

GUAM PUBLIC UTILITIES COMMISSION  
SPECIAL MEETING  
NOVEMBER 20, 2012  
SUITE 202, GCIC BUILDING, HAGATNA



MINUTES

The Guam Public Utilities Commission [PUC] conducted a special meeting commencing at 6:30 p.m. on November 20, 2012, pursuant to due and lawful notice. Commissioners Johnson, Pangelinan, Perez, and Montinola were in attendance. The following matters were considered at the meeting under the agenda made *Attachment "A"* hereto.

**1. Approval of Minutes**

The Chairman announced that the first order of business was approval of the minutes of the meeting conducted on October 30, 2012. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the minutes.

**2. Guam Power Authority**

The Chairman announced that the next order of business was GPA Docket 12-12, Petition to Approve the Engineering Technical Services Contract with R.W. Beck, PUC Counsel Report, and proposed Order. Counsel indicated that this contract for engineering and technical services with R.W. Beck was entered into in March of 2011. R.W. Beck's services have been utilized for projects such as Smart Grid engineering, the integrated resource plan, and the LNG feasibility study. When GPA entered into the contract, it did not realize that the entire ultimate value of the contract would exceed \$1.5M. GPA thus did not seek contract review with the PUC.

GPA has currently expended the total amount of \$1.483M. For years 2012 through 2016, GPA requests approval of an additional \$1.15M for strategic planning, transmission planning, and the integrated resources plan. Counsel believes GPA does need the services of R.W. Beck. Beck has also performed a lot of work concerning the solar energy projects. Some of the services, such as those relating to Smart Grid, are paid partially by federal funds. Other costs of the projects would be funded from local revenues. Counsel recommends that PUC approve both the original amount of the contract of \$1.483M and, in addition, the amount of \$1.115M for 2012 through 2016. The order proposed by Counsel would approve these contract expenditures.

The Chairman asked the GPA GM Joaquin Flores whether the RFP for LNG has changed a great deal from when it was developed. GM Flores indicated that the renewables and the LNG the work had changed considerably. The Chairman and the GM discussed the possibility of having a land-based tank system or sea-based options for LNG, conversion of existing plants such as Cabras 3 and 4 or 8 and 9, the time period for the transition/conversion etc. The GM hoped that EPA would approve the

conversion of the plants under the Consent Order. Commissioner Montinola asked about the expenditure of the \$1.4M and the contract under which it was expended. GM Flores indicated that feasibility studies and scoping for the project took several months. The Beck services could be performed over a period of from three to five years. Commissioner Montinola asked whether if the additional amount of \$1.1M was approved now over the next five years, whether GPA could come back in two years and ask for additional funds. GM Flores indicated that it was difficult to say; new studies and/or contract reviews could be possible for interconnection to the grid and other projects, depending upon the complexity.

Commissioner Perez asked whether the projections of \$1.1M were correct in light of the fact that \$1.4M had been spent in less than two years. Mr. Flores indicated that that amount was GPA's best estimates on pending tasks. Commissioner Perez asked whether it would be better if other entities would have the opportunity to bid on the RFP. GM Flores indicated that these are not bids, but amounts negotiated for projects with the most qualified firm. R.W. Beck was selected in the procurement process. Commissioner Perez also asked how the expenditures could be controlled from climbing so high, so fast. GM Flores indicated that each task order was negotiated on an individual basis. Flores indicated that GPA had just recently become aware that the contract review threshold would be exceeded. Commissioner Perez clarified that the Smart Grid project expenditures included half federal grant money and one half local revenues. Commissioner Montinola also expressed a concern that this is not the first time GPA did not obtain approval of a \$1.5M expenditure- -there was the Black & Veatch contract also. The PUC could not plan for these higher expenditures when GPA does not obtain review. GM Flores understood his concern.

Commissioner Perez expressed her concern that GPA was coming back to the PUC in less than two years and asking it to approve an additional amount on a contract when the original contract was not reviewed or approved by the PUC. She moved to approve the R.W. Beck contract and the additional amounts provided that GPA report back to the Commission if it intends to exceed the estimated annual expenditures, prior to spending any additional amounts. Counsel indicated that he could incorporate a provision in the Order that, if GPA desires to exceed any estimated expenditure for any year of the contract, it must first come back to the PUC for prior approval. Upon Commissioner Perez' motion, which was duly made, seconded and unanimously carried, the Commissioners approved the R.W. Beck Engineering Technical Services Contract, and the additional expenditure of \$1.15M (subject to the conditions in Commissioner Perez' motion). The Commissioners adopted the Order made *Attachment "B"* hereto.

