

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

IN THE MATTER OF THE APPLICATION)
OF ARTESIAN WATER COMPANY, INC.,)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO)
PROVIDE WATER SERVICES TO A TOTAL)
OF 31 PARCELS OF LAND LOCATED) PSC DOCKET NO. 05-CPCN-18
BETWEEN THE TOWNS OF GEORGETOWN)
AND REHOBOTH BEACH, SOUTH OF THE)
TOWN OF MILTON, AND NORHT OF THE)
TOWN OF MILLSBORO, SUSSEX COUNTY,)
DELAWARE (FILED MAY 26, 2005 AND)
AMENDED AUGUST 31, 2005 AND)
SEPTEMBER 2, 2005))

IN THE MATTER OF THE APPLICATION)
OF ARTESIAN WATER COMPANY, INC. TO)
ABANDON UNDER 26 *DEL. C.* §203A(d))
WATER SERVICES PROVIDED UNDER A) PSC DOCKET NO. 14-CPCN-01
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY)
(FILED JANUARY 8, 2014; AMENDED)
FEBRUARY 21, 2014, AND MARCH 12,)
2014))

ORDER NO. 8547

AND NOW, this 15th day of April, 2014, the Public Service Commission (the "Commission") determines and orders the following:

WHEREAS, on September 6, 2005, in PSC Order No. 6719, the Commission granted a Certificate of Public Convenience and Necessity ("CPCN") to Artesian Water Company, Inc. ("AWC") to provide water services for 31 parcels of land specifically identified in Sussex County as Indian River, Phase 2; and

WHEREAS, the Commission retained jurisdiction in this matter, including the authority to enter such further Orders and conduct such further proceedings as it deemed necessary or

proper; and

WHEREAS, on January 8, 2014, AWC filed with the Commission an application ("Application") seeking Commission approval of AWC's request to partially abandon or discontinue providing water operations or services for one parcel that is included in its CPCN, specifically Sussex County Tax Map Parcel Number 234-23.00-269.08 (the "Parcel"); and

WHEREAS, on February 21, 2014, and March 12, 2014, AWC supplied at the request of the Commission Staff ("Staff") additional information to amend and support its Application; and

WHEREAS, 26 *Del. C.* §203A(d)(1) provides that no public utility shall abandon or discontinue, in whole or in part, any business, operations, or services provided under a CPCN or otherwise, which are subject to jurisdiction of the Commission without first having received Commission approval for such abandonment or discontinuance; and

WHEREAS, 26 *Del. C.* §203A(d)(3) provides that the Commission shall approve any application for abandonment when it finds that the utility has met its burden of proving that the abandonment or discontinuance is reasonable, necessary and not unduly disruptive to the present or future public convenience and necessity; and

WHEREAS, based on its review, Staff recommends that the Commission approve the Application because AWC has met its burden of proof as set forth in 26 *Del. C.* §203A(d)(3). Specifically, the abandonment is reasonable because AWC does not supply water

service to this Parcel, and the nearest water main is approximately 7 miles away from the Parcel. Furthermore, the abandonment is necessary because the owner of this Parcel requested in writing that AWC remove such Parcel from AWC's CPCN service area. Finally, the abandonment will not be unduly disruptive to the present convenience and necessity because no existing AWC customers are located on this Parcel. In addition, AWC has asserted that the owner of this Parcel intends to seek water services from another public utility. The Application states this parcel is surrounded by other parcels that receive water services from Tidewater Utilities, Inc. Hence, if the Commission grants the Application's request, the abandonment would not be unduly disruptive to the future convenience and necessity because future customers would not be impeded (in general) from receiving water services from another public utility;

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

1. The Commission hereby approves AWC's Application. The Parcel shall be removed from AWC's CPCN service area, with the CPCN to otherwise remain as granted in Order No. 6719. This approval is subject to the condition that AWC provide to the landowner of the Parcel (specifically identified by the Sussex County Tax Map Parcel Number 234-23.00-269.08) at least 30 days prior written notice of AWC's abandonment of water services. AWC shall provide proof of such written notice to the Commission on or before April 31, 2014.

2. AWC is hereby placed on notice that the costs of the proceedings will be charged to it under the provisions of 26 Del. C. §114(b) (1).

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

/s/ Jeffrey J. Clark

Commissioner

/s/ Joann T. Conaway

Commissioner

/s/ Jaymes B. Lester

Commissioner

Commissioner

ATTEST:

/s/ Alisa Carrow Bentley

Secretary