

GUAM PUBLIC UTILITIES COMMISSION
SPECIAL MEETING
April 29, 2010
SUITE 202, GCIC BUILDING, HAGATNA



MINUTES

The Guam Public Utilities Commission [PUC] conducted a meeting commencing at 6:15 p.m. on April 29, 2010 pursuant to due and lawful notice. Commissioners Johnson, Cantoria, Perez, and Pangelinan were in attendance. The following matters were considered at the meeting under the agenda made *Attachment "A"* hereto.

1. Approval of Minutes

The PUC reviewed the minutes of the meeting conducted on March 25, 2010. Upon motion duly made, seconded and unanimously carried, subject to certain technical corrections, the minutes were approved.

2. GTA Telecom

Chairman Johnson indicated that the first matter before the Commission for consideration was the Joint Petition of GTA Telecom LLC and Pulse Mobile LLC for approval of their Wireless Interconnection and Reciprocal Compensation Agreement. Counsel indicated that the parties were seeking PUC approval of their new interconnection Agreement. The parties are "sister" companies or "affiliates" under the Commission's Affiliate Transaction Rules. The agreement would provide for exchange of communications between Pulse Mobile, which provides commercial mobile communications, and GTA, which provides telephone service over landlines. The agreement appears to be standard and provides similar terms and conditions as in the prior GTA - IT&E agreement (which was previously approved by the Commission). There is no price discrimination between GTA and its affiliate, Pulse Mobile. The rates and charges in the GTA/Pulse agreement are the same as those as in the GTA/Guamcell Agreement. The GTA/Pulse agreement also contains a "Most Favored Nation Clause", which provides that other carriers are entitled to the same terms and conditions contained in the GTA/Pulse agreement. The pricing, terms and conditions in the GTA/Pulse agreement are standard to those provided in other agreements.

Counsel also sought to ascertain whether GTA was in compliance with its filing requirements under the Affiliate Transaction Rules. GTA has now filed its Affiliate Transaction Certificates for 2008 and 2009 and has also filed its latest Cost Allocation Manual. GTA has certified that it is in compliance with Affiliate Transaction Rules.

Under the analysis that the Commission has engaged in relative to interconnection agreements, there is no basis under federal law to find that a provision of the agreement discriminates against a carrier not a party to the agreement. The provisions apply equally to all carriers. The parties need to enter into a new interconnection and compensation agreement, as the prior agreement is expiring. The terms are the same as those in similar agreements between GTA and other carriers, and also include a "Most Favored Nation" provision.

Counsel recommends that the joint petition of GTA/Pulse be approved, as it satisfies the requirements of federal law. However, the parties and their agreement should be subject to the continuing jurisdiction of the Commission, in the event that the ALJ recommends any changes to the existing remedy provisions in Interconnection Agreements between telecommunications parties. Commissioner Perez asked about the request of the parties that the petition be approved without a hearing. Counsel indicated that this discussion this evening was the "hearing," and that the PUC was required to go through certain steps of review requirements in examining any interconnection agreement. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the Wireless Interconnection and Reciprocal Compensation Agreement between GTA Telecom LLC and Pulse Mobile, LLC [Mpulse] as set forth in the order made *Attachment "B"* hereto.

3. Guam Waterworks Authority

The Chairman indicated that the next matter before the Commission would be Guam Waterworks Authority, Docket 08-08, Supplemental Order Clarifying Interest Rate for Amortized System Development Charges. PUC Counsel indicated that there was only one issue for consideration by the Commission in the proposed Supplemental Order. The prior PUC Decision and Order approving the Amortized System Development Charges did not clearly set forth the applicable interest rate of 7.5% per annum due over an eight year period. Such interest rate should be specified in the PUC Supplemental Order. The Commission already approved the amount of interest, as it was included in the monthly charges indicated for water and wastewater amortized system development charges in Schedule II of the GWA System Development Charge Implementation Guidelines. The proposed Supplemental Order clarifies that the interest rate on amortized system development charges for water and wastewater shall be 7.5% over an eight year amortization period.

The Commissioners questioned whether the \$500 charge was "monthly" as indicated in Schedule II, and requested that it should be corrected to indicate that the charge was not monthly. Commissioner Perez questioned how the interest rate was developed. Bill Blair of Georgetown Consulting Group gave an explanation of the interest rate charge and indicated that, at the time, GWA was borrowing money at 8%; GCG felt that the interest rate should be close to the initial borrowing rate, so 7.5% was agreed upon. In

response to Commissioner Cantoria's question, as to whether customers could pay the whole amount of the system development charge, Mr. Blair indicated that it was at the option of the customer to either pay the whole amount or to pay amortized charges. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the SUPPLEMENTAL ORDER, a copy of which is made *Attachment "C"* hereto, which clarifies that the interest rate on amortized system development charges for water and wastewater shall be 7.5% over an eight year amortization period.