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### 3. Port Authority of Guam

The Chairman announced that the next item of business was PAG Docket 12-02, regarding the Crane Surcharge, ALJ Status Report. Counsel reported that this matter involves the Port Authority's proposed Crane Surcharge that would pay for the financing, repair and maintenance of the POLA cranes. The Commission previously

approved the expenditures for the POLA cranes. The ALJ filed a report indicating that PUC Consultant Slater Nakamura has provided its draft report; the matter has been set for public hearings scheduled for November 28 and November 29. At that time the ALJ will take public comment, thereafter issue his report, and place the matter before the PUC for final decision at its December meeting.

The Chairman indicated that the next item for consideration was PAG Docket 12-05, Petition regarding Review of the Maeda Pacific Contract, ALJ Report, and proposed Order. Counsel indicated that the proposed contract is with Maeda Pacific Corporation for the "Port Security Enhancement Project." This involves the construction of a physical facility to be known as the Maritime and Port Security Operations Center. The center will integrate all of the security and communications functions of the Port including installation, programming and maintenance for multiple systems such as security surveillance system, CCTV security access control, CATV, radio communications, voice and data systems. Maeda was selected as a result of an RFP. The contract amount for Maeda of \$2.933M was approved by the Port staff and ratified by the Board of the Port. It is funded through federal grants from Department of Homeland Security through FEMA.

The ALJ finds that the project will enable the Port to better manage, mitigate, prepare for, respond to, and recover from natural and man-made disasters. It will be better enabled to communicate and provide information to emergency responders in other agencies. The contract with Maeda is a labor/materials contract where Maeda provides everything, including construction and completion of the project and the maritime and port security operations center, communications, structure, etc. The ALJ recommends approval of the contract. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the Maeda Pacific Contract, and adopted the Order made *Attachment "C"* hereto.

#### **4. Teleguam Holdings LLC**

The Chairman announced that the next matter for consideration was GTA Docket 12-11, Tariff Transmittal No. 21 [Promotional Offering], PUC Counsel Report and proposed Order. Counsel indicated this tariff is not controversial. The Commission has previously approved the same tariff on two occasions. As a promotion, GTA will provide customers that have Spyder broadband services but limited voice service with a CAP line. This is a limited phone line which allows outgoing E911 and 611 calls. Notice was published by PUC in the PDN requesting public comment on this offering, but none was received. The Chairman then asked for any public comment on this offering, and there were none. Counsel indicated that the Tariff No. 21 promoted the purpose of the Guam Telecom Act to provide people with access to modern, innovative telecommunications services. The tariff should be in effect from November 21, 2012 to February 18, 2013. Upon motion duly made, seconded and unanimously carried, the Commissioners approved Tariff Transmittal No. 21 and adopted the order made *Attachment "D"* hereto.

The Chairman announced that the next item of business was GTA Docket 12-12, Tariff Transmittal No. 22 [Revision of Section 7, Metro Ethernet Transport Services], PUC Counsel Report, and proposed Order. Counsel stated that, for its Metro Ethernet Services rates, GTA will rely upon the federal NECA tariff rates. In the Federal NECA tariffs, there are set charges for ports, channel terminations, Ethernet virtual connections, etc. The rates are also based upon a "Rate Band 6" classification. GTA will adopt the prices set forth in the NECA tariffs. GTA's "rate band" could change in the future. In this Docket Pacific Data Systems Inc. filed a comment contending that GTA should file with the PUC any tariff changes to its Metro Ethernet Services, whether the source of such change was NECA or anything else. Counsel believes that the proposed change was reasonable and will help insure that the filed tariff is up to date, particularly if the "band rates" change. The Order recommended by Counsel would approve Tariff Transmittal No. 22. Upon motion duly made, seconded and unanimously carried, the Commissioners approved Tariff Transmittal No. 22 and adopted the Order made *Attachment "E"* hereto.

On the GPA Pole Attachment matter, GTA Docket 09-04, the Chairman indicated that there was not a quorum of Commissioners present who could consider that issue. Counsel indicated that, since there was not a quorum on the issue, he would prepare an Order for the Chairman's signature.

#### **5. Other Matters**

The Chairman announced that there was a visitor to the meeting who wished to address issues concerning Smart Grid: Vicky Gayer. Ms. Gayer indicated her belief that GPA made a mistake in approving the Smart Grid project. In California and other states, people have encountered many problems with the smart meters. She believes that GPA should not be firing the meter readers or expending the \$16M that GPA will have to pay. Her major point is that the smart meters are dangerous and pose radiation/medical threats to the population. They cause cancer, leukemia, brain tumors and lymphatic cancers. Children are presently dying as a result of the radiation. Scientific evidence has been presented warning us about the dangers of the smart meters.

