



Human Services) in order to finance the aforementioned improvements to Tidewater's system.

4. In accordance with the Fund Binding Commitment Letter, attached to the Application as Exhibit "A" and incorporated herein by reference, the SRF Loan's interest rate shall be 2.0%, and Tidewater shall make interest-only payments semi-annually during project construction. Upon project completion, semi-annual principal and interest payments will be made in an amount sufficient to amortize the outstanding principal balance of the 20-year term at the rate of 2.0%.

5. Tidewater states that its financial strategy was to obtain long-term financing at favorable interest rates. The SRF Loan will enable Tidewater to finance at a favorable period of twenty years at 2.0% interest rate.

6. Staff has reviewed the Application for compliance with the requirements of 26 *Del. C.* § 215 and 26 *Del. Admin C.* § 1002 - Part D and submits that it is in accordance with law, for a proper purpose, and consistent with the public interest. Staff also states that it believes the financing portion of the Application complies with 26 *Del. C.* § 215 and warrants Commission approval. Lastly, Staff recommends that within thirty (30) days of the Commission's approving the Application, Tidewater shall file the Opinion of Counsel and notify Staff of any material change to the financing under the SRF Loan.

7. The Commission, after considering Staff's recommendation, determines that Tidewater's proposed issuance of a long-term debt

obligation is in accordance with law, for a proper purpose, and consistent with the public interest.

**NOW, THEREFORE, BY THE AFFIRMATIVE VOTE OF NO FEWER THAN THREE COMMISSIONERS, IT IS HEREBY ORDERED:**

8. That Tidewater Utilities, Inc.'s Application seeking Commission approval of the issuance of a long-term debt obligation in the principal amount of up to \$933,300 with a fixed interest rate from the Delaware Drinking Water State Revolving Fund, is hereby approved.

9. That Tidewater Utilities, Inc., is hereby authorized to execute documents and instruments necessary and appropriate in conjunction with the issuance of the long-term debt obligation to the Delaware Drinking Water State Revolving Fund (by and through the Delaware Department of Health and Human Services) in order to finance the improvements to Tidewater's system.

10. That Tidewater Utilities, Inc. shall file with this Commission within thirty (30) days of the date of closing of the SRF Loan, the Opinion of Counsel and shall notify Staff of any material change to the financing under the SRF Loan.

11. That 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:**

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Chair

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Commissioner

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Commissioner

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Commissioner

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Commissioner

ATTEST:

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Secretary