4. Port Authority of Guam

The Chairman then indicated that the next matter to be considered by the Commission was Port Docket 09-01, PAG Procurement for Tariff/Rate Consultant. PUC Counsel indicated that, at the last meeting, he had given the Commissioners a lengthy report on the Port's Procurement for a rate consultant. Under Public Law 30-52, PAG has no choice in the matter--it is required to hire a rate consultant, which hiring is subject to the review and approval of the Commission. PAG did submit a recommended procurement to the PUC for approval. Counsel had suggested changes to the RFP to strengthen the portion on the duties of the Port consultant for representation of the Port before the PUC. The port made those changes in the Request for Proposals. At the last PUC meeting, Counsel had been unable to submit all relevant documents to the PUC; however he asked the Commission to authorize the Chairman to sign an order approving the procurement, based upon a favorable counsel recommendation. Counsel recommended approval of the RFP, and on April 1, 2010, the Chairman signed an Order authorizing the Port to issue the RFP for its rate consultant; the Order signed by the Chair was the same order which had been presented to the Commission at the last PUC meeting. The Port has now issued its procurement. This matter is before the Commission upon a request for ratification of the Chairman's Order approving issuance of the RFP. Upon motion duly made, seconded and unanimously carried, the Commissioners voted to approve the ratification of the Chairman's April 1, 2010 Order, which authorized the Port to issue an RFP for Rate Consultant.

The next matter for PUC consideration was Port Docket 09-02, Port Submission of the Policy for Implementation of Facility Maintenance Fees. Counsel indicated that there were explanatory materials in the Commissioners' packets. The existing Facility Maintenance Fee, which the PUC approved, is \$25 per bill of lading. PAG and the Port Users Group discovered that a "per bill of lading" causes problems--an "aggregation" situation was caused where shippers would place many containers under one Bill of Lading in order to avoid the charge. The Port now requests modification of that policy to change the charge to a "\$25 per container charge." Counsel indicated that he had discussions with Port officials and the Port Users Group. Initially the parties proposed a joint petition to change the Facility Maintenance Fee to a per container basis.

However, subsequently, the Port Users Group opted not to join the Port in its petition to change the facility maintenance fee.

The PUC's Consultant's Slater Nakamura, has concurred with the Port's request and said that the new proposed policy is preferable to the existing policy. However, Counsel indicated that he felt uncomfortable in asking the Commission to proceed ahead tonight in approving the policy because there should be more input from the Port Users Group. With the Commissioners' consent, Counsel would publish a notice to conduct a hearing for the next PUC meeting, at which time any interested party could give testimony and state opinions on this proposed change in the Facility Maintenance Fee. This could be done at the next PUC meeting. The Port Users should have the opportunity to comment on the record. Counsel recommended that the "merits" of changing the policy should be deferred to the next meeting. Commissioner Cantoria agrees that there should be a public hearing on this matter. Upon motion duly made, seconded and unanimously carried, the Commissioner voted to delay consideration of the proposed Facility Maintenance Fee policy until the next meeting and after public hearing.

5. Guam Power Authority

PUC Counsel was asked by the Chairman to give his Report on issues raised by the Commissioners concerning the Baker Tilly CTP [Certified Technical Professional] Study. Counsel indicated that, at the last PUC meeting, he was asked to address certain questions concerning the Baker Tilly Report on CTP salary and to review the history of the program. However, rather than going through the extensive background and history covered in the Report, Counsel addressed three areas of concern to the Commissioners. First, he indicated that it was the Consolidated Commission on Utilities, not the PUC which has the full authority to determine which employees are included in the CTP program, and what should be the amount of their salaries, when there would be increases, and what the implementation schedule would be. Second, Counsel indicated that there is not a schedule in the law that requires any certain rate of implementation of CTP salary increases. The implementation schedule is up to the CCU. However, CCU Resolutions have stated that GPA shall begin to transition to the 50 Percentile over a 5 year period beginning in 2008. The resolution however, also indicates that salary increases are subject to the budgetary approval of the CCU. Thus, salary increases must be approved by the CCU in the ordinary budget process and are not necessarily automatic. Third, Counsel indicated that GPA has apparently, at present, increased its employees to the 15th Percentile. It is likely that over 500 employees of GPA, or 90%, are eligible for CTP. Commissioner Perez asked which employees are not eligible; GPA responded that there is a list [List C] which indicates those employees not covered. Commissioner Cantoria asked whether the PUC has authority regarding the approval of CTP. Counsel stated that the PUC has some review authority, including the ability to review staffing annually and to review the amounts of

salary which GPA seeks as revenues in rate cases. Commissioner Cantoria further asked that if GPA has approved salaries, can the PUC tell GPA to withdraw such salaries? Bill Blair of GCG indicated that PUC does not have to recognize revenue requirements if salaries are not "just and reasonable."