#### **6. PUC Website**


Administrator Palomo indicated that the website won't be up and running until February. We are presently working to get information and to work with Ideal. Commissioner Montinola asked whether Ideal was making progress. Ms. Palomo indicated that the prior provider did not want to provide Ideal with complete access to the website.

#### **7. Administrative Matters**

The Commissioners discussed the upcoming Pacific Telecom Conference on January 20-23 in Hawaii.

The Chairman also mentioned the possibility of seeking a new site for the PUC office. There was discussion concerning other possible sites. The Chairman indicated that the present office space was approximately 1,300 square feet. Upon motion duly made, seconded, and unanimously approved, the Commissioners agreed that the PUC should seek to locate other office space.

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

  
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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., November 20, 2012**

**Agenda**

- 1. Approval of Minutes of October 30, 2012**
  - 2. Guam Power Authority**
    - **GPA Docket 12-12, Petition to Approve Engineering Technical Service Contract with R.W. Beck(dba SAIC), PUC Counsel Report and Proposed Order**
  - 3. Port Authority of Guam**
    - **PAG Docket 12-02, Petition Re: Crane Surcharge, Status Report**
    - **PAG Docket 12-05, Petition re Review of Maeda Pacific Contract, ALJ Report, Proposed Order**
  - 4. Teleguam Holdings LLC**
    - **GTA Docket 09-04, GPA Pole Attachments, Stipulation and Proposed Order**
    - **GTA Docket 12-11, Tariff Transmittal No. 21 [Promotional Offering], PUC Counsel Report and Proposed Order**
    - **GTA Docket 12-12, Tariff Transmittal No. 22 [Revision of Section 7 Metro Ethernet Transport Services], PUC Counsel Report and Proposed Order**
  - 5. PUC Website**
    - **Report by Administrator and Legal Counsel on progress of Ideal Advertising, website input catch up**
  - 6. Administrative Matters**
  - 7. Other Business**
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BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF: )

GPA Docket 12-12 )

The Application of Guam Power Authority Requesting Approval of the Engineering and Technical Services Contract with R.W. Beck (dba SAIC). )

ORDER )

**INTRODUCTION**

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Petition of Guam Power Authority ["GPA"] for contract review and approval of the Engineering and Technical Services Contract with R.W. Beck (dba SAIC).<sup>1</sup>

**BACKGROUND**

2. The Guam Power Authority entered into a contract for Engineering and Technical Services with R.W. Beck in March of 2011.<sup>2</sup>
3. For the past year and a half, GPA issued task orders to R.W. Beck for various Engineering and Technical Services including Smart Grid Engineering Services, the Integrated Resource Plan, LNG Feasibility Study, and Renewable Acquisition Report. These task orders have already been expended in the total amount of \$1,483,850.00.<sup>3</sup>
4. The breakdown by fiscal year of the fees and expenses incurred by GPA for engineering and technical services of R.W. Beck are set forth in Exhibits A and B to Consolidated Commission on Utilities Resolution No. 2012-12.<sup>4</sup>
5. When GPA issued RFP10-010 for Engineering and Technical Services therefore, it did not seek PUC approval of the contract.<sup>5</sup>

<sup>1</sup> GPA Petition for Contract Review, Requesting Approval of Engineering and Technical Service Contract with R.W. Beck, GPA Docket 12-12, filed October 29, 2012.

<sup>2</sup> Id. at p. 1.

<sup>3</sup> Id.; GPA provided Counsel with a Summary of Engineering Planning Services Contract Invoices by Project on November 9, 2012, which indicates obligations in the total amount of \$1,445,599.32.

<sup>4</sup> Guam Consolidated Commission on Utilities Resolution No. 2012-12, issued February 14, 2012, Exhibit "A" and Exhibit "B".

<sup>5</sup> GPA Petition for Contract Review Requesting Approval of the Engineering and Technical Service Contract with R.W. Beck, GPA Docket 12-12, filed October 29, 2012.

6. GPA now requests that the PUC approve the additional task orders for R.W. Beck in the amount of \$1,115,000, for services including Strategic Planning (\$50,000); Transmission Planning (\$150,000); Integrated Resource Plan (\$840,000); and Regulatory Support (\$75,000). Approval is also sought for the amount of \$1.483M already expended under the current contract period.<sup>6</sup>
7. PUC Counsel issued his report herein on November 14, 2012.<sup>7</sup> The PUC adopts the recommendations set forth therein.

