

BEFORE THE PUBLIC UTILITIES COMMISSION

TERRITORY OF GUAM

APPLICATION OF GUAM INTERNATIONAL)
COUNTRY CLUB, INC. FOR APPROVAL) DOCKET 93-009
OF RATES FOR GUAM RESIDENTS)
_____)

DECISION AND ORDER

On August 13, 1997 Guam International Country Club, Inc. [GICC] applied for rate relief under the interim protocol established by the Commission's November 16, 1995 order. A public hearing was convened upon due and lawful notice at 6:00 p.m. September 10, 1997 at GICC's Dededo club house to consider GICC's rate request. At the hearing GICC and Georgetown Consulting Group, which serves as the Commission's independent regulatory consultant, submitted a stipulation which proposed specific rate relief (copy made Attachment A). Senator Lamorena and Mr. Pat Burke submitted comments, which have been incorporated into the record.

After consideration of the comments presented at the public hearing and the application, stipulation and administrative law judge's report and for good cause shown, the Commission at a duly noticed public meeting on September 15, 1997 and on motion duly made, seconded and carried, hereby **FINDS AND ORDERS THAT:**

1. The rate increases proposed by the stipulation are just and reasonable and are hereby approved with an effective date of October 1, 1997. GICC is directed to notify its customers by notice prominently posted at its clubhouse and by published newspaper notice of the rate increases.

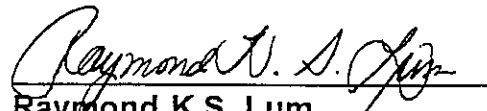
2. All rulings and orders of the Commission's administrative law judge during the course of this proceeding are confirmed and ratified. All motions not heretofore granted are denied. No other matters require discussion.

3. GICC shall pay for the Commission's expenses, including without limitation, consulting and counsel fees and the expenses of conducting and transcribing the hearing proceedings.

4. ALJ is directed to review all prior orders and stipulations in this docket, to consult with the parties, and thereafter brief the Commission during the January, 1998 regulatory session on GICC regulatory matters which will require Commission scrutiny in this docket during 1998 and 1999.

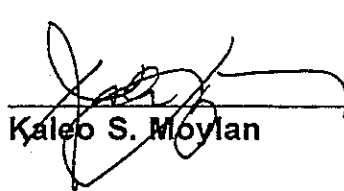
Entered this 15 day of September, 1997.

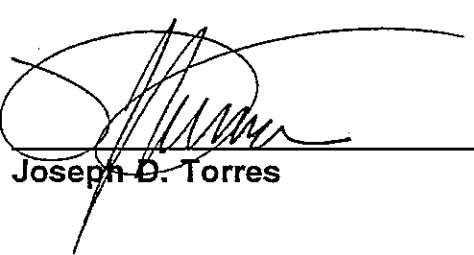

Terrence M. Brooks


Raymond K.S. Lum

Vicente D. Gumataotao


Kathleen M. Perez


Kaleo S. Moylan


Joseph D. Torres



BEFORE THE PUBLIC UTILITIES COMMISSION
TERRITORY OF GUAM

APPLICATION OF GUAM INTERNATIONAL)
COUNTRY CLUB, INC. FOR APPROVAL)
OF RATES FOR GUAM RESIDENTS)
_____)

DOCKET 93-009

ADMINISTRATIVE LAW JUDGE REPORT

On August 13, 1997, Guam International Country Club, Inc. [GICC]¹ requested Commission authority to increase its municipal green and cart fees, under the protocol established by Commission order dated November 16, 1995.² As a result of prehearing discussions between GICC and Georgetown Consulting Group, a stipulation was reached as to the appropriate level of these increases. A copy of the stipulation is made Attachment A.

Pursuant to due and lawful notice, a public hearing was conducted on the GICC application at 6:00 p.m. on September 10, 1997 at GICC's Dededo club house. Senator Lamorena and Mr. Pat Burke submitted public comments, which are included in the evidentiary record.³

The proposed fee increases are consistent with the Commission's protocol and should be approved.

¹ **Corporate name.** GICC has advised the Commission that it recently changed its corporate name from Guam Municipal Golf, Inc. to Guam International Country Club, Inc.

