



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

PETITION OF
PORT AUTHORITY OF GUAM
FOR RATE RELIEF

PAG DOCKET 13-01

ALJ STATUS REPORT

This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to the Interim Tariff Petition, filed by the Jose D. Leon Guerrero Commercial Port (“PAG”) on July 19, 2013 (the “Petition”). The following is a report regarding the Petition.

The Petition is based on the testimony submitted by PAG General Manager Joanne M.S. Brown, Maria D. R. Taitano, Rudel Mangubat, and Jeffrey Peck of Parsons Brinckerhoff; and is further based on Resolution No. 18-FY2013, issued by PAG’s Board of Directors. The Petition proposes a 5.65% increase across the board on all Tariff elements. PAG submits that the rate increase proposed in the Petition “is vital for the generation of sufficient revenues to cover operating costs of the Port Authority, and service the Bank of Guam loan required for planned improvements of the wharfs, the acquisition of cargo handling equipment and the Financial Management Systems Upgrade.”¹

Specifically, PAG maintains that “[t]he goal of the interim tariff adjustment is to ensure that sufficient revenues are available to keep up with inflation and to support the three near-term Port-financed components: First, the Wharf Service Life Extension

¹ Interim Tariff Petition, filed by the Jose D. Leon Guerrero Commercial Port (“Petition”), PAG Docket 13-01, p. 1 (July 19, 2013).

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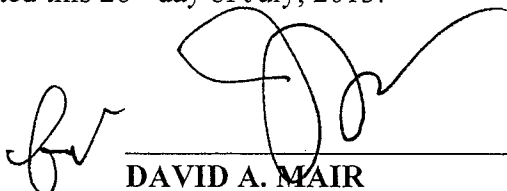
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(SLE) Project(s), which involves the repair of PAG Wharfs F3, F4, F5, and F6; second, the Financial Management System (FMS) upgrade, to improve the current System to include the purchase new system hardware; and third, the acquisition of a cargo handling Toplifter.”²

PAG further indicates that “[t]he primary objective is to maintain an economically sustainable tariff that is equitable and reasonable for the Port as well as its users, consistent with the quality and level of service provided by the Port” and “is part of a long term plan that will allow the Port to keep pace with inflation and fund all necessary Port Modernization Program investments, future crane replacements and all other sustainability investments needed to operate sufficiently as an efficient and solvent business through the 20-year planning horizon.”³

A copy of the July 19, 2013 interim rate petition has been transmitted to the firm of Slater Nakamura, the PUC’s consultants for port authority matters. The ALJ has requested that Slater Nakamura provide the PUC with a Scope of Work and begin its review of the instant rate petition.

Respectfully submitted this 26th day of July, 2013.



DAVID A. MAIR
Administrative Law Judge

P134072.JRA

² Petition, Direct Testimony of Joanne M.S. Brown, Interim Tariff Rate Petition 2013, p. 3.

³ Petition, p. 1.