Counsel indicated that, as requested by the PUC, he had drafted a letter to Baker Tilly to address problems and issues in its report, and to advise Baker Tilly that the PUC is not responsible for authorizing increases in CTP salary. Commissioner Perez indicated that she would like to read the background in Counsel's report before approving the issuance of the letter. The Chairman indicated that the matter would be tabled until the next meeting. The General Manager of GPA stated to the Commissioners that GPA could offer the Commissioners a workshop on the CTP salary program. The Commissioners asked questions concerning the implementation time table and the applicability of the Hay study. The General Manager responded that the consultants had recommended 50% implementation of CTP, and that the Hay study applied to non-CTPs.

6. GTA Telecom

The Chairman apologized to GTA and indicated that earlier, he had not been aware that there was a second item involving GTA Telecom, GTA Docket 10-03, Joint Petition of GTA Telecom LLC and Guam Telecom LLC for approval of Amendment to Interconnection Agreement and Request for Ratification of Chairman's Order. PUC Counsel indicated that this matter had been fully before the PUC at its last meeting. The proposed amendment was discussed in detail at that time; the amendment only involved changing the location of the mid-span fiber meeting from Tumon to Agana Central Office, and certain other pricing information. Counsel indicated that his Report was on file, along with the draft Order. At the last meeting, since there was not a quorum of Commissioners who could vote on this issue, the Commission authorized the Chairman to sign the Order approving the amendment, which the Chairman did. Now, the Commission is being requested to ratify the Chairman's Order. Commissioner Pangelinan indicated that there was still no quorum present, because he was required to recuse himself in this matter; Guam Telecom is his firm's client. Counsel indicated that the Chairman's Order would still stand, and that GTA was authorized to enter into the amendment to the interconnection agreement with GT. The Chairman then indicated that this matter would also be tabled until the next meeting.

7. Guam Power Authority

The Chairman indicated that the next matter for consideration would be Docket 94-04, GPA's Application to Approve the Contract for Performance Management Contractor

for Cabras 3 & 4. A PUC Counsel Report is on file. According to Counsel, GPA has indicated that its present Performance Management Contract for Cabras 3 & 4 with Doosan Engine Co., Ltd., expires on July 1, 2010. Previously, the Consolidated Commission on Utilities authorized GPA management to proceed with the awarding of a performance management contract for Cabras 3 & 4. Also, this Commission previously approved the procurement by GPA, allowing it to seek bids for the performance management contract. There was a solicitation of bids for the PMC, and GPA received three bid proposals: Doosan Engine Co., Ltd., Korea East-West Power Co., Ltd., and O&M Energy. GPA evaluated the bid proposals and determined that Korea East-West Power Co., Ltd. is the lowest responsive bidder. As demonstrated by the Abstract of Bids, Korea East-West Power Co. has the lowest fixed management fee and the highest present net savings. GPA has now presented a contract, and wishes to proceed ahead with the contract for the selected bidder. Counsel indicated that the new contractor has offered savings on the fixed management fee, and contractor believes it can increase the efficiency of the plants as to the equivalent availability factor. According to Counsel, the contract terms are standard and reasonable, and the form of the contract has been previously approved by the Commission. Counsel recommends that the PUC approve the contract. The Order proposed by Counsel would implement recommendations that he has made.

Commissioner Cantoria asked what the evaluation of Doosan Engine Company, the current contract, was. Andy Balajadia of GPA indicated that Doosan was higher on the cost of the bid for the fixed management fee. In response to a question from Commissioner Perez, Mr. Balajadia indicated that award is made to the company with the highest net savings value. Korea East-West had the highest net savings value. Upon motion duly made, seconded and unanimously carried, the Commissioners voted to adopt the Order approving the PMC contract. The Order is made *Attachment "D"* hereto.

The Chairman indicated that the next matter for consideration by the Commission was Docket 07-10, the Petition of Guam Power Authority for Base Rate Relief; Status Report on Phase III Proceedings; Phase III Stipulation; Notice of Public Hearing. Legal Counsel indicated that this matter was before the Commission primarily for informational purposes. There has been ongoing Phase III proceedings and a stipulation reached by the parties concerning certain surcharges previously ordered by the Commission. The first surcharge would fill GPA's Working Capital Fund in the amount of approximately \$27 Million, which was the deficiency in the fund as of March 1, 2010. The parties all recommend that the PUC implement the WCF surcharge over an 18 month period. The surcharge would represent an approximate 5% base rate increase. A second surcharge, the "COLA Surcharge" would reimburse the government of Guam for certain COLA expenses resulting from the Rios case (a total amount of \$1.2 Million). Only Georgetown recommends adoption of this surcharge. Counsel indicated that these matters would be discussed by the Commission in more detail at subsequent meetings;

however, for this evening, Counsel believes that the PUC would want public hearings to be scheduled on the surcharges. Public hearings have been set for May 18 and 19 at Agana, Dededo and Asan. Counsel also indicated that GPA is presently proposing a bond issue. The proposed bond issue includes funding for the Working Capital Fund. If that process proceeds ahead, the surcharge may be changed and billed over a five year period to meet principal and interest payments due on the bonds. If the WCF is funded through the bond issue, the amount of the surcharge would be reduced from approximately 5% to 2% on the total bill. Commissioner Perez asked for a clarification of the working capital fund. GM Flores of GPA indicated that the WCF was an indenture requirement that GPA have at least one month of operating expenses (including fuel, O&M, and IPP's expenses) on the fifth day of each month. Upon motion duly made, seconded and unanimously carried, the Commissioners approved a motion to instruct Counsel to proceed ahead with the public hearing process.

