

GUAM PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MARCH 26, 2013
SUITE 202, GCIC BUILDING, HAGATNA



MINUTES

The Guam Public Utilities Commission [PUC] conducted a regular meeting commencing at 7:30 p.m. on March 26, 2013, pursuant to due and lawful notice. Commissioners Johnson, Perez, Pangelinan, McDonald, Cantoria, 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 item of business on the agenda was approval of the minutes of February 26, 2013. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the minutes subject to corrections by the Commissioners.

2. GTA Teleguam Holdings, LLC

The Chairman announced that the next item of business was GTA Docket 13-01, Tariff Transmittal No. 3, Counsel Report and Proposed Order. Counsel indicated that GTA was proposing a promotional offering tariff. The PUC has previously approved essentially the same tariff on three prior occasions. Where GTA customers have Spyder Broadband services, GTA will provide a phone line with limited voice service to its customers. On such line, the customer can call E911 and emergency repair service, and also take unlimited incoming calls. For this line, there is a promotional monthly rate of \$1.00. The purpose of a promotional offering is to encourage new customers and to provide new services. GTA's general tariff provides that promotional offerings can be made and are appropriate.

Here PUC issued public notice advising members of the public of this proposed promotional offering. No written comments have been filed. Counsel indicated to the Chairman that public comment on the GTA promotional tariff could be received at the present time. The Chairman asked where there was any public comment. There being none, Counsel proceeded with his report. This promotional offering is not controversial; however, this would be the fourth time that this promotional offering has been approved. There is a question as to what point at which a promotional offering should become a permanent offering. Counsel included a requirement in the proposed Order that, should GTA seek to offer this promotional offering in the future, it will address the issue of whether the tariff should be temporary or permanent. Counsel takes no position on that issue at the present time. In the proposed Order, the promotional offering would be effective from April 8 through July 31, 2013. Upon

motion duly made, seconded and unanimously carried, the Commissioners approved GTA's Promotional Offering and adopted the Order made *Attachment "B"* hereto.

3. Guam Power Authority

The Chairman indicated that the next item for consideration by the PUC was GPA Docket 13-02, Filing of GPA Integrated Resource Plan, and PUC Counsel Status Report. Counsel indicated that he wished to advise the Commissioners that GPA has filed its Integrated Resource Plan, a document of over 300 pages. CD copies of the report are available for the Commissioners. The Plan talks extensively about the conversion of fuel to LNG, to a new fuel facility. The cost will be well into the hundreds of millions of dollars. Shaw has already been retained by the Commission to examine the IRP, and there was a kickoff conference with GPA Officials. There has already been an exchange of information and documentation. Counsel anticipates at least a 90 day review period.

The Chairman announced that the next item of business was GPA Docket 11-13, Petition for Contract Review of JMI Distribution Management System Contract with GPA for the Smart Grid Project, PUC Counsel Report, and proposed Order. Counsel indicated that the Commissioners are certainly familiar with the Smart Grid Project. This Contract involves distribution management systems for improving the technology so that operators can quickly interact with all parts of the distribution system, like the reclosers and transformers. This technology monitors different parts of the transmission system so that operators can communicate remotely with breakers, switches, reclosers, voltage regulators, etc., to monitor the distribution system. If there is a problem, if some element of that system goes down, then the distribution management system would allow the operators to quickly correct errors in the system. Even after shut down or other catastrophic event there would be a better ability to address and isolate problems in the distribution system.

When the Commission initially approved the Smart Grid Project, it was understood that the distribution management system would be a part of Smart Grid. GPA issued a competitive bid with regard to the distribution management system. JMI Edison, a local company, teamed with General Electric. It was determined to be the most responsive, responsible bidder. The proposed contract basically gives JMI Edison, in conjunction with General Electric, the task of setting up this distribution management system. JMI will have overall responsibility for all aspects: the system hardware, setup, management, software implementation, and overall responsibility. Parties have a very detailed scope of work in the contract. That scope well sets up the duties and responsibilities of the parties. The Project will take a year to implement. There are various warranties and maintenance services supplied. DMS will improve system efficiency and reliability. The Project was approved by the Consolidated Commission on Utilities in the amount of \$2.249M.

