

**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 ) PSC DOCKET NO. 07-WW-031  
WASTEWATER SERVICES TO THE COMMUNITY ) ("CHELESA VILLA WW")  
OF CHELESA VILLA LOCATED ON WILLOW )  
GROVE ROAD, NORTH OF VIOLA, KENT )  
COUNTY, DELAWARE (FILED DECEMBER 26, )  
2007) )

IN THE MATTER OF THE APPLICATION OF )  
ARTESIAN WASTEWATER MANAGEMENT, INC. )  
TO ABANDON UNDER 26 *DEL. C.* §203A(d) )  
WASTEWATER SERVICES PROVIDED UNDER A ) PSC DOCKET NO. 14-WW-003  
CERTIFICATE OF PUBLIC CONVENIENCE AND )  
NECESSITY FOR THE COMMUNITY OF )  
CHELESA VILLA IN KENT COUNTY, DELAWARE )  
(FILED APRIL 23, 2014) )

**ORDER NO. 8568**

**AND NOW,** this 10<sup>th</sup> day of June, 2014, the Public Service Commission (the "Commission") determines and orders the following:

**WHEREAS,** on March 18, 2008, in PSC Order No. 7372, the Commission granted a Certificate of Public Convenience and Necessity ("CPCN") to Artesian Wastewater Management, Inc. ("AWMI") to provide wastewater services to the community of Chelesa Villa located on Willow Grove Road, north of Viola, Kent County, Delaware, and more specifically identified by the Kent County Tax Map Parcels Numbers SM00-117-02-01.00 through SM00-117.02-01-39.00 and SM00-117.04-01-01.00 through SM00-117.04-01-44.00 (the "Parcels"); 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 April 23, 2014, AWMI filed with the Commission an application ("Application") seeking Commission approval of AWMI's request to abandon or discontinue providing wastewater operations or services for the Parcels as previously described in PSC Order No. 7372; and

**WHEREAS**, AWMI's unregulated affiliate, Artesian Utility Development, Inc. (AUDI) entered into an agreement with Owner and developer, Canterbury Homes, to operate Chelesa Villa wastewater treatment facility in December 2007. AUDI was contracted to operate the facility until the development had reached the intended 80 homes and then the operations would be turned over to AWMI; and

**WHEREAS**, the developer changed the scope and size of the development to 20 homes with no expansion forecasted at this time; 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 AWMI has met its burden of proof as set forth in 26 Del. C. §203A(d)(3). The abandonment is reasonable because AWMI does not currently supply wastewater services to these Parcels. Staff believes the abandonment is necessary to allow other wastewater providers to potentially provide services to these Parcels. Additionally, since the contract between AUDI and Canterbury homes expired, the operations of the wastewater facility has been turned over to another licensed operator. Furthermore, AWMI stated the ownership and maintenance necessary to serve this development would be tremendously expensive causing high-priced rates to residents. Lastly, the abandonment will not be unduly disruptive to the present convenience and necessity because no existing AWMI customers are located on these Parcels;

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

1. The Commission hereby approves AWMI's Application. Consistent with Commission practice, this approval is subject to the condition that AWMI provide to the landowners currently located on the Parcels (specifically identified by the Kent County Tax Map Parcels Numbers SM00-117-02-01.00 through SM00-117.02-01-39.00 and SM00-117.04-01-01.00 through SM00-117.04-01-44.00) at least 30 days' prior written notice of AWMI's abandonment of wastewater services. AWMI shall provide proof of such written notice to the Commission on or before July 30, 2014.

2. AWMI 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/ Joann T. Conaway  
Commissioner

/s/ Jaymes B. Lester  
Commissioner

/s/ Jeffrey J. Clark  
Commissioner

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Commissioner

ATTEST:

/s/ Alisa Carrow Bentley  
Secretary