8. Guam International Country Club

The Chairman indicated that the next matter for consideration was Docket 08-004, Status Report and Proposed Supplemental Order. Legal Counsel indicated that the ALJ had issued an order to show cause as to why GICC had not paid regulatory fees resulting from the 2008 rate case. There had also been a previous demand letter. The OSC was issued on March 29, 2010, GICC, through its attorneys, indicated that GICC had paid the full amount of fees (over \$29,000). Counsel indicated that GICC was now current in its fees, other than fees incurred in this proceeding. There were other compliance issues regarding the prior Order. In the prior Order, GICC had been mandated to come up with a new panel (comparable municipal facilities in the mainland United States), which could be used for rate setting purposes, within one year of that order. However, GICC did not comply with such requirement and also did not propose a new methodology of how panel members should be constituted. Counsel now recommends that PUC amend its prior Order to allow GICC to propose a new panel of comparable facilities and a new methodology a six months before it files a new petition for a rate case with the Commission. Because of the cost of composing a new panel, there is a justification for not compelling GICC to fund the cost of such panel and the new methodology now, but waiting until a new rate case is filed. GICC has no present intent to file a rate case. Thus, Counsel recommends that the PUC adopt a Supplemental Order which would change the timelines in paragraph 5 and 6 of the December 2008 Order in accordance with Counsel's recommendations. Upon motion duly made, seconded and unanimously carried, and subject to correction typographical errors, the Commissioners move to approve the Supplemental Order, which is made *Attachment "E"* hereto.

9. Administrative Matters

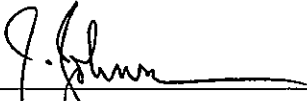
Counsel indicated that the Guam Power Authority has filed a petition for the issuance of bonds in the approximate amount of \$220 Million. Counsel presented the issue of what level of participation should be requested from the Commission's Consultant, Georgetown Consulting Group. Counsel indicated his belief that some assistance should be requested, but that he could handle legal issues and other issues regarding the bond issuance. Commissioner Perez indicated that GCG's participation should be at Counsel's discretion. General discussion ensued among the Commissioners concerning issues about the bond issuance, the ratings of GPA, projects contemplated in the bond issue, funding sources for the bond issue, refunding of outstanding bonds, and other matters. Commissioner Pangelinan suggested that at this point it was hard to define the GCG scope of work, but that scope could be defined as GCG responds to Legal Counsel on a case by case basis in coordination with the Chairman. The Chairman asked Counsel as to how we should proceed. Counsel suggested that he would work together with GCG's Counsel Mr. Blair on how to proceed.

10. PUC Website

Counsel indicated some concern, as the Commission had hoped to have the website online at the beginning of this year. There is a concern with delay. The Consultant ICON does need some additional materials and further input as to how the website will be implemented. Counsel believes that the consultants do need to be proactive. Counsel will continue to work with the Consultant to implement the website.

11. Other Business

There being no further business, the Commissioners moved to adjourn the meeting.



Jeffrey C. Johnson
Chairman

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

**SPECIAL MEETING
SUITE 202 GCIC BUILDING
414 W. SOLEDAD AVE. HAGATNA, GUAM
6:00 p.m. April 29, 2010**

1. **Approval of Minutes of the Meeting of March 25, 2010.**
2. **GTA Telecom**
 - GTA Docket 10-04, Joint Petition of GTA and Pulse Mobile for approval of the Wireless Interconnection and Reciprocal Compensation Agreement pursuant to Section 252(e) of the Telecommunications Act of 1996; PUC Counsel Report and Proposed Order.
 - GTA Docket 10-03, Joint Petition of GTA TeleCom LLC and Guam Telecom LLC [GT] for approval of Amendment to Interconnection Agreement; Request for Ratification of Chairman's Order.
3. **Guam International Country Club**
 - Docket 08-004, Status Report; Proposed Supplemental Order.
4. **Port Authority of Guam**
 - Port Docket 09-01, PAG Procurement for Tariff/Rate Consultant; PUC Counsel Report and April 1, 2010 Order of Chairman; Request for Ratification of Chairman's Order.
 - Port Docket 09-02, Port Submission of the Policy for Implementation of Facility Maintenance Fees; Consultant's Report; and Proposed Order.
5. **Guam Waterworks Authority**
 - Docket 08-08, Supplemental Order Clarifying Interest Rate for Amortized System Development Charges.
6. **Guam Power Authority**
 - Docket 02-04, PUC Counsel Report on Issues raised by Commissioners concerning Baker Tilly CTP Study.
 - Docket 94-04, GPA's Application to Approve the Contract for Performance Management Contractor for Cabras 3 & 4; PUC Legal Counsel Report and Proposed Order.
 - Docket 07-10, Petition of Guam Power Authority for Base Rate Relief; Status Report on Phase III Proceedings; Phase III Stipulation; Notice of Public Hearing.
7. **Administrative Matters**
8. **PUC Website**
9. **Other Business**