² **Interim protocol.** By its November 16, 1995 order, the Commission approved an interim protocol for annually reviewing GICC green and cart fees against an indexing panel of comparable mainland golf courses. The details of this protocol are contained in the parties' November 15, 1995 stipulation (copy enclosed as Attachment B heretc).

³ **Evidentiary record.** The evidentiary record includes GICC's application with testimony and exhibits, Georgetown's memos dated August 27, 1997 and September 9, 1997, hearing notices, the stipulation, hearing exhibits, the public comments of Mr. Burke and Senator Lamorena and the Commission's ALJ report.

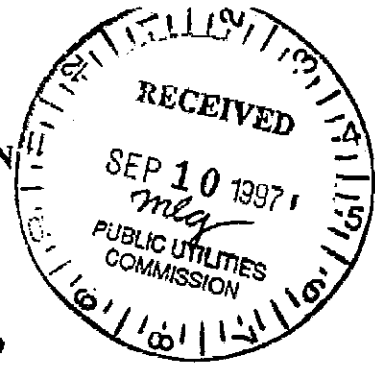
Enclosed as Attachment C is a proposed order by which the Commission can approved the stipulation.

Respectfully submitted on September 15, 1997.

A handwritten signature in black ink, appearing to read "H. Boertzel", with a long horizontal line extending to the right.

Harry M. Boertzel
Administrative Law Judge

BEFORE THE PUBLIC UTILITIES COMMISSION
FOR THE TERRITORY OF GUAM



APPLICATION OF GUAM) DOCKET NO. 93-009
INTERNATIONAL COUNTRY CLUB)
FOR APPROVAL OF RATES FOR)
GUAM RESIDENTS AND FOR)
ADJUSTMENT OF ADMINISTRATIVE)
CHARGES)
_____)

STIPULATION

It is hereby stipulated as follows by and between Applicant Guam International Country Club, Inc. ("GICC"), by counsel, and Georgetown Consulting Group, Inc. ("GCG"), the latter acting in its capacity as staff consultant to the Commission, by its authorized representative, with respect to the application of GICC filed August 13, 1997 in the above docket:

Based on the interim methodology for periodic adjustment of resident rates and charges approved by the Commission on November 16, 1995, and a review of results of a survey conducted on behalf of GICC in August 1997, GICC and GCG agree that effective October 1, 1997 rates for Guam resident golfers should be increased by \$1.00 for: a) 18 hole play on weekdays to \$22.00, and on Saturdays, Sundays and holidays to \$27.00; b) 9 hole play on weekdays to \$14.00, and on Saturdays, Sundays and holidays to \$17.00; and c) cart fees for 18

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ATTACHMENT "A"

hole play on weekdays, Saturdays, Sundays and holidays to \$8.00; with cart fees for 9 hole to remain unchanged at \$5.00; and so recommend to the Commission for its approval.

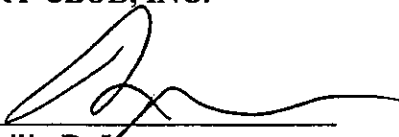
Dated: September 10, 1997

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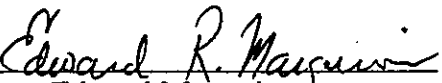
GUAM INTERNATIONAL
COUNTRY CLUB, INC.

GEORGETOWN CONSULTING
GROUP, INC.

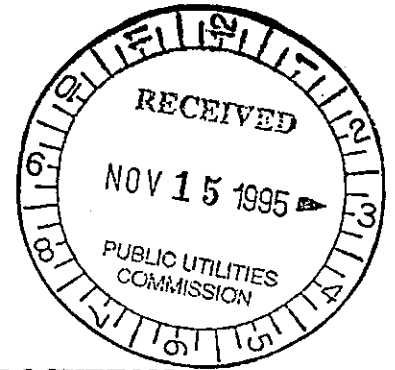
By: _____


Philip D. Isaac
Its counsel and
duly authorized representative

By: _____


Edward Margerison
Its secretary and
duly authorized representative

BEFORE THE UTILITIES COMMISSION
OF THE TERRITORY OF GUAM



PUC DOCKET NO. 93-009

GUAM MUNICIPAL GOLF, INC.)
RATES AND ACCESS POLICY)
_____)

STIPULATION

Guam Municipal Golf, Inc., ("GMG") and Georgetown Consulting Group, Inc. ("GCG"), in accordance with Item 5 of the July 24, 1995 Phase II Stipulation, have negotiated a comparable U.S. Golf Course Indexing Panel, for indexing of Resident Green Fees and Cart Fees which is presented for Commission approval. GMG and GCG hereby stipulate as follows:

