

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER:)
)
The Application of the Guam)
International Country Club for) **DOCKET 08-004**
Approval of Rates for Guam Residents.))
)
_____)

PUC COUNSEL COMPLIANCE REPORT

Background

This matter was previously before the Guam Public Utilities Commission [PUC] on December 29, 2008. The PUC issued an Order approving certain rate increases proposed by the Guam International Country Club [GICC].¹ At that time, Georgetown Consulting Group [GCG] and GICC had entered into a Stipulation Re: Rates and Amendment to Rate Methodology.²

In its December 29, 2008 Decision and Order, the Commission imposed certain requirements upon GICC. GICC was ordered to 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 (1) year from the date of the Order, or one-hundred-twenty (120) days before GICC files any new rate petition, whichever is sooner.³ GICC was also required to propose a methodology using the newly determined panel members to set appropriate rates, and to disclose all data used to develop the panel and proposed rates, as soon as possible, but not later than when the proposed new panel was filed.⁴

PUC Legal Counsel was directed to monitor compliance by GICC with the terms and conditions of the Stipulation in this Docket.⁵ Finally, GICC was ordered to pay the Commission’s regulatory fees and expenses, including without limitation, consulting and counsel fees and the fees and expenses of conducting and transcribing 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.⁶

¹ PUC Decision and Order, the Application of the Guam International Country Club for Approval of Rates for Guam Residents, Docket 08-004, filed December 29, 2008.

² Stipulation Re: Rates and Amendment to Rate Methodology, Docket No. 08-004, filed December 15, 2008.

³ PUC Decision and Order, Docket 08-004, filed December 29, 2008 at ¶5, p. 2.

⁴ Id. at ¶6, p.2.

⁵ Id. at ¶8, p. 2.

⁶ Id. at ¶10, p. 2.

1 In compliance with his duty to monitor compliance by GICC, PUC Counsel submits this
2 report. GICC has not complied with its obligation to propose a new panel of members
3 consistent with the requirements set forth in P.L. 19-34. Since GICC has not filed any
4 new rate petition, GICC was required to propose such panel of new members by
December 28, 2009. It has failed to do so.

5 No methodology has been proposed by GICC using the newly determined panel
6 members to set appropriate rates, in violation of ¶6 of the PUC's December 29, 2008
7 Order.

8 Finally, GICC has failed in its duty to pay the Commission's regulatory fees and
9 expenses. To date, the total amount owed by GICC to the PUC is \$29,427.34. On
10 November 6, 2009, PUC Counsel sent a Demand for Payment of Regulatory Fees to
11 GICC's Legal Counsel.⁷ GICC has not paid any amount of the total amount due for
12 regulatory fees and expenses.

11 *Recommendations*

12 PUC Counsel recommends that the Administrative Law Judge [ALJ] conduct a hearing
13 at which time GICC will be required to show cause as to why it has not complied with
14 the Decision and Order of the Commission. The ALJ should consider taking various
15 administrative actions as a result of GICC's failure to comply with the Commission's
16 Decision and Order filed December 29, 2008, in Docket 08-004.

16 In particular, Counsel suggests that the ALJ consider the following: (1) revoking the
17 Rate and Fee increases approved by the Commission on December 29, 2008, for failure
18 of GICC to comply with its duties under the Stipulation and Decision and Order; (2)
19 imposing penalties upon GICC of not more than five hundred dollars (\$500.00) for
20 every violation, neglect or failure with regard to the Commission's Order per day; (3)
21 requiring GICC to submit its financial records, including all bank records, to the
22 Commission pursuant to 12 GCA §12005, for a determination of GICC's ability to pay
23 the regulatory fees and expenses; (4) finding GICC in contempt for failing to comply
24 with its obligations under the December 29, 2008 Order; (5) prohibiting GICC from
25 filing any further rate application or petition with the PUC until such time as it
26 complies with the December 29, 2008 Order.

23 Dated this 8th day of March, 2010.

25 _____
26 FREDERICK J. HORECKY
27 PUC Legal Counsel

28 ⁷ Letter dated November 6, 2009, from Frederick J. Horecky, PUC Legal Counsel to Anthony R. Camacho, Esq.,
GICC Counsel.