ATTACHMENT A



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

In the Matter of:

GTA Docket 10-04

Joint Petition of GTA Telecom, LLC and Pulse Mobile, LLC for approval of the Wireless Interconnection and Reciprocal Compensation Agreement pursuant to Section 252(e) of the Telecommunications Act of 1996

ORDER APPROVING WIRELESS INTERCONNECTION AND RECIPROCAL COMPENSATION AGREEMENT

Findings

On March 15, 2010, GTA Telecom, LLC [GTA] and Pulse Mobile, LLC [MPULSE] filed a Joint Petition with the Guam Public Utilities Commission [PUC] for approval of their Wireless Interconnection and Reciprocal Compensation Agreement for the Territory of Guam pursuant to Section 252(e) of the Telecommunications Act of 1996.¹ The Commission previously approved the Wireless Interconnection and Reciprocal Compensation Agreement between GTA and GTA Wireless LLC by Order dated October 27, 2005.² Subsequently, "GTA Wireless, LLC" was renamed as "Pulse Mobile, LLC".³

GTA and MPULSE now wish to enter into a new Wireless Interconnection and Reciprocal Compensation Agreement that will supersede the Agreement previously entered into by GTA and GTA Wireless, LLC. The agreement indicates that GTA is the incumbent Local Exchange Carrier in Guam, as defined by the Federal Communications Commission; MPULSE is a Commercial Mobile Radio Service provider of two-way mobile communications operating in Guam. The parties desire to exchange calls between their networks and to establish Interconnection and Compensation arrangements for these calls.⁴

¹ GTA & MPULSE Joint Petition for Approval of the Wireless Interconnection and Reciprocal Compensation Agreement, GTA Docket 10-04, filed March 15, 2010.

² PUC Order Approving Wireless Interconnection and Reciprocal Compensation Agreement between GTA Telecom, LLC and GTA Wireless, LLC, Docket 05-08, filed October 27, 2005.

³ Application of Pulse Mobile, LLC for Designation as an Eligible Telecommunications Carrier, Docket No. 06-8, ORDER APPROVING DESIGNATION, filed February 1, 2007.

⁴ Wireless Interconnection and Reciprocal Compensation Agreement between GTA & MPULSE, Article 1, par. 2.

PUC Legal Counsel has filed a Report herein recommending that the Commission approve the Petition of the parties.⁵ The Report indicates that the Agreement sets forth the terms, conditions and rates under which MPULSE's wireless network and GTA's landline network will continue to be interconnected for the purpose of exchanging IntraMTA Traffic, provided that the service provided by MPULSE to its customers is two-way CMRS.⁶

MPULSE is an "affiliate" of GTA pursuant to the Commission's Affiliate Transaction Rules (Rules Relating to Cost Allocation and Affiliate Transaction for Incumbent Local Exchange Carriers).⁷ On April 8, 2010, GTA filed its Affiliate Transaction Certifications in Docket 05-01 for 2008 and 2009.⁸ GTA has also filed its latest copy of the GTA Cost allocation manual, which was completed by its cost consultant JSI.⁹

The PUC adopts the recommendation of Counsel, and finds that the Wireless Interconnection and Reciprocal Compensation Agreement of the parties does not violate the standards set forth in 47 USC §252[e][2][A]. Since the present Agreement is terminating, the parties need to place a new Wireless Interconnection Agreement into effect. They have proposed such an agreement for a three year term. The Agreement does not discriminate against a telecommunications carrier that is not a party to the agreement. The terms and conditions of the Wireless Interconnection Agreement, as well as the rates for reciprocal compensation and transiting compensation between GTA and MPULSE, are the same as those between GTA and other CMRS carriers such as Guamcell [i.e. Docomo].¹⁰

In addition, each of the Agreements between GTA Telecom, LLC and Wireless CMRS providers, such as MPULSE or Docomo, contains a "Most Favored Nation Provision." Such provision entitles every CMRS provider to adopt from GTA any entire Interconnection/Compensation Agreement provided by GTA to any other CMRS provider that has been filed and approved by the Commission, for services described in such agreement, on the same terms and conditions.¹¹ As a result of the Agreement entered into by GTA and MPULSE, CMRS services will be more broadly available to the

⁵ PUC Counsel Report, GTA Docket 10-04, filed April 12, 2010.

