

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

)	GWA DOCKET 13-01
)	
PETITION OF)	
GUAM WATERWORKS AUTHORITY)	ORDER
FOR RATE RELIEF)	
)	
)	
_____)	

INTRODUCTION

On April 30, 2013, the Guam Public Utilities Commission (the “PUC”) issued an Order approving the Petition filed by Guam Waterworks Authority (“GWA”) to increase by \$1.2 million GWA’s Program Management Office Contract (“PMO” with Brown & Caldwell (“B&C”)), but requested that GWA provide certain information within 60 days thereafter.¹ The Administrative Law Judge of the PUC, David A. Mair (the “ALJ”), who acts as the ALJ on GWA related matters, has been tasked with providing the PUC with a report on GWA’s response to the April 30, 2013 Order. On May 17, 2013, GWA responded with the submission of information sought by the PUC.

DETERMINATIONS

In the April 30, 2013 Order, the PUC requested that GWA within 60 days submit a detailed report on: (a) immediate and long range plans for use of the PMO, including the remainder of this fiscal year and over the next five years and beyond, which explains general tasks proposed and general scope of work; (b) justification for use of the PMO, including whether the PMO remains necessary in light of the delay in the military buildup; (c) discussion of how the PMO plans to utilize and pass on its skills to the employees, what has been done to date, and what specific staff development and process improvement plans are in

¹ PUC Order, GPA Docket 11-02, p. 2 (Apr. 30, 2013).

effect; (d) GWA to provide the PUC with copies of staff development and process improvement plans proposed and executed by B&C, and portions of B&C's contract which specifies in detail precisely how the PMO will optimize the skills of GWA employees; (e) a brief outline of the major accomplishments of the PMO; and, (f) a description of the steps to date that the PMO has taken to develop the skills of GWA employees.

On May 17, 2013, GWA submitted its reports responsive to the PUC's requests. On May 24, 2013, the ALJ filed an ALJ Report detailing his findings based on GWA's submission. In the ALJ Report, the ALJ found that GWA substantially complied with the PUC's April 30, 2013 Order and provided the bulk of the information requested. However, with regard to certain matters, the ALJ determined that GWA should be required to supplement its responses with some additional information. Accordingly, the ALJ recommended that GWA provide the following supplemental information:

A. GWA should provide within sixty (60) days the PUC, the ALJ and the PUC's consultants the current balance available from the 2010 Series Bond proceeds net of any future project commitments.

B. GWA should provide within sixty (60) days the PUC, the ALJ and the PUC's consultants with a complete copy of the B&C contract with GWA, along with any amendments.

C. GWA should commence providing the PUC, the ALJ and the PUC's consultants with the monthly reports generated by the PMO to track their progress. These reports shall be provided to the PUC and its consultant so that the consultant can monitor the effectiveness of GWA's PMO and update the Commissioners regularly on key findings relative to the initiative.

D. GWA should provide within sixty (60) days the PUC, the ALJ and the PUC's consultants with information that would confirm the percentage of B&C payments in 2012 that were used to pay local firms for their subcontracted services. Additionally, GWA and B&C should establish realistic goals for increasing that percentage for each successive year and include realized results in their progress reporting.

The Commission hereby adopts the findings made in the ALJ Report and, therefore, issues the following.

ORDERING PROVISIONS

Upon careful consideration of the record herein, the May 24, 2013 ALJ Report, and for good cause shown, on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS the following:

1. The PUC finds that GWA has substantially complied with the PUC Order of April 30, 2013, and provided the bulk of the information requested.

2. GWA shall provide the following supplemental information:

A. GWA shall provide within sixty (60) days the PUC, the ALJ and the PUC's consultants the current balance available from the 2010 Series Bond proceeds net of any future project commitments.

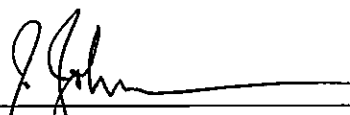
B. GWA shall provide within sixty (60) days the PUC, the ALJ and the PUC's consultants with a complete copy of the B&C contract with GWA, along with any amendments.

C. GWA shall commence providing the PUC, the ALJ and the PUC's consultants with the monthly reports generated by the PMO to track their progress. These reports shall be provided to the PUC and its consultant so that the consultant can monitor the effectiveness of GWA's PMO and update the Commissioners regularly on key findings relative to the initiative.

D. GWA shall provide within sixty (60) days the PUC, the ALJ and the PUC's consultants with information that would confirm the percentage of B&C payments in 2012 that were used to pay local firms for their subcontracted services. Additionally, GWA and B&C shall establish realistic goals for increasing that percentage for each successive year and include realized results in their progress reporting.

3. GWA is ordered to pay the Commission's regulatory fees and expenses, including, without limitation, consulting and counsel fees and the fees and expenses associated with the contract review and rate investigation. Assessment of the PUC's regulatory fees and expenses is authorized pursuant to 12 G.C.A. §§12002(b), 12024(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

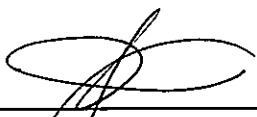
SO ORDERED this 28th day of May, 2013.



JEFFREY C. JOHNSON
Chairman



JOSEPH M. MCDONALD
Commissioner



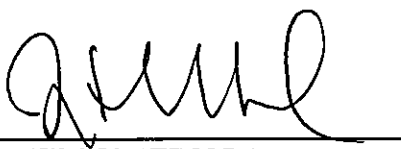
ROWENA E. PEREZ
Commissioner



FILOMENA CANTORIA
Commissioner



MICHAEL A. PANGELINAN
Commissioner



PETER MONTINOLA
Commissioner

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