### DETERMINATIONS

8. In CCU Resolution No. 2012-12, the CCU authorized the General Manager to increase the R.W. Beck Contract from the original amount of \$1.483M in the additional amount of \$1.115M.<sup>8</sup>
9. The Contract Review Protocol for GPA requires it to have prior PUC approval under 12 GCA §12004 for "all professional service procurements in excess of \$1,500,000."<sup>9</sup>
10. If, for a multi-year procurement, the total costs over the entire procurement exceed the review threshold, GPA must obtain PUC approval.<sup>10</sup>
11. Due to the broad range of Smart Grid Engineering Services activities undertaken by R.W. Beck, it is plausible that, when GPA originally entered into its Engineering Services contract with Beck, it did not know whether the contract would eventually exceed \$1.5M.<sup>11</sup>

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<sup>6</sup> Id. at p. 1; see also Exhibits A & B to CCU Resolution No. 2012-12.

<sup>7</sup> PUC Counsel Report, GPA Docket 12-12, issued November 14 2012.

<sup>8</sup> Consolidated Commission on Utilities Resolution No. 2012-12, issued February 14, 2012; the CCU also issued a number of prior Resolutions which approved various purchase orders under the Engineering Technical Services Contract. See CCU Resolution 2011-23, issued May 10, 2011; CCU Resolution 2011-46, issued September 6, 2011; and CCU Resolution 2012-11, issued February 14, 2012.

<sup>9</sup> Contract Review Protocol for Guam Power Authority, Administrative Docket, filed February 15, 2008 at ¶1(c).

<sup>10</sup> Id. at ¶4(b),(c), and (d).

<sup>11</sup> CCU Resolution No. 2012-12, issued February 14, 2012, at p. 1.



12. The LNG study undertaken by R.W. Beck has apparently proven to be more detailed and costly than originally contemplated.<sup>12</sup>
13. There were also amendments and revisions to the task orders for services performed on the IRP Update and the Renewable Acquisition. Both necessitated amendments to increase the funding for the original purchase orders.<sup>13</sup>
14. Although the requested contract increase in the amount of \$1.115M appears considerable, the amount is for services that will be performed by R.W. Beck over a period of five years (from 2012-2016). Many of these expenses relate to the Update of the Integrated Resource Plan (every 2 years) and expenses related to the study of new generation resource procurement.<sup>14</sup>
15. GPA has utilized the services of R.W. Beck for many years; it is reasonable to assume that Beck has gained considerable knowledge of GPA's operations and needs.
16. GPA has demonstrated that the services of its Engineering Consultant, R.W. Beck, are necessary to support the additional tasks of strategic planning, transmission planning, Integrated Resource Plan and Regulatory support.

### ORDERING PROVISIONS

After careful review and consideration of the above determinations, the Petition of GPA, the Report of PUC Counsel, and the record herein, 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 PUC hereby grants GPA's application for approval of the Engineering and Technical Services Contract with R.W. Beck (dba SAIC).
2. The PUC approves and ratifies the prior expenditures of \$1,483,850.00 under the Contract for Smart Grid Engineering Services, the Integrated Resource Plan, LNG Feasibility Study, and Renewable Acquisition Support.

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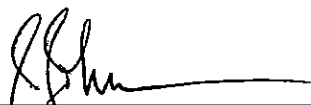
<sup>12</sup> Id. at p. 2.

<sup>13</sup> Exhibit B to CCU Resolution No. 2012-12, issued February 14, 2012.


<sup>14</sup> Id.


3. In addition, GPA is authorized to expend up to \$1,115,000.00 for fiscal years 2012 through 2016 for Strategic Planning, Transmission Planning, Integrated Resource Plan, and Regulatory Support.
4. GPA shall file an annual report with the PUC, on or before the 15th day of December of each year, listing in detail its annual expenditures for R.W. Beck's services under the Engineering Planning Services Contract. Said expenditures shall be indicated by task # and category.
5. If GPA will exceed the estimated total annual expenditure for R.W. Beck services in any fiscal year under the Contract (the annual expenditure estimates for proposed tasks for R.W. Beck are set forth as GRAND TOTAL for each year, 2012-2016, Exhibit C to CCU Resolution 2012-12), GPA shall obtain prior PUC approval before making any expenditure in excess of the grand total annual expenditure estimate for such year.
6. 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 20th day of November, 2012.


