

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN RE: Request by the Guam)
Waterworks Authority for)
Approval to Reprogram Bond)
Proceeds for the Water Meter)
Replacement, the Water Reservoir)
Condition Assessment and)
Groundwater Chlorination)
Programs)

Docket No. 05-5

ORDER

On February 3, 2010, the Guam Waterworks Authority [GWA] filed a Petition for Expedited Approval of Bond Reprogramming to Fund the Water Meter Replacement, the Water Reservoir Condition Assessment and Chlorination Programs. Therein, GWA requests that the PUC authorize it to reprogram and utilize \$3,720,000 in bond proceeds, to fund various capital improvement projects associated with its duties under the *Stipulated Order* in Federal District Court of Guam Civil Case No. 02-35.

On February 22, 2010, PUC Counsel submitted a Report which recommends that the February 3, 2010 Petition be approved. In its Petition, GWA has established that it is obligated to fund the Water Meter Replacement, the Water Reservoir Condition Assessment, and the Chlorination Programs under the *Stipulated Order*. GWA must expend funds to complete these programs, or it runs the risk of additional fines being issued by the United States Environmental Protection Agency.

On February 16, 2010, GWA filed with the PUC a copy of its Certification Letter SO 14 Water Meters, to the U.S. Environmental Protection Agency, along with status reports and recommendations concerning the Water Meter Replacement Program. GWA has determined upon a course of action to address the water meter program, and it should be authorized to utilize the necessary funds to achieve its objectives. GWA indicates that funds reallocated from the leak detection/water line replacement program will be replaced by ARRA funds.

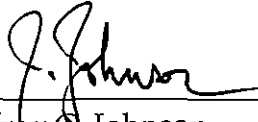
After review of the above described record, for good cause shown and in furtherance of the authority of PUC's October 27, 2005 *Order Approving General Revenue Bonds* in Docket 05-10, the Commissioners **HEREBY ORDER THAT:**

1. GWA is authorized to transfer not to exceed \$3,720,000 in funds from the sources identified in Table 1 of GWA's February 3, 2010 Petition to provide the additional funding required for the projects identified therein:

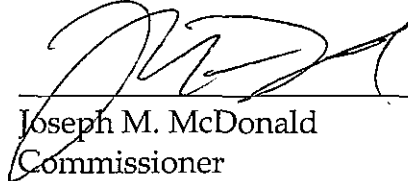
the Groundwater Disinfection, Water Reservoir Condition Assessment,
and Meter Replacement Program.

2. GWA must fully comply with its obligation to provide a report to the PUC in accordance with the FY09 Rate Decision issued in GWA Docket 09-03. GWA shall provide all such further materials required by the Rate Decision and GWA's agreed stipulation on or before March 15, 2010.

Dated this 25th day of February, 2010.



Jeffrey C. Johnson
Chairman



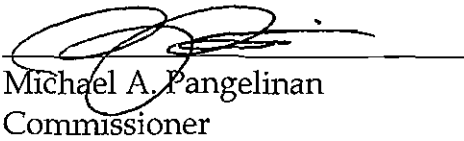
Joseph M. McDonald
Commissioner



Filomena M. Cantoria
Commissioner



Rowena E. Perez
Commissioner



Michael A. Pangelinan
Commissioner