Counsel recommends that the Commission approve the Distribution Management System Contract with JMI and authorize GPA to proceed. Commissioner Perez asked General Manager Flores whether GPA personnel would be involved in working with JMI to get this system up and running. Mr. Flores indicated that they would. GPA

employees will be utilized to do installation work for some of the new equipment. Using GPA personnel helped to reduce the cost of the contract. This infrastructure will allow all other feeders to ride on it. Commissioner Perez asked whether our local work force will benefit and their skills be developed. Mr. Flores again responded that they would, not just in installation, but also in the operation of the system. Commissioner Pangelinan indicated that the contract paragraph on indemnity provides that GPA will indemnify the contractor for any liability or claim arising from services provided by the contractor. He suggested that GPA look at this language for revision, and GPA Legal Counsel Botha indicated that he would. Upon motion duly made, seconded, and unanimously carried, the Commissioners approved the JMI Distribution Management System Contract and adopted the Order made *Attachment "C"* hereto.

4. Guam Waterworks Authority

The Chairman announced that the next item on the agenda was GWA Docket 09-03, ALJ Report on the Five-Year Financial Plan, and proposed Order. Counsel indicated that the ALJ was advising the Commissioners as to the current status of the Multi-Year Rate Plan. GWA filed its Notice of Intent to file a rate case in March. Notice was published in the Marianas Variety. GWA has prepared and filed its Multi-Year Rate Plan. Counsel indicated that, in the rate plan, for the next five years GWA would seek rate increases of 16% in FY2014, 14.5% in FY2015, 17.5% in FY2016, 10% in FY2017, and 9% in FY2018. The ALJ indicated that he had authorized a PUC Consultant to review and investigate the Multi-Year Rate Plan and to report on the findings to the PUC by May 15, 2013.

The Chairman announced that the next item for consideration was GWA Docket 11-01, Petition for Expedited Approval of \$7.57M in Bond Reprogramming, ALJ Report, and Proposed Order. Counsel stated his understanding that, in the 2010 Bond Issue, GWA obtained approximately \$83M in bond funds. This Petition merely seeks to reappportion the use of bond funds from certain projects to other projects. PUC is authorized to allow GWA to do that. GWA is now saying that, instead of expending bond funds on some of the original projects, it has now decided that there are other priorities or mandates of the Stipulated Order. Exhibit 2 to the Petition indicates those projects to which GWA seeks to add monies and those projects for which they seek to reduce monies. Major additions are \$600,000 for the Meter Replacement Program, \$1.5M for the ground water rule (which involves chlorination), \$1.5M for the water reservoir internal-external repairs, and \$750,000 for the water collection system. There are also various infiltration and inflow studies for southern, central and northern areas costing \$750,000. The total increase in projects is \$7,570,000; likewise, that amount is deducted from other projects.

The projects from which sums are deducted may still have to be done at some point, but funding can come from other sources or from a bond issue GWA hopes to seek in 2015. Justifications have been filed for each of the projects, demonstrating why such projects have to be done under the Stipulated Order. ALJ Mair has carefully gone through the projects, explaining why GWA is asking to reallocate the particular bond funds. He

finds that those projects for which GWA seeks to reallocate bond funds are designed to improve Guam's water and wastewater utility infrastructure, to increase system reliability and efficiency, and to comply with the Amended Stipulated Order. These improvements are found to be reasonable and necessary for the expansion and improvement of Guam's water and wastewater systems. Approval is recommended. ALJ recommends that GWA should be required to report on the status of some of its programs, such as Meter Replacement, by May 15. On the Water Reservoir, Internal-External Assessment Program, GWA should provide the PUC with documentation on the status of the project by June 15. With respect to GWA's Wastewater Collection System, Replacement and Rehabilitation Program, GWA should be required to report on the status of the program by July 15, 2013. The proposed Order would approve the reallocation of \$7.57M and order the filing of the various reports as recommended by the ALJ.

Commissioner Perez then asked Counsel about an Order which GWA had been given concerning past due accounts. Counsel indicated that, since the last meeting, there had been some discussion with GWA about past amounts owed to the PUC for services. The ALJ sent a letter to GWA indicating that these matters had to be paid up before the PUC could continue to provide services. GWA has now substantially paid the amounts due. There still is a small amount left. Commissioner Perez asked when it would be paid completely. GWA Legal Counsel Sam Taylor stated his understanding, through conversations with GWA's Chief Financial Officer, that such amounts would be paid within 15 days. GWA CFO Greg Cruz indicated the amounts would be paid within 15 days.