  
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Jeffrey C. Johnson  
Chairman

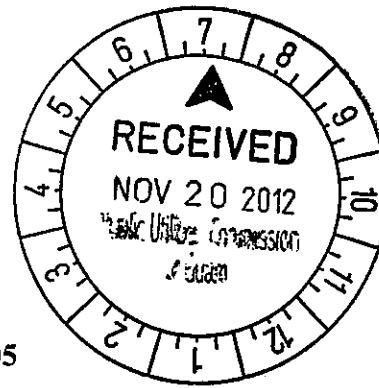
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Rowena E. Perez  
Commissioner

  
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Joseph M. McDonald  
Commissioner

  
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Michael A. Pangelinan  
Commissioner

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Filomena M. Cantoria  
Commissioner

  
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Peter Montinola  
Commissioner



**BEFORE THE PUBLIC UTILITIES COMMISSION**

**IN RE:   REQUEST FOR REVIEW   )  
          AND APPROVAL OF        )  
          MAEDA PACIFIC           )  
          CONTRACT BY PORT       )  
          AUTHORITY OF GUAM     )  
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**PAG DOCKET 12-05  
  
ORDER**

**INTRODUCTION**

This matter comes before the Guam Public Utilities Commission (the “PUC”) pursuant to the October 22, 2012 Petition for review and approval of the Maeda Pacific Corporation (“Maeda”) contract related to the Port Security Enhancement Project (the “PSE Project”), filed by the Jose D. Leon Guerrero Commercial Port, Port Authority of Guam (“PAG”) (hereinafter referred to as the “Petition”).

**DETERMINATIONS**

On August 1, 2012, PAG began the Invitation for Bid (“IFB”) process for the competitive solicitation of bids related to the PSE Project<sup>1</sup> by publishing the IFB in the Pacific Daily News.<sup>2</sup> On August 16, 2012, PAG held a pre-bid conference.<sup>3</sup> Thereafter, PAG held the bid opening on September 28, 2012.<sup>4</sup> Seven bids were received and publicly opened.<sup>5</sup> Upon PAG’s review of the bids, PAG determined that Maeda submitted the lowest responsive and

<sup>1</sup> PAG’s Petition, p. 1 (Oct. 22, 2012).

<sup>2</sup> Petition, p. 1.

<sup>3</sup> Petition, p. 1.

<sup>4</sup> Petition, p. 1.

<sup>5</sup> Petition, p. 1.

responsible bid,<sup>6</sup> and that Maeda satisfied all the requirements set forth in the IFB. Accordingly, PAG recommended that its Board of Directors approve the award to Maeda in the amount of \$2,933,000.00.

On October 22, 2012, PAG petitioned the PUC to approve the subject Maeda contract. On October 25, 2012, PAG's Board of Directors ratified the award to Maeda for the amount of \$2,933,000.00. By way of Resolution No. 2012-22, the Board of Directors approved PAG's recommendation to award the contract to Maeda.

The entire project is federally funded by multiple grants from the U.S. Department of Homeland Security through the Federal Emergency and Management Agency's ("FEMA") grant program.<sup>7</sup> In particular, the project is funded by the following federal grants: 2008-GB-T8-0148; 2009-PU-R1-0164; 2009-PU-T9-0043; and 2010-PU-T0-0080. According to PAG, the total grant award for this project is \$4,948,064.00.

On November 16, 2012, the Administrative Law Judge of the PUC (the "ALJ") submitted an ALJ Report detailing his findings and determinations regarding review of the Maeda contract. In the ALJ Report, the ALJ found that the PSE Project was "instrumental to PAG's objectives to have a fully integrated command center facility for the implementation of its protective and security measures."<sup>8</sup> The ALJ also found that PAG's utilization of this funding opportunity would "enable the Port to effectively manage, mitigate, prepare for, respond and recover from any and all types of natural and man-made emergency incidents and/or disasters,"<sup>9</sup>

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<sup>6</sup> Petition, p. 1.

<sup>7</sup> Petition, p. 2.

<sup>8</sup> ALJ Report, p. 3 (Nov. 15, 2012) (citing Petition, p. 2).

<sup>9</sup> ALJ Report, p. 3. (citing Petition, p. 2).

as well as “allow the Port to effectively communicate and provide essential information to port-wide emergency responders, other agencies in the Guam Emergency Management system and the U.S. Coast Guard Sector Guam.”<sup>10</sup>

The ALJ further found that the PSE Project was fully funded by multiple federal grants, at no cost to PAG’s consumers, and that the Maeda contract was about \$1,737,949.00 less than the Government of Guam’s estimate for the cost of the project. The ALJ found that the Petition was supported by Resolution No. 2012-22, which was issued by PAG’s Board of Directors on October 25, 2012, and which approved the award to Maeda. Accordingly, the ALJ recommended that the PUC approve the Maeda contract related to the PSE Project for the total cost of \$2,933,000.00.

