

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

IN THE MATTER OF THE APPLICATION OF)
WILKERSON WATER COMPANY AND)
PRIME HOOK WATER COMPANY FOR A) PSC DOCKET NO. 14-0254
GENERAL INCREASE IN WATER RATES)
AND A REQUEST TO CONSOLIDATE PRIME)
HOOK WATER COMPANY INTO WILKERSON)
WATER COMPANY)
(FILED July 25, 2014))

ORDER NO. 8617

AND NOW, to-wit, this 19th day of August 2014;

WHEREAS, Wilkerson Water Company and Prime Hook Water Company (collectively "Wilkerson" or "the Company"), having, on July 25, 2014, filed with the Public Service Commission ("the Commission") an application with proposed revised tariffs designed to increase its rates for unmetered water service ranging from 10% to 49%, reset the DSIC charges to zero and increase certain miscellaneous charges for tapping, turn on, turn off services (See **Exhibit "A"** attached hereto); and

WHEREAS, Wilkerson is also seeking to consolidate the operations of Prime Hook Water Company into the Company effective January 1, 2015; and

WHEREAS, the Commission having determined that pursuant to the authority granted to the Commission by 26 Del. C. § 306(a)(1), the filing by Wilkerson shall be suspended pending full and complete evidentiary hearings into the justness and reasonableness of the proposed new rates;

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

1. That the rates and associated tariff changes filed by Wilkerson with the Delaware Public Service Commission on July 25, 2014, are hereby suspended pursuant to 26 Del. C. § 306(a)(1) and shall not be

placed into force or effect except pursuant to further Order of the Commission or pursuant to law, and then only to the extent such further Commission Order or such law may permit or allow.

2. That, pursuant to the requirements of 26 Del. C. §§ 102A and 304, Wilkerson shall give public notice of the application for increased rates by causing the delivery, by mail or by other means, of the notice attached hereto as **Exhibit "B"** to all of its customers, including Prime Hook Water Company, by September 2, 2014. If delivery is made by mail, the Company should use the customer addresses it uses for billing purposes. Proof of such delivery (which may consist of a sworn affidavit from an officer of the Company) shall be filed with the Commission as soon thereafter as is reasonably practicable but prior to the date set for any evidentiary hearing in this docket.

3. That R. Campbell Hay is designated as the Hearing Examiner for this matter pursuant to the terms of 26 Del. C. § 502 and 29 Del. C. ch. 101 to conduct public hearings for the purpose of developing a full and complete evidentiary record concerning the justness and reasonableness of the proposed increased rates and to thereafter file a report and recommendations with the Commission. Hearing Examiner Hay is specifically delegated the authority to grant or deny petitions seeking leave to intervene. In addition, Hearing Examiner Hay is delegated the authority, under 26 Del. C. § 102A, to determine the form and manner of any further public notice concerning this docket or may modify the attached form of notice as he deems necessary. James McC. Geddes, Esquire, is designated Rate Counsel for this matter.

4. That the Applicant is hereby placed on notice that the cost of the proceeding will be charged to it under the provisions of 26 Del. C. § 114(b)(1).

5. That 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

/s/ Harold B. Gray
Commissioner

ATTEST:

/s/ Alisa Carrow Bentley
Secretary

E X H I B I T "A"

Table of Rates

The proposed rate increases are as follows:

Quarterly - Wilkerson Water Company Cedar Creek Customers						
	Current Rate without DSIC	Proposed Increase	Proposed New Rates	Effective Date	Annual Basis	% Increase
3/4" Service	\$58.75	\$10.00	\$68.75	4/1/2015	\$275.00	17%

Semiannually - Other Wilkerson Water Company Customers						
	Current Rate without DSIC	Proposed Increase	Proposed New Rates	Effective Date	Annual Basis	% Increase
3/4" Service	\$117.50	\$20.00	\$137.50	4/1/2015	\$275.00	17%
1" Service	\$192.50	\$20.00	\$212.50	4/1/2015	\$425.00	10%

Annually - Prime Hook Customers						
	Current Rate without DSIC	Proposed Increase	Proposed New Rates	Effective Date	Annual Basis	% Increase
Service	\$185.00	\$90.00	\$275.00	7/1/2015	\$275.00	49%

Miscellaneous Charges						
	Current Rate without DSIC	Proposed Increase	Proposed New Rates	Effective Date	Annual Basis	% Increase
Tapping charge	\$500.00	\$100.00	\$600.00	4/1/2015		20%
Turn on service	\$50.00	\$25.00	\$75.00	4/1/2015		50%
Turn off service	\$50.00	\$25.00	\$75.00	4/1/2015		50%

The DSIC charges will be set to zero.

E X H I B I T "B"

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NOTICE OF PUBLIC HEARING

**TO: ALL CUSTOMERS OF WILKERSON WATER COMPANY
(INCLUDING PRIME HOOK WATER COMPANY)**

On July 25, 2014, Wilkerson Water Company and Prime Hook Water Company ("Wilkerson" or "the Company") filed with the Public Service Commission ("the Commission") an application seeking to increase its unmetered water rates for water services as follows:

Quarterly - Wilkerson Water Company Cedar Creek Customers						
	Current Rate without DSIC	Proposed Increase	Proposed New Rates	Effective Date	Annual Basis	% Increase
3/4" Service	\$58.75	\$10.00	\$68.75	4/1/2015	\$275.00	17%

Semiannually - Other Wilkerson Water Company Customers						
	Current Rate without DSIC	Proposed Increase	Proposed New Rates	Effective Date	Annual Basis	% Increase
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Tapping charge	\$500.00	\$100.00	\$600.00	4/1/2015		20%
Turn on service	\$50.00	\$25.00	\$75.00	4/1/2015		50%
Turn off service	\$50.00	\$25.00	\$75.00	4/1/2015		50%

The new proposed rates are designed to produce a rate of return to the Company of 8.30 percent.

Pursuant to 26 Del. C. § 306(a)(1), the Commission has suspended the effectiveness of the proposed new rates pending further investigation and public evidentiary hearings, which will be held at a later date after further public notice. The Commission may approve or reject, in whole or in part, the proposed rate changes

Any person wishing to participate as a party in this docket (PSC Docket No. 14-0254) should file for leave to intervene with the Commission in accordance with Rule 21 of the Commission Rules of Practice and Procedure. Such petitions should be filed on or before Wednesday, **September 16, 2014** at the Commission's office located at:

Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building
Suite 100
Dover, Delaware 19904
(Attn: PSC Dkt. No. 14-0254)

Petitions filed thereafter will not be considered except for good cause shown.

You are invited to review Wilkerson's Application and supporting documents to determine how your interests may be affected. You may review documents posted on the Commission's website at <http://delafile.delaware.gov> by searching for Docket Number 14-0254. If you would like to review documents at the Commission's offices, please contact Alisa Bentley at alisa.bentley@state.de.us to arrange a time for your review. You may also review copies of Wilkerson's 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 for a time to review the documents at that location.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. This form may be found at <http://smu.portal.delaware.gov/cgi-bin/mail.php?foia-request&subj=DOS>. There is also a link to the Freedom of Information Act Request Form on the Commission's website, <http://depdc.delaware.gov>. The Commission will respond to your request in accordance with the Delaware Freedom of Information Act, 29 *Del C. ch.* 100.

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), by Internet e-mail, or other means.

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 Internet e-mail addressed to psc@state.de.us.