Commissioner Perez indicated that the Leak Detection Program should move forward. Counsel Taylor indicated that for the most part, the Leak Detection aspect of the Program was completed. Commissioner Perez asked what was the end result with the Leak Detection Program. The GWA Representative indicated that GWA was obtaining the equipment so that it could have a leak detection section within the agency. GWA and its Consultant are still working with staff to move forward. 400 to 500 leaks have been identified island-wide. Repairs have been made on a majority of those leaks. Commissioner Perez requested a report on that, and the GWA Representative indicated that it would be provided. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the reprogramming by GWA of \$7.57M in bond funds and adopted the Order made *Attachment "D"* hereto.

The Chairman indicated that the next item on the agenda was GPA Docket 11-02, Request by GWA for Approval of \$1.2M Increase in GWA's Program Management Office Contract with Brown & Caldwell, PUC Counsel Report, and proposed Order. Counsel reported that at the last meeting, the Commissioners had conditionally approved the \$1.2M increase in the Brown & Caldwell PMO Contract, subject to GWA's providing documentation and the filing of a letter by Counsel certifying that all the conditions have been met. GWA has filed each of the project Work Authorizations requested, which do give a considerable amount of detail about the scope and nature of the projects and the cost. Counsel has further requested that General Manager Roush

provide a few clarifications on the current status of payments under the PMO and a few more items. Hopefully this matter can be resolved by the next meeting.

5. PUC Website

The Chairman indicated that the next item on the agenda was an update on the PUC Website. Counsel indicated that the website was definitely proceeding ahead at the correction stage. Documents are inputted and we have at least two years of documents for each Docket and each utility. In some cases Dockets go back further than two years. Andrea Murer at Ideal has been very responsive. She has met with Ms. Palomo and Counsel and has addressed different issues. She has indicated that, roughly by the end of the month, the website will be ready for launch. Ideal staff has worked hard on this matter. There will be a small ceremony congratulating the people who worked on the website. Issues remain, such as dates having to be entered for documents in the same format. At the end of the month, PUC will be ready to launch. Commissioner Cantoria asked whether the old website would be cleaned up. Counsel indicated that "Reference Center" from the old website is still maintained in the new site. The Reference Center has older documents that form many of the PUC proceedings and policies about tariffs and other matters. Those Dockets will stay, and at this stage we are now updating current Dockets. There has been a lot of cleaning up of the old site already. Budgets, contracts, and annual reports are inputted, with good drop down menus being available. Agendas for Commission meetings will be posted.

6. Administrative Matters

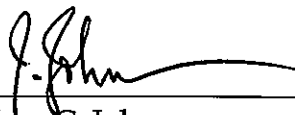
The Chairman announced that there was one final item, the Protocol for Direct Billing by PUC Consultants to the Utilities. Counsel indicated that this matter had been discussed at the last meeting. Some consultants had felt that the present payment system is too slow. Counsel believes that the present billing is a burden on the Administrator. Invoices come from many different consultants, and the consultants don't normally submit billings at the same time. The Administrator then has to wait until all consultants submit their billings for a particular Docket. Billings must be compiled and then sent to the Utility. Then, the Utility, when it makes payment, makes the payment back to the PUC. The Administrator must then go through the process of dividing out checks and determining what payments go to which consultant, and then issuing checks from the bank account. It's a lengthy process. Commissioner Perez raised valid concerns at the last meeting. Presently Commissioners sign the checks. With direct billing, the Commissioners will know what the billings are and the amounts involved.

A provision has been added to the Protocol to address the concern of the Commissioners to assure that they will be aware of the amounts of the billings. There is an additional reporting requirement that would require Consultants to submit a copy of a billing to the Commission when the Consultant bills the Utility. Upon request, the Commissioners can review any of the billings. In addition, within 30 days after each quarter of the fiscal year, each Consultant would be required to submit a report in a form to be determined by the Administrator. The report would indicate the amount of

the billings, the Docket for which the billings are made, etc. The Administrator will provide those to the Commissioners so that they have an indication of the amount of the billings. While not quite as direct as having Commissioners sign the check, on the other hand it maintains accountability and the ability of the Commissioners to review billings on all matters.

