

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

**GUAM POWER AUTHORITY'S 2011
MULTI YEAR BASE RATE RELIEF
FILING**

GPA DOCKET 11-09

ORDER

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the STIPULATION of the Guam Power Authority ["GPA"] and the U.S. Department of the Navy ["Navy"] concerning GPA load data and a proposed cost of service adjustment for Navy, which were included in the GPA Phase II Supplemental Filing of May 29, 2012.¹

BACKGROUND

2. In its FY 12 RATE DECISION issued May 7, 2012, the PUC ordered that GPA and Navy meet and confer regarding certain issues which had arisen in the proceedings concerning the accuracy of GPA's load data and cost of service determinations.² The Parties were requested to propose an adjustment to the Interim Rates as soon as practicable.³
3. On November 20, 2012, GPA and Navy filed their STIPULATION concerning GPA's load data and proposed cost of service adjustment for Navy. A true and correct copy thereof is attached hereto as Exhibit "1".
4. GPA and Navy stipulate that the upward adjustments of Navy's cost of service and the allocation factor, as set forth in GPA's Supplemental Filing of May 29, 2012, are appropriately based upon GPA's revised Navy load data.⁴
5. As proposed by the Parties, the 12 Coincident Peak (12CP) allocation factor is 17.606% (revised upward from 17.277% established by the PUC in its May 7, 2012, Order) and the cost of service increase to Navy is \$380,000 (reflecting both an increase in the demand charge rate and allocated base costs to the Navy since May 7, 2012).⁵

¹STIPULATION, GPA Docket 11-09, filed November 20, 2012.

²FY 12 RATE DECISION, GPA Docket 11-09, ¶12, issued May 7, 2012.

³ Id. at ¶12.

⁴STIPULATION, GPA Docket 11-09, filed November 20, 2012.

⁵ Id.

DETERMINATIONS

6. The STIPULATION, and the upward adjustments of Navy's cost of service and allocation factor, are reasonable and should be adopted. Pursuant to 12 GCA §12004, it is within the authority of the PUC to establish and modify rates and charges for utility services.
7. The adjustments and increases to Navy's rates, as proposed by the parties in the STIPULATION, are "just" and "reasonable" pursuant to 12 GCA §§12015 and 12017.
8. The rate adjustments proposed by the parties should be adopted effective December 1, 2012.

ORDERING PROVISIONS

After careful review and consideration of the above determinations, the Recommendations of PUC Counsel, the Stipulation, and the record herein, for good cause shown, the Guam Public Utilities Commission HEREBY ORDERES that:

1. The STIPULATION of the Parties, attached hereto as Exhibit "1", is approved; effective December 1, 2012, the rates charged by GPA to Navy shall be in accordance with the STIPULATION and the GPA Phase II Supplemental Filing of May 29, 2012.
2. The manner and procedure by which the rate changes to Navy shall be implemented will be determined in accordance with the proceedings on GPA's Rate Rollback Petition.
3. 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 11th day of December, 2012.

Jeffrey C. Johnson
Chairman

Joseph M. McDonald
Commissioner

Order
GPA-Navy STIPULATION
GPA Docket 11-09
December 11, 2012

Rowena E. Perez
Commissioner

Filomena M. Cantoria
Commissioner

Michael A. Pangelinan
Commissioner

Peter Montinola
Commissioner