The Commission hereby adopts the findings made in the November 16, 2012 ALJ Report and, therefore, issues the following:

**ORDERING PROVISIONS**

Upon consideration of the record herein, the November 16, 2012 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:

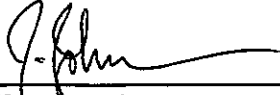
1. The PUC approves the Maeda Pacific Corporation contract related to the Port Security Enhancement Project.
2. PAG is ordered to pay the PUC’s regulatory fees and expenses, including and without limitation, consulting and counsel fees, and the fees and expenses associated with the instant contract review process. Assessment of the PUC’s regulatory fees and expenses is

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<sup>10</sup> ALJ Report, p. 3 (citing Petition, p. 2).

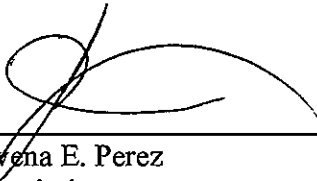
authorized pursuant to 12 G.C.A. §§ 12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the PUC.

**SO ORDERED** this 20<sup>th</sup> day of November, 2012.



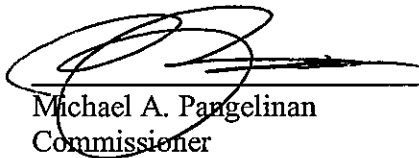
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Jeffrey C. Johnson  
Chairman

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Joseph M. McDonald  
Commissioner

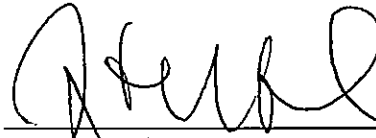


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Rowena E. Perez  
Commissioner

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Filomena M. Cantoria  
Commissioner

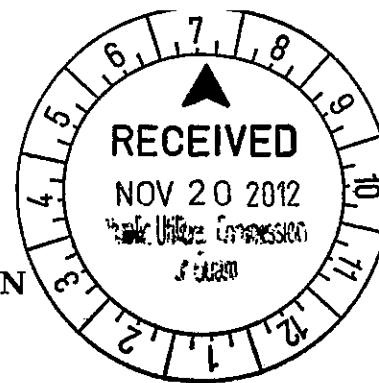


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Michael A. Pangelinan  
Commissioner



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Peter Montinola  
Commissioner

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BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF: )  
 ) GTA DOCKET 12-11  
 )  
TELEGUAM HOLDINGS LLC, ) ORDER  
GENERAL EXCHANGE TARIFF NO. 1, )  
TARIFF TRANSMITTAL NO. 21 )

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission [PUC] upon the tariff transmittal of Teleguam Holdings LLC [GTA] to reintroduce a promotional offering (CAP Line) for customers who subscribe to Spyder Broadband Services with limited voice services.<sup>1</sup>
2. The tariff established by Tariff Transmittal No. 21 will supply a residential one-party access line, with certain limitations, to residential subscribers who subscribe to Spyder Broadband Services. The line will be provisioned to allow outgoing E911 and 611 (GTA repair center) abbreviated dialing only with unlimited incoming calls.<sup>2</sup>

BACKGROUND

3. GTA requests that this promotional offering for CAP Line service be in effect for the period of November 21, 2012, through February 18, 2013.<sup>3</sup>
4. Such promotional offerings are designed to attract new customers, retain existing customers, bundle product offerings, stimulate customer usage, and/or increase existing customer awareness of the Telephone Company's services and products.<sup>4</sup>
5. During the promotional period all applicable non-recurring rates will be charged; the promotional monthly rate will be \$1.00 per line.<sup>5</sup>
6. On November 12, 2012, PUC Counsel issued his Report herein.<sup>6</sup>

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<sup>1</sup> GTA Tariff Transmittal No. 21, GTA Docket 12-11, filed October 22, 2012.

<sup>2</sup> Id.

<sup>3</sup> Id.

<sup>4</sup> Id.

<sup>5</sup> Id.

<sup>6</sup> PUC Counsel Report, GTA Docket 12-11, issued November 12, 2012.

### DETERMINATIONS

7. The PUC previously already approved the same promotional offering for which approval is sought in this docket on at least two prior occasions.<sup>7</sup>
8. The promotional tariff, Tariff Transmittal No.21, will promote the purposes set forth in GTA's General Exchange Tariff No. 1 at Section XVII, which include the attraction of new customers, the retention of existing customers, and the stimulation of customer usage.
9. Furthermore, this offering will help in ensuring that customers have access to critical services like E911 and the ability to call GTA for service issues. One purpose of the Guam Telecommunications Act of 2004 is to provide the people of Guam access to modern, innovative and affordable telecommunications services.<sup>8</sup>
10. No public comments in opposition to the proposed tariff have been filed.