Commissioner Montinola asked whether the Administrator would have to keep a summary of the details of billings in any event. Counsel indicated that she does. Commissioner Montinola indicated that the Commissioners need to see an overall picture of the billings. Commissioner Montinola believes that the Commissioners should stay on top of the accounts payable and accounts receivable. Commissioner Perez stated her belief that the Commissioners should keep the system the way it is at the present time; the Chairman concurred. Commissioner Cantoria wondered whether the best time for review of the billings was when they were submitted, or when the check was signed. She thought it was probably when the bill was submitted. Commissioner Perez clarified that the Administrator presently does prepare a report of the billings. The Consultants give their billings to the Administrator. Counsel indicated that the attorneys do submit detailed billings. Commissioner Perez reiterated her view that we should keep the same system but add a requirement that the Consultants report a detailed bill for each Utility and Docket number. Counsel indicated that at present that information can be compiled as the PUC knows what each Consultant makes in a particular Docket. The Chairman agreed that for the present time the Commissioners will continue to consider this issue and perhaps address it again at some point in the future.

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



Jeffrey C. Johnson
Chairman

**BEFORE THE GUAM PUBLIC UTILITIES COMMISSION
REGULAR MEETING
SUITE 202, GCIC BUILDING
414 W. SOLEDAD AVE. HAGATNA, GUAM
7:00 p.m., March 26, 2013**

Agenda

1. **Approval of Minutes of February 26, 2013**
2. **GTA Teleguam Holdings, LLC**
 - **GTA Docket 13-01, Tariff Transmittal No. 23 for the Reintroduction of CAP Line on a Promotional Offering, PUC Counsel Report, Proposed Order**
3. **Guam Power Authority**
 - **GPA Docket 13-02, Filing of GPA Integrated Resource Plan (IRP), PUC Counsel Status Report**
 - **GPA Docket 11-13, Petition for Contract Review of JMI Distribution Management System Contract (Smart Grid Project) PUC Counsel Report, Proposed Order**
4. **Guam Waterworks Authority**
 - **GWA Docket 09-03, ALJ Report Re: 5 Year Financial Plan, Proposed Order**
 - **GWA Docket 11-01, Re: Petition for Expedited Approval of \$7.57 Million in Bond Reprogramming, ALJ Report, Proposed Order**
 - **GPA Docket 11-02, Request by GWA for Approval of a \$1.2M Increase in GWA's Program Management Office Contract with Brown & Caldwell, PUC Counsel Report, Proposed Order**
5. **PUC Website**
 - **Report by Administrator and Legal Counsel on progress of Ideal Advertising, website input catch up**
6. **Administrative Matters**
 - **Protocol for Direct Billing by PUC Consultants to Utilities**

7. **Other Business**



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:)
) GTA DOCKET 13-01
)
TELEGUAM HOLDINGS LLC,) ORDER
)
GENERAL EXCHANGE TARIFF NO. 1,)
TARIFF TRANSMITTAL NO. 23)

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.¹
2. The tariff established by Tariff Transmittal No. 23 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.²

BACKGROUND

3. GTA requests that this promotional offering for CAP Line service be in effect for the period of April 8, 2013, through July 31, 2013.³
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.⁴
5. During the promotional period all applicable non-recurring rates will be charged; the promotional monthly rate will be \$1.00 per line.⁵

¹ GTA Tariff Transmittal No. 23, GTA Docket 13-01, filed March 8, 2013.

² Id.

³ Id.

⁴ Id.

⁵ Id.

6. On March 18, 2013, PUC Counsel issued his Report herein.⁶

DETERMINATIONS

7. The PUC previously approved the same promotional offering for a residential one-party access line on three occasions, Tariff Transmittals No. 14⁷, No. 16⁸, and No. 21.⁹
8. The promotional tariff, Tariff Transmittal No. 23, 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.¹⁰ One purpose of the Guam Telecommunications Act of 2004 is to provide the people of Guam access to modern, innovative and affordable telecommunications services.¹¹
10. No public comments in opposition to the proposed tariff have been filed.

