

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

The Port Authority Of Guam
[PAG] Request For PUC Investigation
of Rates and Tariffs

Port Docket 09-02

ORDER APPROVING IMPLEMENTATION POLICY
FOR FACILITY MAINTENANCE FEE

In the ORDER APPROVING INTERIM TARIFFS AND RATES FOR THE PORT AUTHORITY OF GUAM, adopted January 29, 2010, the Commission ordered that, prior to implementation of the facilities maintenance fee of \$25 per bill of lading, the PAG must develop a process and policy for exempting cargo from this fee when the total value of the bill of lading is \$2,500 or less.¹ Furthermore, the Commission ordered that the policy include a provision to allow shippers who frequently ship items below the \$2,500 threshold to be exempt from the fee. Finally, the policy should also include a provision for shippers to apply for a refund from the PAG for cargo whose bill of lading is less than \$2,500; such policy requires the prior approval of the PUC before it is effective.²

On February 17, 2010, the Port submitted its proposed Facility Maintenance Fee Policy to PUC Legal Counsel.³ The Facility Maintenance Fee Policy submitted by the Port is attached as Exhibit A hereto. Upon review of the Facility Maintenance Fee Policy submitted by the PAG, and the January 29, 2010 PUC Order Approving Interim Tariffs and Rates for the Port Authority of Guam, for good cause shown, and on motion duly made, seconded and carried by the undersigned Commissioners, the Guam Public Utilities Commission HEREBY ORDERS that:

1. The Facility Maintenance Fee Policy submitted by the Port to PUC on February 17, 2010, is hereby approved.
2. The Port shall attach its Facility Maintenance Policy to its PORT AUTHORITY OF GUAM TARIFF RATE TABLE, and file the same with the Commission in accordance with this Order and the PUC Order of January 29, 2010 in this Docket.

¹ PUC Order Approving Interim Tariffs and Rates for the Port Authority of Guam, Port Docket 09-02 issued January 29, 2010.

² Id. at p. 5.

³ Email dated February 17, 2010 from Jojo Guevara, Financial Affairs Controller, PAG, to PUC Legal Counsel.

Dated this 25th day of February, 2010.

Jeffrey C. Johnson
Chairman

Joseph M. McDonald
Commissioner

Rowena E. Perez
Commissioner

Filomena M. Cantoria
Commissioner

Michael A. Pangelinan
Commissioner

FACILITY MAINTENANCE FEE

Purpose:

The Jose D. Leon Guerrero Commercial Port (PAG) must refurbish and modernize its facilities. This is necessary to better serve its customers and prepare for substantial expansion of the Port's cargo handling terminal that is needed to handle the anticipated increase in cargo volumes resulting from the Guam Military Buildup. On January 29, 2010, the Guam Public Utilities Commission (PUC) approved the Port's interim tariff rates request. In doing so, one component of the approved interim tariff rates was to implement a facility maintenance fee of \$25.00 for each bill of lading subject to the establishment and implementation of a policy. This policy to implement the \$25.00 facility maintenance fee per bill of lading will provide funding for the maintenance, replacements, and repair of the port facilities.

Definition:

The "facility maintenance fee" is the fee assessed for use of port facilities to provide funding for the maintenance, replacements, and repair of the port facilities. The fee will be assessed to port users utilizing the facilities in the receipt and delivery of cargo to and from vessel and/or in connection with the receipt, delivery, checking, care, custody and control of cargo as required in the transfer of cargo.

The foregoing does not include any services or facilities charge that is included in wharfage, dockage, wharf demurrage, wharf storage or any other individual charges. This fee does not include the handling of cargo, loading nor unloading operations, or any labor other than that which is essential to performing the service.

Facility Maintenance Fee

Facility Maintenance Fee	\$25.00 *per bill of lading
--------------------------	-----------------------------

*Exemption = Bill of ladings will be exempted from the facility maintenance fee when the cargo is valued \$2,500 or less.

Guidelines:

1. Vessels, their owners, charterers and agents assigned the use of Port facilities in accordance with Section I of the Port Terminal Tariff shall be liable for and shall collect and pay to Port the Facility Maintenance Fee as provided for in this memorandum and the provisions of Item 3, section I of the Port Terminal Tariff shall apply.
2. The Port will bill the facility maintenance fee for all cargo bill of ladings submitted.
3. Facility Maintenance Fee will be billed to the first carrier for all Inbound Transshipment bill of ladings.
4. Vessels, their owners, charterers and agents who are entitled to the bill of lading exemption are required to submit to the Finance division a copy of the cargo invoice for each bill of lading claimed to be below the threshold by vessel and within thirty (30) days of the PAG invoice date. PAG will validate whether cargo value is within the threshold of \$2,500 or less.
5. PAG Finance Division will issue a credit to any vessels, their owners, charterer and agents who are determined to be, on case by case basis, exempt from the facility maintenance fee.

EXHIBIT "A"