⁶ Wireless Interconnection and Reciprocal Compensation Agreement, id. at Article 3, par. 3.2.

⁷ PUC Order, 05-1 adopting the Affiliate Transaction Rules, filed February 1, 2007.

⁸ Letters to the GPUC dated April 8, 2010 certifying GTA Telecom LLC's compliance with the rules relating to cost allocation and affiliate transactions for 2008 and 2009, Docket 05-01.

⁹ See GTA Telecom Cost Allocation Manual, filed April 8, 2010, in Docket 05-01.

¹⁰ See the Wireless Interconnection and Reciprocal Compensation Agreement between GTA Telecom, LLC and Guam Cellular & Paging Inc. dba Guamcell, dated June 12, 2008.

¹¹ See Article 16 of the Wireless Interconnection Agreements adopted by GTA Telecom LLC with both MPULSE and Docomo.

public. The Wireless Interconnection Agreement is consistent with the public interest, convenience and necessity. It is in the public interest to provide the people of Guam with modern, innovative, accessible, and affordable telecommunications services and products.¹²

Order

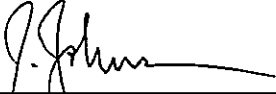
Based upon the foregoing, the Guam Public Utilities Commission **orders that:**

1. the Wireless Interconnection and Reciprocal Compensation Agreement between GTA Telecom, LLC and Pulse Mobile, LLC, as filed with their March 15, 2010 Joint Petition, is approved.
2. In the event that the parties revise, modify or further amend their Wireless Interconnection and Reciprocal Compensation Agreement, as approved herein, the revised, modified or amended Wireless Interconnection and Reciprocal Compensation Agreement shall be submitted to PUC for approval pursuant to 47 USC §252[e][1] prior to taking effect.
3. The Wireless Interconnection and Reciprocal Compensation Agreement as approved herein shall terminate in accordance with the provisions of Article 8 thereof (three year term with renewal provisions).
4. PUC reserves the jurisdiction and authority to enforce the Wireless Interconnection and Reciprocal Compensation Agreement, to issue appropriate orders with regard thereto, and to hear and resolve complaints with respect to the Amendment or the Interconnection Agreement pursuant to PUC's existing authority.
5. In GTA Docket 10-02, the Administrative Law Judge is currently considering the sufficiency of remedy provisions in Interconnection Agreements in existing Interconnection Agreements. Should the ALJ recommend any changes to its existing remedy provisions in Interconnection Agreements between Telecommunications parties, and should such recommendations be adopted by the PUC, the PUC reserves the right to require GTA Telecom LLC and Pulse Mobile, LLC to adopt any changes in the remedy provisions that may be approved by the PUC.


¹² See Guam Telecommunications Act of 2004, 12 GCA §12101(2).

6. GTA and MPULSE are ordered and directed to pay one half of the PUC's regulatory expenses and fees in this docket.


Dated this 29th day of April, 2010.



Jeffrey C. Johnson
Chairman




Filomena M. Cantoria
Commissioner



Michael A. Pangelinan
Commissioner

Joseph M. McDonald
Commissioner



Rowena E. Perez
Commissioner



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

PETITION OF GUAM WATERWORKS)
AUTHORITY FOR ESTABLISHMENT) DOCKET 08-08
OF A SYSTEM DEVELOPMENT)
CHARGE)
_____)

SUPPLEMENTAL ORDER

On January 29, 2010, the Guam Public Utilities Commission [GPUC] issued a Decision and Order in this Docket which approved certain schedules of water and wastewater system development charges.¹ The PUC also adopted SDC Implementation Guidelines and ordered that GWA implement the water and wastewater SDCs in full accord with the Implementation Guidelines.²

On March 31, 2010, GWA informed PUC Legal Counsel that the PUC Decision and Order approving SDCs did not specifically indicate the interest rate that would be charged to eligible persons who avail themselves of the amortized system development charge provisions pursuant to Sections 19 and 20 of the GWA System Development Charge Implementation Guidelines.³

There is evidence in the record which would support a finding that the Commission did adopt an interest rate of 7.5% for amortized System Development Charges over an eight year amortization period.⁴ However, neither the Commission's January 29, 2010 Decision and Order, nor Schedule II of the GWA SDC Implementation Guidelines specifically states the interest rates applicable to amortized system development charges.

To clarify that the interest rate for amortized system development charges is 7.5% per over an eight year amortization period, the Commission hereby adopts AMENDED

¹ PUC Decision and Order, Docket 08-08, Petition of Guam Waterworks Authority for Establishment of a System Development Charge, issued January 29, 2010.

² Id. at p. 4.

³ Email from GWA Legal Counsel to William J. Blair and Frederick J. Horecky dated March 31, 2010.

