal customer within the corporate town limits of the Town of Slaughter Beach, Delaware;

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

1. Pursuant to 26 Del. C. §306(a)(1), the Proposed Rate Increase is hereby suspended and shall not be placed into force or effect except pursuant to further Order of the Commission or other applicable law.

2. Pursuant to 26 Del. C. §102A(2), Slaughter Beach shall provide public notice of the Application, this Order, the date of the Public Comment Session, the deadline for filing any Interventions and the date/time of the Evidentiary Hearing for this matter by sending a copy of the Notice, in the form attached hereto as **Exhibit "A"** (the "Notice"), via first class mail, to each of its water customers. The Company shall file proof of mailing such notice with the Commission **by October 30, 2013.**

3. Interested persons or entities may submit written comments or objections to the Proposed Rate Increase by filing such comments with the Commission **on or before December 2, 2013.** Any written comments received after December 2, 2013 will not be considered without good cause.

4. Pursuant to 26 Del. Admin C. §1001-2.9, the deadline for filing Petitions For Intervention shall be **November 19, 2013.** Petitions for Intervention filed after November 19, 2013 will not be considered without good cause. Pursuant to 26 Del. C. §502, the Commission designates Hearing Examiner Mark Lawrence for the sole purpose of considering any Petitions for Intervention filed in this matter. In addition, any party granted Intervenor status must file

written pre-filed testimony with the Commission on or before **January 7, 2014**. Copies of all Petitions for Intervention and any pre-filed testimony must be served on:

Mark Lawrence
Hearing Examiner
Delaware Public Service Commission
861 Silver Lake Boulevard
Suite 101
Dover, DE 19904
RE: Docket No. 13-364
Mark.lawrence@state.de.us

Kathleen P. Makowski, Esq.
Deputy Attorney General
Delaware Public Service Commission
861 Silver Lake Boulevard
Suite 101
Dover, DE 19904
RE: Docket No. 13-364
Kathleen.Makowski@state.de.us

Lisa Driggins
Public Utility Analyst
Delaware Public Service Commission
861 Silver Lake Boulevard
Suite 101
Dover, DE 19904
RE: Docket No. 13-364
Lisa.driggins@state.de.us

Connie S. McDowell
Senior Regulatory Policy Admin.
Delaware Public Service Commission
861 Silver Lake Boulevard
Suite 101
Dover, DE 19904
RE: Docket No. 13-364
Connie.McDowell@state.de.us

5. The Commission will hold a public comment session on the Application on **Thursday, November 21, 2013** at the Slaughter Beach Fire Company, 359 Bay Avenue, Slaughter Beach, Delaware at 7:00 p.m.

6. The Commission will hold an evidentiary hearing (the "Evidentiary Hearing") on the Application on **January 21, 2014 at 1:00 p.m.** during the Commission's regularly scheduled meeting or at such further time as the Commission may order.

7. Commission Staff (the "Staff") shall investigate whether the Proposed Rate Increase is just and reasonable and report its findings and recommendation to the Commission prior to the Evidentiary Hearing. The Company is directed to cooperate with the Staff during its investigation and provide any additional data requested by the Staff to complete its investigation on behalf of the Commission.

8. Pursuant to 26 *Del. C.* 114(b), the Company is hereby notified that it will be assessed the costs related to this matter.

9. The Commission reserves the jurisdiction and authority to enter such other or further orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Dallas Winslow
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary

"EXHIBIT A"

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OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION OF)
SLAUGHTER BEACH WATER COMPANY FOR AN) PSC DOCKET NO. 13-364
INCREASE IN WATER RATES)
(FILED SEPTEMBER 18, 2013))

**PUBLIC NOTICE OF APPLICATION OF SLAUGHTER BEACH WATER
COMPANY FOR AN INCREASE IN WATER RATES**

TO: ALL CUSTOMERS OF SLAUGHTER BEACH WATER COMPANY

On September 18, 2013, Slaughter Beach Water Company ("Slaughter Beach") filed an application (the "Application") with the Delaware Public Service Commission (the "Commission"), seeking approval of a new annual residential unmetered water rate of \$336, which represents a 60% increase in its current rate and a new 2" Metered Commercial water rate of \$175/month, plus \$3.00/1000 gal. over 25,000 gal./month which represents a 577.40% increase in its current rate (the "Proposed Rate Increase"). Slaughter Beach states that the Proposed Rate Increase is necessary "to continue to provide quality water service to the Town of Slaughter Beach."

On October 22, 2013, the Commission entered an order suspending effectiveness of the Proposed Rate Increase pending further investigation and completion of a public comment session and evidentiary hearing.

On **Thursday, November 21, 2013**, the Commission will hold a public comment session on the Application at the Slaughter Beach Fire Company,

359 Bay Avenue, Slaughter Beach, Delaware at 7:00 p.m. Anyone planning to attend the public comment session should consult the Commission's website prior to the event for any changes or cancellation in the time, location or date.

Interested persons or entities may file written comments or objections to the Proposed Rate Increase. Any written comments must be sent to the Commission at the following address:

Public Service Commission
861 Silver Lake Blvd.
Cannon Bldg., Suite 100
Dover, DE 19904
Attn: PSC Docket No. 13-364

Written comments may also be sent electronically to psc@state.de.us and should include "PSC Docket No. 13-364" in the subject line. Such written comments or objections must be filed with the Commission **on or before December 2, 2013**. Any written comments received after December 2, 2013, 2013 will not be considered without good cause.

The Commission will hold a public evidentiary hearing (the "Evidentiary Hearing") on the Application on **January 21, 2014 at 1:00 p.m.** during the Commission's regularly scheduled meeting at its Dover Office. The Commission may approve or reject the Application, in whole or in part, or may approve a different method for allocating any increase should one be found to be appropriate.

If you wish to formally participate as a party in this matter with the right to present evidence at the Evidentiary Hearing, you must file with the Commission a written petition requesting leave to intervene ("Petitions For Intervention") in accordance with the requirements of 26 Del. Admin. C. §1001-2.9 of the Commission's Rules

of Practice and Procedure **on or before Tuesday, November 19, 2013.**

Petitions For Intervention received after **November 19, 2013** will not be considered without good cause. Copies of all Petitions for Intervention and any related documents must be sent to:

Mark Lawrence
Hearing Examiner
Delaware Public Service Commission
861 Silver Lake Boulevard
Suite 101
Dover, DE 19904
RE: Docket No. 13-364
Mark.lawrence@state.de.us

Kathleen P. Makowski, Esq.
Deputy Attorney General
Delaware Public Service Commission
861 Silver Lake Boulevard
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Delaware Public Service Commission
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Dover, DE 19904
RE: Docket No. 13-364
Connie.McDowell@state.de.us

You are invited to review Slaughter Beach's Application and supporting documents to determine whether your interests may be affected. You may review the Application and supporting material in person at the Commission's Dover office or on the Commission's website at <http://depssc.delaware.gov/water.shtml>. You may also review the Application and supporting 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 arrange a time to review the documents at that location.

If you have a disability and wish to participate or to review the materials in this matter, please contact the Commission to discuss any

auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone) or by e-mail.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions regarding this matter by e-mail addressed to psc@state.de.us and include "PSC Docket No. 13-364" in the subject line.