AND NOW, this 3rd day of March, 2015, the Delaware Public Service Commission (the “Commission”) determines and orders the following:

WHEREAS, on February 20, 2015, Sussex Shores Water Company (“Sussex Shores”) filed an application (the “Application”) pursuant to 26 Del. C. §215(a)(1) seeking authority to incur long-term debt by entering into a single advance term loan (“Loan”) in an amount up to $600,000 with security to be provided under an existing security agreement;¹ and

WHEREAS, in its Application, Sussex Shores stated that it intends to obtain such Loan from CoBank, ACB (“CoBank”) for a maximum term of up to 25 years and will make even monthly principal payments, together with interest, over the life of the Loan; and

WHEREAS, the Application provides that the proceeds from such Loan will be utilized to finance capital expenditures,

¹ Sussex Shores requested a waiver of the 20-day prior notice requirement set forth in 26 Del. Admin. C. §1002-2.2.1 "because a portion of the borrowings is to fund a project that is set to commence in early spring 2015." Staff has confirmed that timing is of the essence for this Application and recommends that the Commission waive the 20-day regulatory requirement notice for this matter.
including those necessary to improve and replace distribution mains and laterals in the Sussex Shores development; and

WHEREAS, pursuant to 26 Del. C. §215(a)(1), no public utility, without having first obtained the approval of the Commission, shall mortgage or otherwise dispose of or encumber any essential part of its franchises, plant, equipment or other property, necessary or useful in the performance of its duty to the public. In addition, 26 Del. C. §215(d) provides that the Commission must approve any mortgage, issue, or assumption when it finds the same to be made in accordance with law, for a proper purpose, and is consistent with the public interest; and

WHEREAS, Commission Staff (“Staff”) has examined the Application and all attached schedules, exhibits and responses to discovery and has concluded that Sussex Shores has complied with the requirements of 26 Del. C. §215(d) in that the Loan will be made in accordance with law, for a proper purpose, and is consistent with the public interest for the reasons set forth above; and

WHEREAS, Staff recommends the Commission approve the Application subject to the conditions that Sussex Shores (i) may not construe this approval as ratemaking treatment for future cases filings; (ii) must obtain any necessary approval by Sussex Shores’ board of directors; and (iii) within 30 days of the date of the closing of the Loan, Sussex Shores must file copies of its fully-executed Loan with CoBank and any other documents necessary to complete this transaction; and
WHEREAS, Staff also recommends that the Commission waive the regulatory notice requirements set forth in 26 Del. Admin. C. §1002-2.1.1 for the Application;

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

1. The Application filed with the Commission which requests Commission approval, under 26 Del. C. §§215(a)(1), for Sussex Shores to enter into a long-term loan commitment of up to $600,000 is hereby granted subject to the following conditions:
   a. Sussex Shores may not construe this approval as ratemaking treatment for future filings.
   b. Sussex Shore shall obtain any necessary approvals from its board of directors.
   c. Within 30 days of the date of the closing on the Loan, Sussex Shores shall file copies of its fully-executed Loan documents with CoBank as well as all other documents necessary to complete the transaction.


3. Nothing in this Order shall be construed as a guarantee, warranty, or representation by the State of Delaware or by any agency, commission, or department thereof with respect to the indebtedness of Sussex Shores that may be issued or incurred pursuant to the Application approved by this Order.

4. 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

ATTEST:

/s/ Donna Nickerson
Acting Secretary