ORDERING PROVISIONS

Upon consideration of the record herein, Tariff Transmittal No. 23, filed by GTA on March 8, 2013, 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. 23, 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.

⁶ PUC Counsel Report, GTA Docket 13-01, issued March 8, 2013.

⁷ PUC Order, GTA Docket 10-05, issued July 27, 2010.

⁸ PUC Order, GTA Docket 11-02, issued March 21, 2011.

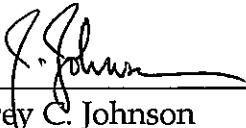
⁹ PUC Order, GTA Docket 12-11, issued November 20, 2012.

¹⁰ GTA Tariff Transmittal No. 23, GTA Docket 13-01, filed March 8, 2013.

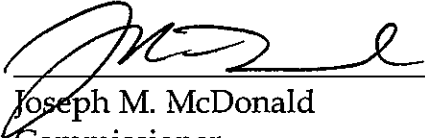
¹¹ 12 GCA §12101(b).

2. Tariff Transmittal No. 23, 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. 23 for residential one-party access line shall be effective April 8, 2013, through July 31, 2013.
4. Any further extension by GTA of either Promotional Offering set forth herein beyond July 31, 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. Should GTA seek to reintroduce this Tariff, it shall address the issue in its filing of whether or not it is appropriate to continue to reintroduce the offering as a promotional temporary tariff, or whether it should seek to establish a permanent tariff.
7. 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, 12109, the Rules Governing Regulatory fees for Telecommunications Companies, and Rule 40 of the Rules of Practice and Procedure before the PUC.

Dated this 26th day of March, 2013.



Jeffrey C. Johnson
Chairman



Joseph M. McDonald
Commissioner




Rowena E. Perez
Commissioner

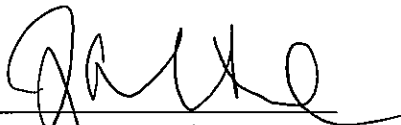


Filomena M. Cantoria
Commissioner

ORDER
In the Matter of
GTA Tariff Transmittal No. 23
GTA Docket 13-01
March 26, 2013



Michael A. Pangelinan
Commissioner



Peter Montinola
Commissioner

Management System [“DMS”], and authorized GPA to obligate funds up to the full amount of \$17M.⁵

6. The PUC also approved and implemented measures to assist GPA in rapidly implementing its Smart Grid Program; if expeditious action is not taken by GPA to implement Smart Grid, there is the possibility that its Grant could be terminated by the U.S. Department of Energy.⁶
7. In said Order, the PUC implemented an expedited procedure for Smart Grid projects whereby GPA would not need to obtain prior PUC approval for procurements of Smart Grid Projects, but only to obtain final review and PUC approval of Smart Grid Contracts.⁷
8. The most recent action of the PUC regarding Smart Grid was approval of GPA’s Substation Automation Contract with Black Construction Corporation [“Black”] on July 30, 2012.⁸

DETERMINATIONS

9. GPA conducted due diligence in procuring and negotiating the contract with JMI-Edison
10. GPA has demonstrated that the implementation of its contract for Distribution Management Systems is critical to the success of GPA’s Smart Grid Project.
11. Approval of this contract will not have any additional impact upon customer power rates. Funding for this contract was already included in the 2010 Bond Issuance and does not involve the expenditure of additional ratepayer funds.
12. The Statement of Work in the contract sets out the duties and responsibilities of the parties in considerable detail.⁹

⁵ PUC Order GPA Docket 11-13, issued December 19, 2011, at p. 2.

⁶ Id.

⁷ Id. at p. 3.

⁸ PUC Order, GPA Docket 11-13, issued July 30, 2012, at p. 2.

⁹ Attachment “A”, Statement of Work, to the Contract between GPA and JMI-Edison [attached to the GPA Petition for Contract Review herein].

