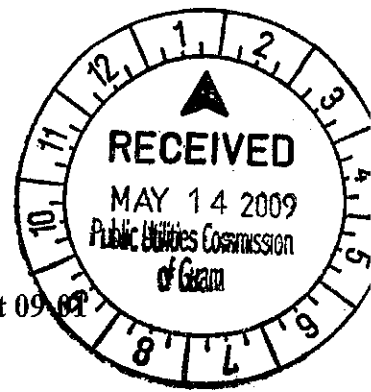


BEFORE THE PUBLIC UTILITIES COMMISSION  
OF GUAM



DPW Docket 09-02

**APPLICATION REGARDING ISSUANCE BY  
THE GOVERNMENT OF GUAM OF LIMITED  
OBLIGATION (SECTION 30) REVENUE BONDS  
FOR THE SOLID WASTE MANAGEMENT SYSTEM**

**ORDER APPROVING ISSUANCE OF LIMITED OBLIGATION BONDS**

Pursuant to Article 8 of Chapter 51 of Title 10 of the Guam Code Annotated and Section 11 of Public Law 30-7 (collectively, the "Act"), the Legislature of Guam has authorized the Governor of Guam (the "Governor") to issue one or more series or issues of limited obligation bonds for the purpose of paying, or reimbursing the Government of Guam (the "Government") for the payment of, the costs of the closure of the Ordot Dump and the construction of a new landfill (as such expenses and capital projects are described in the Act, collectively, the "Project"), or refunding any other prior obligations of the Government issued for any of such purposes, funding any necessary reserves relating to such bonds and paying costs of issuance of such bonds, in accordance with and subject to the requirements and limitations set forth in the Act. Pursuant to such authority, the Governor proposes to issue the Government of Guam Limited Obligation (Section 30) Bonds, 2009 Series A, in an aggregate principal amount not to exceed \$202,425,000 (the "2009 Bonds") to finance the Project, refund a loan from the Bank of Guam, make a deposit to a debt service reserve fund and pay costs of issuance of the 2009 Bonds. The 2009 Bonds are to be secured by a pledge of revenue derived by the Government under Section 30 of the Organic Act. In connection with said issuance, the Governor proposes to enter into an indenture and a supplemental indenture (collectively, the "Indenture"), each by and between the Government, Bank of Guam, as trustee (the "Trustee"), and U.S. Bank National Association, as co-trustee (the "Co-Trustee"). The issuance, terms and conditions of the 2009 Bonds and the Indenture are subject to Commission approval under Section 11 of Public Law 30-7.

The Governor, through the agency of the Guam Economic Development Authority ("GEDA") and pursuant to Public Law 30-7, has applied to the Commission for approval of the issuance, terms and conditions of the 2009 Bonds.

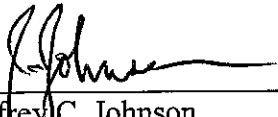
The issuance and sale of the 2009 Bonds have been approved by the Guam Economic Development Authority pursuant to Resolution No. 09-19 adopted on May 12, 2009.

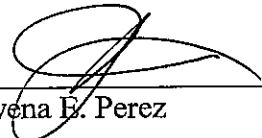
The proposed form of General Indenture and Supplemental Indenture have been presented to the Commission and are attached hereto as Exhibit A and Exhibit B, respectively.

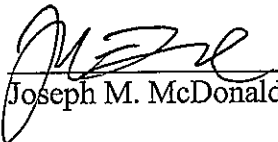
The Commission, having duly considered the application of GEDA and the information presented on the Governor's behalf and having determined that the issuance, terms and conditions of the 2009 Bonds as described herein for the purpose of financing the Projects is in the best interest of the ratepayers of Guam's solid waste management system, for good cause shown, and upon motion duly made, seconded and unanimously carried, **IT IS ORDERED AS FOLLOWS:**

1. The Indenture in substantially the form attached hereto as Exhibit A and Exhibit B is hereby approved, with such modifications as may be approved by the Governor, subject to the limitations of the Act and this Order.
2. The issuance, terms and conditions of the 2009 Bonds Exhibit A and Exhibit B hereto are hereby approved; provided, however, that the 2009 Bonds shall have a final maturity not later than 2042 and shall bear interest at such rate or rates and be sold at such price or prices as shall result in a yield to the bondholders not exceeding nine percent (9.0%) per annum.
3. The Department of Public Works (DPW) is ordered to pay the Commission's regulatory fees and expenses, including, without limitation, consulting and counsel fees and the fees and expenses of conducting the hearing proceedings. Assessment of PUC's regulatory fees and expenses is authorized pursuant to the 2009 Amended Assessment Order, 12 GCA 12024(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

Dated this 14th day of May, 2009.

  
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Jeffrey C. Johnson  
Chairman

  
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Rowena E. Perez

  
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Joseph M. McDonald

  
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Filomena M. Cantoria

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Michael A. Pangelinan



EXHIBIT B  
FORM OF SUPPLEMENTAL INDENTURE