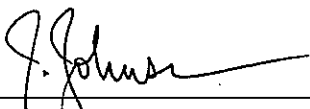
⁴ Letter from William J. Blair, Counsel for Georgetown Consulting Group Inc. dated October 22, 2009, to Administrative Law Judge David A. Mair, Esq.; see also Schedule II GWA System Development Charge Implementation Guidelines, which indicate the monthly charges for water and wastewater amortized system development charges including interest calculated at 7.5 % per annum..

SCHEDULE II to the GWA System Development Charge Implementation Guidelines, a true and correct copy of which is attached hereto as Exhibit "A".

Having considered the request of GWA to clarify the interest rate applicable to amortized system development charges, and for good cause shown, on motion duly made, seconded and carried by the undersigned Commissioners, the Guam Public Utilities Commission hereby ORDERS that:

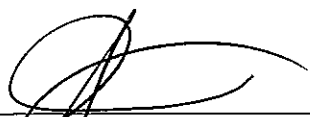
1. The interest rate on amortized system development charges for water and wastewater shall be seven and one half (7.5) percent over an eight year amortization period.
2. Amended Schedule II to the GWA System Development Charge Implementation Guidelines, attached hereto as Exhibit "A", is hereby adopted.
3. GWA is ordered to comply with, and to implement, AMENDED SCHEDULE II.

Dated this 29th day of April, 2010.




Jeffrey C. Johnson
Chairman

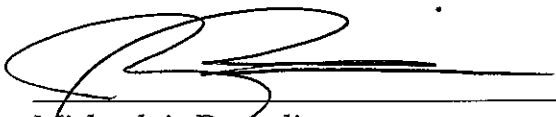
Joseph M. McDonald
Commissioner



Rowena E. Perez
Commissioner



Filomena M. Cantoria
Commissioner



Michael A. Pangelinan
Commissioner

AMENDED SCHEDULE II

AMORTIZED SYSTEM DEVELOPMENT CHARGES

WATER:

INITIAL CHARGE--\$500

MONTHLY CHARGE FOR 96 MONTHS (8 YEARS)--\$22.58

WASTEWATER:

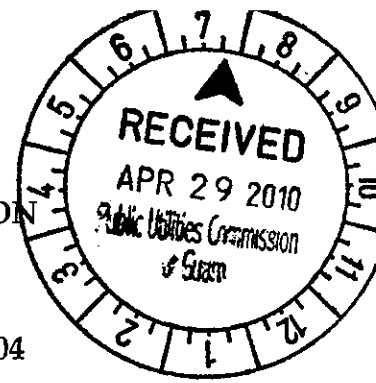
INITIAL CHARGE--\$500

MONTHLY CHARGE FOR 96 MONTHS (8 YEARS)--\$41.29

***INTEREST AT THE RATE OF 7.5 PERCENT OVER THE EIGHT YEAR AMORTIZATION PERIOD SHALL BE INCLUDED IN THE MONTHLY AMORTIZED SYSTEM DEVELOPMENT CHARGES.**

EXHIBIT "A"

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF:

DOCKET 94-04

The Application of the Guam Power Authority
to Approve the Performance Management
Contract (PMC) for Cabras 3 & 4

ORDER

This matter comes before the Guam Public Utilities Commission [PUC] upon Guam Power Authority's [GPA] Application for PUC Approval of the Performance Management Contract for Cabras 3 & 4.¹ Previously, PUC approved GPA's Procurement for a PMC for the operation of Cabras 3 & 4.² The PUC found that a PMC for the operation of Cabras 3 & 4 should lead to the increased availability and efficiency of those plants.³ As set forth in the PUC Legal Counsel Report filed herein on April 27, 2010, GPA's current PMC Agreement with Doosan Engine Co. Ltd. will expire on July 1, 2010.⁴

GPA demonstrated that it is reasonable and necessary for it to enter into a new PMC.⁵ GPA has selected the lowest responsive bidder, Korea East-West Power Co. Ltd., as its contractor for a five year Performance Management Contract.⁶ The fixed management fees charged by the prospective contractor are less than those previously charged.⁷ Finally, the contract provisions are those that have previously been used by GPA in its performance management contracts and which have previously been approved by the PUC.

Upon consideration of the record herein, the Petition of GPA, the PUC Legal Counsel Report, and for good cause shown, upon motion duly made, seconded, and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby **ORDERS** that:

¹ GPA Application to Approve the Contract for Performance Management Contract (PMC) for Cabras 3 & 4, Docket No. 94-04, filed April 21, 2010.

² PUC Order, Docket 94-04, filed August 5, 2009.

³ Id. at p. 1.

⁴ PUC Legal Counsel Report, Docket 94-04, filed April 27, 2010, p. 1.

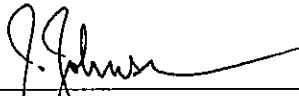
⁵ Id. at p. 2.

⁶ CCU Resolution No. 2010-30 and Exhibit "A", Abstract of Bids.

⁷ PUC Legal Counsel Report, Id., at p. 2.

