

**BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

In Re: Petition to Approve Extension for )  
Dock Facility & Storage Agreements ) GPA Docket 10-10  
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**ORDER**

This matter comes before the Guam Public Utilities Commission [GPUC] upon GPA’s Petition for the PUC to review and approve the Contract Extensions with Tristar Terminals Guam, Inc. [TRISTAR] for the Dock Facility User Agreement (F-1Dock) and Storage Agreement.<sup>1</sup> Therein, GPA seeks review and approval of contract extensions for two contracts: the Facility User Agreement and the Storage Agreement.

PUC Counsel has submitted a Report which explains the background and purpose of these two Agreements.<sup>2</sup> Pursuant to the Facility User Agreement (F-1 Dock), GPA is allowed to discharge or load fuel, at the F-1 Dock, from and to vessels commissioned by GPA. TRISTAR provides the necessary equipment and labor. TRISTAR’s facilities are used for the handling and receiving of fuel import deliveries into GPA storage facilities.<sup>3</sup> Pursuant to the Storage Agreement, TRISTAR provides storage tanks to GPA with a total nominal capacity of 500,000 barrels for the storage of fuel oil at the Agat Terminal Facility.<sup>4</sup>

On October 26, 2010, the Consolidated Commission on Utilities [CCU] authorized GPA to extend the terms of the Facility User and Storage Agreements with TRISTAR for two years.<sup>5</sup> Such terms would commence on March 1, 2011 and expire on February 28, 2013.<sup>6</sup> The CCU found that the extension of the Facility User and Storage Agreements would serve the best interest of the Authority and its ratepayers by insuring uninterrupted supply of fuel to GPA through the use of TRISTAR’s fuel handling facilities.<sup>7</sup>

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<sup>1</sup> GPA Petition for Contract Review, GPA Docket 10-01, Filed November 22, 2010.

<sup>2</sup> PUC Counsel Report, GPA Docket 10-10, dated December 6, 2010.

<sup>3</sup> Id. at p. 1.

<sup>4</sup> Storage Agreement between Shell Guam Inc. and the Guam Power Authority dated March 1, 2008, Par. 1 at p. 1.

<sup>5</sup> Consolidated Commission on Utilities Resolution No. 2010-59, issued October 26, 2010.

<sup>6</sup> Id. at p. 2.

<sup>7</sup> Id.

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's Petition for Contract Extension of the Facility User Agreement (F-1 Dock) and Storage Agreement with Tristar Terminals Guam, Inc. is hereby approved.
2. The Facility User Agreement (F-1 Dock) is approved; the contract extension shall be effective March 1, 2011 and will expire on February 28, 2013.
3. GPA is authorized to expend the amount of \$2,826,328.00 for the 2-year extension of the Facility User Agreement.
4. The Storage Agreement is approved; the contract extension shall be effective March 1, 2011 and will expire on February 28, 2013
5. GPA is authorized to expend the amount of \$2,773,440.00 for the 2-year extension of the Storage Agreement.
6. The extensions of the Facility User Agreement and the Storage Agreement will serve the best interest of the Authority and its ratepayers by insuring the uninterrupted supply of fuel to GPA through the use of Tristar's fuel handling facilities.
7. The contract extensions for the above referenced agreements are reasonable, prudent, and necessary.
8. 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.

PUC Order  
In Re: Petition to Approve Extension for  
Dock Facility & Storage Agreements  
GPA Docket 10-10  
December 15, 2010

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Dated this 15<sup>th</sup> day of December, 2010.

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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