### ORDERING PROVISIONS

Upon consideration of the record herein, Tariff Transmittal No. 21, filed by GTA on October 22, 2012, and the Report of PUC Legal Counsel, 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. GTA's Tariff Transmittal No. 21, Promotional Offering, was properly filed pursuant to 12 GCA §12106(a), which requires telecommunications companies such as GTA to file tariffs indicating the rates, classifications, and terms and conditions of its telecommunications services.
2. Tariff Transmittal No. 21, including all changes, revisions, and additions therein to GTA's General Exchange Tariff No. 1, is hereby approved and adopted.
3. The Promotional Offering contained in Tariff Transmittal No. 21 for residential one-party access line shall be effective November 21, 2012, through February 18, 2013.

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<sup>7</sup> PUC Order, GTA Docket 10-05, issued July 27, 2010; PUC Order, GTA Docket 11-02, issued March 21, 2011.

<sup>8</sup> 12 GCA §12101(b).

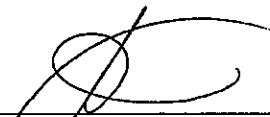


4. Any further extension by GTA of either Promotional Offering set forth herein beyond February 18, 2013, shall require the prior approval of the PUC.
5. GTA shall file its Revised Tariff with the PUC, and shall also provide notice of the same to its Customers on its website.
6. GTA is ordered to pay for the PUC's regulatory fees and expenses incurred in this Docket, including, without limitations, consulting and counsel fees and expenses. Assessments of the PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §12002(b) and 12024(b), 12104, 12103, the Rules Governing Regulatory fees for Telecommunications Companies, and Rule 40 of the Rules of Practice and Procedure before the PUC.


Dated this 20th day of November, 2012.

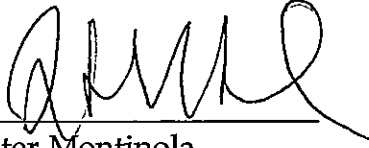
  
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Jeffrey C. Johnson  
Chairman

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Joseph M. McDonald  
Commissioner

  
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Rowena E. Perez  
Commissioner

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Filomena M. Cantoria  
Commissioner

  
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Michael A. Pangelinan  
Commissioner

  
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Peter Montinola  
Commissioner

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

GTA TELECOM LLC, GENERAL  
EXCHANGE TARIFF NO. 1, TARIFF  
TRANSMITTAL NO. 22

) GTA DOCKET 12-12

) ORDER



INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission [PUC] upon the Tariff Transmittal of Teleguam Holdings LLC [GTA] to update its provision of Metro Ethernet Transport Services for inclusion of 2 Megabit to 1 Gigabit of local area network connectivity.<sup>1</sup>
2. For its Metro Ethernet Transport Services, GTA will incorporate the rates and charges set forth in NECA [National Exchange Carrier Association] Tariff F.C.C. No. 5, Ethernet Transport Service Section 17.4.8(c), Rate Band 6 for applicable Rates and Charges.<sup>2</sup>

BACKGROUND

3. In accordance with the notice provisions of 12 GCA §12106(b) GTA requests that the PUC approve its supplemental filing effective on November 22, 2012.<sup>3</sup>
4. GTA's General Exchange Tariff No. 1, XII [Metro Ethernet Transport Services] indicates that Ethernet Transport Service (ETS) is a high speed data transport service that provides end-to-end transmission using Ethernet Packet technology at transport speeds ranging from 2 Mbps to 1 Gbps. It is a means for transporting broadband multimedia traffic (i.e., voice, data and video) using variable length Ethernet packets with the ability to interconnect multiple locations using GTA's network.<sup>4</sup>

<sup>1</sup> GTA Tariff Transmittal No. 22, GTA Docket 12-12, filed October 23, 2012.

<sup>2</sup> In its initial filing, GTA indicated that Ethernet Transport Services would be charged in accordance with Rate Band 5. However, GTA filed an Amended Tariff Transmittal No. 22 on November 9, 2012 [GTA Revised Tariff Transmittal No. 22, GTA Docket 12-12, filed November 9, 2012]. Therein GTA indicates that the FCC has reassigned GTA to Rate Band 6. The tariff now indicates that the applicable Rate Band charges by GTA for Metro Ethernet Services will be in accordance with the then current rate band assignment of the FCC.

<sup>3</sup> GTA Tariff Transmittal No. 22, GTA Docket 12-12, filed October 23, 2012, at p. 1.

<sup>4</sup> GTA General Exchange Tariff No. 1, XII A [Metro Ethernet Transport Services].