1. The Performance Management Contract [PMC] for the Guam Power Authority Cabras Units 3 & 4, between Guam Power Authority and Korea East-West Power Co. Ltd. (a copy of which is attached to GPA's April 21, 2010 Petition) is hereby approved.
2. The Performance Management Contract is reasonable, prudent and necessary.
3. GPA is authorized to enter into the Performance Management Contract
4. GPA is ordered to pay the Commission's regulatory fees and expenses, including, without limitation, consulting and counsel fees and the fees and expenses of conducting the hearing proceedings. Assessment of PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §§12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

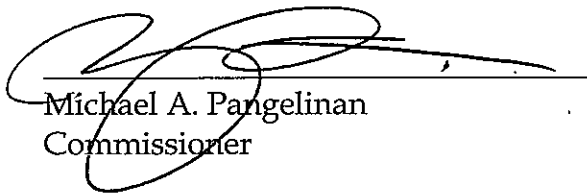
Dated this 29th day of April 2010.



Jeffrey C. Johnson
Chairman



Filomena M. Cantoria
Commissioner



Michael A. Pangelinan
Commissioner

Joseph M. McDonald
Commissioner



Rowena E. Perez
Commissioner

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER:)
)
The Application of the Guam)
International Country Club for)
Approval of Rates for Guam Residents.)
)
_____)

DOCKET 08-004



SUPPLEMENTAL ORDER

This matter comes before the Guam Public Utilities Commission [GPUC] upon the April 19, 2010, PUC Counsel Supplemental Compliance Report.¹ According to Counsel’s Supplemental Report, GICC has now paid its outstanding regulatory fees and charges due in this proceeding. PUC Counsel further recommends that certain deadlines previously set forth in the Commission’s Decision & Order dated December 29, 2008, relative to GICC’s duties to propose a new panel of members and a methodology using the newly determined panel members to set appropriate rates, be revised.

Since GICC does not presently intend to file a new petition seeking to increase or alter rates, there is no harm in extending the deadline by which GICC must propose such a new panel of members and a methodology, until at least six months before GICC files any new rate petition. Extending the time period during which GICC may propose a new panel of members and a methodology will prevent GICC from incurring any unnecessary expenses in fulfilling those duties at the present time.

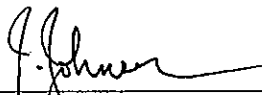
Having carefully considered the record herein, and the PUC Counsel Supplemental Compliance Report, for good cause shown and on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS that:

1. Paragraph 5 of the PUC Decision & Order in this Docket, filed December 29, 2008, is hereby amended as follows:
“GICC shall propose a new panel of members (“comparable municipal facilities in the mainland United States”), consistent with the requirements set forth in P.L. 19-34 §23(b), no later than one hundred and eighty (180) days before GICC files any new rate petition.”


¹ PUC Counsel Supplemental Compliance Report, Docket 08-004, filed April 19, 2010.

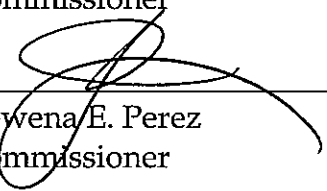
- 1 2. Paragraph 6 of the PUC Decision & Order Docket 08-004, filed
2 December 29, 2008, is hereby amended as follows:
3 "GICC shall propose a methodology using the newly determined
4 panel members to set appropriate rates, and disclose all data used
5 to develop the panel and proposed rates, no later than when the
6 proposed panel is filed."
7
8 3. For clarification purposes, a "new panel of members" refers to
9 those comparable municipal golf facilities in the mainland United
10 States that the PUC will utilize, for comparison purposes, to set
11 appropriate rates for GICC. In carrying out such duties, GICC
12 should be guided by past practice and precedent before the PUC
13 over the years determining the comparable number and type of
14 municipal facilities in the mainland United States which should be
15 used for comparison purposes.
16
17 4. GICC shall pay for the Commission's regulatory fees and expenses,
18 including without limitation, consulting and counsel fees and the
19 fees and expenses of conducting the hearing proceedings.
20 Assessment of PUC's regulatory fees and expenses is authorized
21 pursuant to 12 GCA §§12002(b) and 12024(b), and Rule 40 of the
22 Rules of Practice and Procedure before the Public Utilities
23 Commission.

Dated this 29th day of April, 2010.

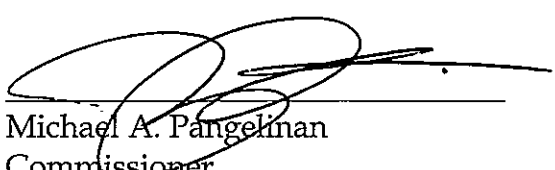
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19 _____
20 Jeffrey C. Johnson
21 Chairman

Joseph M. McDonald
Commissioner

20
21 
22 _____
23 Filomena M. Cantoria
24 Commissioner



Rowena E. Perez
Commissioner

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25 _____
26 Michael A. Pangelinan
27 Commissioner