



**BEFORE THE PUBLIC UTILITIES COMMISSION**

**PETITION OF** )  
**GUAM WATERWORKS AUTHORITY** ) **GWA DOCKET 09-03**  
**FOR RATE RELIEF** ) **ALJ REPORT RE: STATUS OF**  
 ) **MULTI-YEAR RATE PLAN**

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This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to the PUC’s Order dated January 29, 2013 and filed in this docket. Pursuant to the January 29, 2013 Order, GWA was required to file its next multi-year rate plan for the PUC’s review by March 1, 2013. The following is a status report regarding GWA’s multi-year rate plan.

On February 26, 2013, the Consolidated Commission on Utilities (“CCU”) considered and approved GWA’s next multi-year rate plan. On March 1, 2013, GWA filed a Five Year Financial Plan with the PUC for its review. The five-year plan indicates the following rate increases: 16% in FY2014; 14.5% in FY2015; 17.5% in FY2016; 10% in FY2017; and 9% in FY2018.

In the plan, GWA maintains that “the principal drivers of the Plan are the significant investments required by a 2011 Federal Court Order, regulatory mandates and policy statements.” “Other drivers include the obligatory requirement for improving service levels, meeting reserve requirements and contractual obligations such as the 2005 and 2010 Revenue bond covenants.” The plan also indicates GWA’s intent to issue three new bonds.

**ORIGINAL**

On March 11, 2013, GWA published in the MARIANAS VARIETY newspaper a Notice to Ratepayers informing the public of these proposed rate increases.

A copy of the Five Year Financial Plan was also transmitted to the firm of Georgetown Consulting Group (“Georgetown”), the PUC’s consultants for water and wastewater matters. The ALJ hereby authorizes Georgetown to review and investigate GWA’s multi-year rate plan, which shall serve as the basis for GWA’s rate case to be filed in June 1, 2013, and to report the status of its findings to the PUC by May 15, 2013.

Respectfully submitted this 25<sup>th</sup> day of March, 2013.



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**DAVID A. MAIR**  
Administrative Law Judge

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