5. Essentially, GTA has adopted the rates and charges for ETS services as set forth in the National Exchange Carrier Association Inc. (NECA) Tariff No. 5. Rates and charges are set forth in the NECA Tariff No. 5 for services such as: ETS Channel Terminations, Ports, and ETS Ethernet Virtual Connection, etc.
6. In general, customer charges increase as the capacity utilized by the customer increases between 2 Mbps to 1 Gbps. The ETS services all include “non-recurring” charges.
7. At present, the FCC has placed GTA in Rate Band 6. It is possible, however, that in January 2013, FCC will place GTA in Rate Band 4. Thus, the particular charges for ETS services will vary in the future, depending upon which Rate Band GTA is placed in.<sup>5</sup>
8. PUC Counsel issued his Report on November 19, 2012; PUC adopts the recommendation set forth therein.<sup>6</sup>

#### DETERMINATIONS

10. Tariff Transmittal No. 22 replaces and updates the current tariff which GTA has in effect concerning Metro Ethernet Transport Services. The proposed tariff clarifies that it will now include 2 Megabit to 1 Gigabit of local area network connectivity. Tariff Transmittal 22 also clarifies the ETS services that are available to customers and the applicable charges.
11. Furthermore, PUC caused public notice of this tariff filing to be published in the Pacific Daily News on November 7, 2012. Said notice gave interested parties until November 19, 2012 to file any comments concerning the tariff. Pacific Data Systems Inc. filed a comment on November 19. PDS’ comment that GTA should file with the PUC any tariff changes to its Metro Ethernet Services, whether the source of such change is NECA or otherwise, should be adopted.
12. This offering will help insure that customers in Guam have access to Metro Ethernet Transport Services, and are aware of the applicable costs for such services. The availability of Metro Ethernet Transport Services to customers in Guam promotes

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<sup>5</sup> Conference between GTA representatives Eric Votaw, Serge Quenga, and PUC Counsel Fred Horecky, on November 9, 2012; see also GTA Revised Tariff Transmittal No. 22, GTA Docket 12-12, filed November 9, 2012.

<sup>6</sup> PUC Counsel Report, GTA Docket 12-12, issued November 19, 2012.

one of the purposes of the Guam Telecommunications Act of 2004, which is to provide the people of Guam with access to modern, innovative and affordable telecommunications services.<sup>7</sup>

### ORDERING PROVISIONS

Upon consideration of the record herein, Revised Tariff Transmittal No. 22 filed by GTA on November 9, 2012, and the Report of PUC Legal Counsel, 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. GTA's Revised Tariff Transmittal No. 22, relative to update of Metro Ethernet Services, was properly filed pursuant to 12 GCA §12106(a), which requires telecommunications companies such as GTA to file tariffs indicating the rates, classifications, and terms and conditions of its telecommunications services.
2. Revised Tariff Transmittal No. 22, including all changes, revisions, and additions therein to GTA's General Exchange Tariff No. 1, is hereby approved and adopted.
3. Revised Tariff Transmittal No. 22 shall be effective on November 22, 2012.
4. GTA shall file its Revised Tariff with the PUC, and shall also provide notice of the same to its Customers on its website.
5. GTA shall file with the PUC any further changes in its tariff for Metro Ethernet Services, whether the source of such changes is NECA or any other source.
5. GTA is ordered to pay for the PUC's regulatory fees and expenses incurred in this Docket, including, without limitations, consulting and counsel fees and expenses. Assessments of the PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §12002(b) and 12024(b), 12104, 12103, the Rules Governing Regulatory fees for Telecommunications Companies, and Rule 40 of the Rules of Practice and Procedure before the PUC.

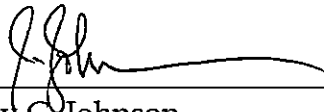
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<sup>7</sup> 12 GCA §12101(b).

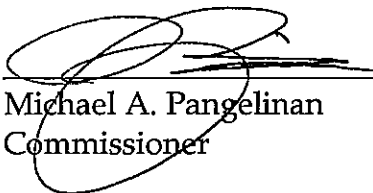
ORDER  
GTA General Exchange Tariff No. 1  
Tariff Transmittal No. 22  
GTA Docket 12-12  
November 20, 2012

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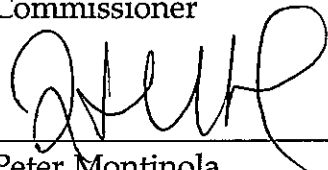
Dated this 20th day of November, 2012.

  
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Jeffrey C. Johnson  
Chairman

  
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Rowena E. Perez  
Commissioner

  
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