

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER:)
)
The Application of the Guam)
International Country Club for) **DOCKET 08-004**
Approval of Rates for Guam Residents.))
)
_____)

PUC COUNSEL SUPPLEMENTAL COMPLIANCE REPORT

Previously, on March 8, 2010, PUC Counsel filed his COMPLIANCE REPORT in this Docket.¹ Therein, Counsel indicated that the Guam International Country Club [GICC] had failed to pay regulatory fees ordered by the Commission in its Decision & Order filed December 29, 2008.² Furthermore, GICC did not, as ordered, propose a panel of new members, consistent with the requirements set forth in P.L. 19-34, or a methodology for the purpose of setting appropriate rates.³ The reference to “a new panel of members” meant “comparable municipal facilities in the mainland United States, consistent with the requirements set forth in P.L. 19-34 §23(b).⁴

On March 10, 2010, the Administrative Law Judge issued his ORDER herein.⁵ GICC was ordered to appear for hearing on April 6, 2010, at 2:00 p.m., to address whether the Commission should take certain administrative actions as a result of GICC’s failure to pay its regulatory fees or to comply with other requirements of the December 29, 2008 Decision and Order of the Commission.

On March 29, 2010, the law firm of Teker Torres & Teker, P.C. submitted a written response concerning the March 10, 2010 Order and indicated that it would be representing GICC in this matter.⁶ Therein GICC’s Counsel included a check for payment in full of all outstanding administrative costs and expenses owed by GICC to the Guam Public Utilities Commission. In addition, the letter

¹ PUC Counsel Compliance Report, Docket 08-004, filed March 8, 2010.

² PUC Decision & Order, the Application of the Guam International Country Club for Approval of Rates for Guam Residents, Docket 08-004, filed December 29, 2008.

³ PUC Counsel Compliance Report, Id. at p. 2.

⁴ PUC Decision & Order, Docket 08-004, Id. at p. 2, filed December 29, 2008.

⁵ Order of Administrative Law Judge David A. Mair, Docket 08-004, issued May 10, 2010.

⁶ Letter from Lawrence J. Teker, Teker Torres & Teker, P.C., addressed to the Public Utilities Commission, dated March 29, 2010.

1 raised certain concerns about the duty of GICC to propose and appoint a new
2 panel of members.⁷

3 On April 6, 2010 at 2:00 p.m., a hearing was held before the Assistant
4 Administrative Law Judge. At that time GICC appeared through its counsel
5 Joshua Walsh of the law firm of Teker Torres & Teker, P.C. The Acting
6 Administrative Law Judge continued the hearing to give GICC's new Counsel
additional time to determine how to respond to the remaining issues herein.

7 At the continued hearing on April 13, 2010 at 2:00 p.m., GICC appeared with its
8 General Manger Henry Langit and its Counsel Lawrence Teker. GICC's Counsel
9 indicated a concern that he did not feel it was appropriate to appoint "panel
10 members" from US mainland golf facilities to decide GICC's rates. He
11 interpreted "panel members" to mean individuals who would sit on a panel to
12 determine GICC's rates; the Assistant Administrative Law Judge indicated that,
13 in accordance with the Commission's past practice and procedure, "a new panel
14 of members" meant "comparable municipal facilities in the mainland United
States, consistent with the requirements set forth in P.L. 19-34 §23(b)." The new
panel referred to the group of comparable municipal facilities in the mainland
U.S. that would be utilized by the PUC to set appropriate rates.

15 Based upon this common understanding that it is the Commissioners of the PUC
16 that continue to set GICC's rates, utilizing a new panel of members for
17 comparison purposes (i.e., comparable municipal facilities in the mainland
18 United States) GICC and the Assistant ALJ agreed upon an appropriate future
19 course of action in this Docket. The ALJ indicated that he would prepare a
proposed Supplemental Order for consideration by the Commissioners of the
PUC.

20 Such Order would relieve GICC from its duty to propose a new panel of
21 members ("comparable municipal facilities in the mainland United States") or a
22 methodology using the newly determined panel members to set appropriate
23 rates (as ordered in paragraphs 5 & 6 of the Commission's December 29, 2008
24 Order) until six months before GICC files a new petition with the Commission to
25 set appropriate rates. In other words, GICC would not have to propose a new
26 panel of members or a methodology until at least six months before it files any
27 new rate petition. GICC indicates that it has no present or immediate plans to
28 file such a petition.

⁷ Id. at p. 1.

1 Based upon the above representations of GICC, PUC Counsel submits that the
2 Commission should issue the proposed Order submitted herewith.

3 Dated this 19 day of April, 2010.

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6 Frederick J. Horecky
7 PUC Counsel
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