



BEFORE THE PUBLIC UTILITIES COMMISSION

IN RE: PETITION FOR CRANE)
SURCHARGE BY PORT)
AUTHORITY OF GUAM)

PAG DOCKET 12-02
ALJ REPORT

This matter comes before the Guam Public Utilities Commission (the "PUC") pursuant to a Petition filed by the Jose D. Leon Guerrero Commercial Port, Port Authority of Guam ("PAG") on September 20, 2012. The Petition requests that the PUC review and approve the proposed surcharge recommended by PAG related to the purchase, maintenance, and use of Port of Los Angeles ("PoLA") cranes formerly owned by Matson Navigation Company, Inc. and Horizon Lines, L.L.C. The following is a status report regarding the Petition.

On June 5, 2012, PAG's Board of Directors approved the Sales and Interim Maintenance agreements, by way of Resolution No. 2012-05. Additionally, by way of Resolution No. 2012-04A, PAG's Board of Directors also approved a crane surcharge fee, of up to \$125.00 for loaded container and \$5.00 per tonnage for non-containerized cargo, to fund the debt service, repairs, and maintenance for the PoLA cranes, as well as to establish a sinking fund to plan for replacement cranes in the future.

On June 19, 2012, PAG filed a Petition requesting that the PUC approve the Sales Agreement and the Interim Maintenance Agreement related to PAG's purchase of certain PoLA cranes owned by Matson and Horizon. On August 27, 2012, the PUC issued an Order approving the Sales and Interim Maintenance agreements. In the same Order, the PUC also required PAG to "develop a tariff that fully funds the acquisition, financing, and maintenance resulting from the purchase" of the PoLA cranes.

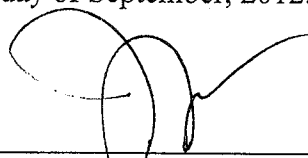
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On September 20, 2012, PAG filed its Petition requesting that the PUC approve the proposed surcharge recommended by PAG related to the purchase, maintenance, and use of the PoLA cranes. Thereafter, the Administrative Law Judge of the PUC (the "ALJ") transmitted the Petition to the firm of Slater, Nakamura & Associates ("Slater Nakamura"), the PUC's consultants for port authority matters.

Slater Nakamura shall investigate PAG's surcharge Petition and shall report its findings and recommendations to the PUC. After the ALJ holds public hearings regarding the new surcharge, the ALJ shall issue a Report indicating his findings and recommendations regarding the new surcharge upon his review of the entire record.

Respectfully submitted this 20th day of September, 2012.


DAVID A. MAIR
Administrative Law Judge

P124069.JRA