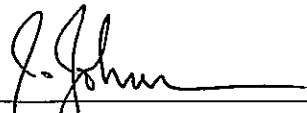
13. Among other benefits, DMS can improve the distribution system's efficiency and reliability.¹⁰

ORDERING PROVISIONS

After review of the record herein, GPA's Petition for review and approval of the Distribution Management Systems Contract with JMI-Edison, and the PUC Counsel Report, for good cause shown, the Guam Public Utilities Commission **HEREBY ORDERS** that:

1. GPA's Petition for review and approval of the Distribution Management Systems Contract with JMI-Edison is hereby granted.
2. The recommendations and reasoning contained in the PUC Counsel Report are hereby adopted.
3. GPA is authorized to expend up to the amount of \$2,249,620.00 for said Contract.
4. GPA shall continue to comply with its monthly reporting requirements to the PUC as set forth in the PUC Order dated July 27, 2011. GPA shall submit ongoing progress reports to the PUC concerning this contract and other ongoing Smart Grid Projects.
5. 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 the 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 26th day of March, 2013.



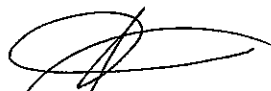
Jeffrey C. Johnson
Chairman



Joseph M. McDonald
Commissioner

¹⁰ Attachment "A" Statement of Work, at p. 4.

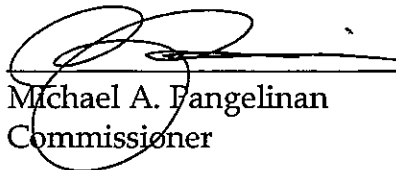
Order
Distribution Management Systems Contract
[Smart Grid Project]
GPA Docket 11-13
March 26, 2013



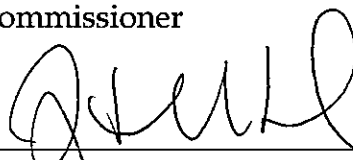
Rowena E. Perez
Commissioner



Filomena M. Cantoria
Commissioner



Michael A. Fangelinan
Commissioner



Peter Montinola
Commissioner

water and wastewater projects, as well as an electrical engineering project, and a single miscellaneous project.

On March 22, 2013, the Administrative Law Judge of the PUC, David A. Mair (the "ALJ"), issued an ALJ Report regarding GWA's request to reprogram the 2010 Bond proceeds. Upon review, and based on the documentation provided by GWA, the ALJ subsequently found that the projects for which GWA sought approval in its Petition were reasonable and necessary for the expansion and improvement of Guam's water and wastewater systems, as well as for compliance under the Amended Stipulated Order. The ALJ, therefore, recommended approval of GWA's Petition.

The ALJ, however, further recommended that GWA submit to the PUC updates on several of its CIP projects that required additional funding. Specifically, the ALJ recommended that, with respect to the meter replacement program, GWA report on the status of this program by May 15, 2013. The ALJ also recommended that, with respect to GWA's Water Reservoir Internal/External Assessment Program, GWA provide the PUC with documentation on the status of this project, as well as documentation related to cost estimates for this project by June 15, 2013. Finally, the ALJ recommended that, with respect to GWA's Wastewater Collection System Replacement and Rehabilitation program, GWA report on the status of this program by July 15, 2013.

Finally, on July 30, 2012, the PUC "recommended" that GWA comply with its obligations pursuant to P.L. 30-145. The approval of the current petition for reprogramming should not be interpreted so as to vacate or amend that "recommendation." However, inasmuch as GWA has judicially challenged the PUC's "recommendation," the

approval of the current petition should also not be interpreted as a waiver of any of GWA's rights in the pending civil action. GWA has duly preserved its right to challenge the PUC's "recommendation." The PUC is hopeful that the Guam Legislature and GWA will resolve the dispute relating to P.L. 30-145 in GWA's next bond application.

The Commission hereby adopts the findings made in the March 22, 2013 ALJ Report and, therefore, issues the following:

ORDERING PROVISIONS

Upon consideration of the record herein, the March 25, 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. GWA's expedited petition for approval to reallocate \$7.57 million of 2010 Bond funds is hereby GRANTED.
2. With respect to the Meter Replacement Program, GWA shall file a report with the PUC detailing the status of the program by May 15, 2013.
3. With respect to the Water Reservoir Internal/External Assessment Program, GWA shall file a report with the PUC detailing the status of the project, and shall file with the PUC documentation related to cost estimates for the project by June 15, 2013.
4. With respect to the Wastewater Collection System Replacement and Rehabilitation program, GWA shall file a report with the PUC detailing the status of the program by July 15, 2013.
5. GWA is further 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 this docket. Assessment of the PUC's regulatory fees and expenses is 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 26th day of March, 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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