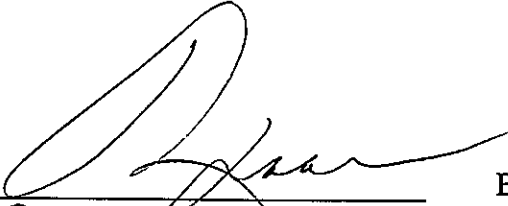
1. GMG and GCG agree to a Primary Comparable U.S. Mainland Golf Course Indexing Panel (The Primary Panel) which will be the thirty (30) U.S. Mainland golf courses that are set forth in Exhibit I.
2. GMG and GCG agree to a Secondary Comparable U.S. Mainland Golf Course Indexing Panel (The Secondary Panel) which will be the twenty-seven (27) U.S. Mainland golf courses that are set forth in Exhibit II. Further, GMG and GCG agree that the courses in the Secondary Panel will be utilized to replace a Primary U.S. Mainland golf course in accordance with Items 3, 4 and 10 below.
3. GMG and GCG recognize that it may be necessary to replace one or more Primary courses if a Primary Course is disqualified for the following reasons:

ATTACHMENT "B"

11. GMG and GCG will recommend to the Commission that Commission approval should not be required for the replacement of a Primary Course in accordance with Items 3 and 4 or 10.
12. GMG and GCG agree that the Primary Panel and Secondary Panel will be reviewed in conjunction with a review of the July 24, 1995 Phase II Stipulation.
13. Either party may petition the Commission for relief from this Stipulation should it be deemed inoperable.

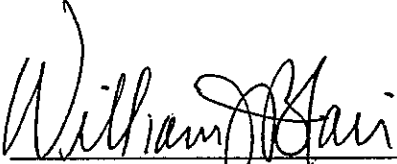
Dated 14th day of November, 1995

Guam Municipal Golf, Inc.

BY: 
Philip D. Sate
Its duly authorized representative

Dated 14th day of November, 1995

Georgetown Consulting Group

BY: 
William J. Blair
Its duly authorized representative

- The permanent closure of a Primary course
 - The status of the Primary Course is changed, i.e., changed from municipal to Public or Private
 - The Primary Course does not respond to GMG's Green and Cart Fees survey for two consecutive years.
4. GMG and GCG agree that the replacement of a Primary Course will begin with course number 14 in the Secondary Course listed on Exhibit II and will alternate high and low with each additional selection i.e., course 13, 15, 12, 16, etc.
5. GMG and GCG agree that indexing factors will be calculated separately for Green and Cart Fees. The procedure for calculating the Green Fees Index and Cart Fees Index is set forth below:
- The baseline index, that from the 1995 survey results, for weekday and weekend Green Fees and for Cart Fees is in each instance, the mathematical average of those fees for the panel.
 - A similar calculation will be made annually for the Panel as it may be reconstituted.
 - Green Fees and Cart Fees may then be adjusted annually by multiplying then current GMG Green Fees and Cart Fees by the most recent indices (i.e., average) divided by the indices (i.e., average) for the year immediately preceding using the same Panel.
- The rates resulting will be rounded to the nearest whole dollar.
6. GMG and GCG agree that GMG's Green and Cart Fees survey should be conducted with a written questionnaire sent to the Primary and Secondary courses. The form of the

questionnaire is set forth in Exhibit III. Further, GMG and GCG agree that if information is obtained by a follow-up phone call and/or by a brochure, the information can be utilized to calculate the Green Fees Index and Cart Fees Index.

7. GMG and GCG agree that sixteen (16) or more responses will be a sufficient number of responses for calculating the Green and Cart Fees adjustment factors.
8. GMG and GCG agree that GMG's Green and Cart Fees Survey will be completed by August 01 of each year. Further, GMG agrees to provide GCG by August 16 of each year with the Green and Cart Fees survey results and a decision on whether a Green and/or Cart Fees adjustment will be made and GCG agrees to provide comments on the Green and Cart Fees survey by September 10 of each year.
9. GMG and GCG agree that any change in Green and Cart Fees will become effective on October 1 of each year.
10. GMG and GCG agree that if there are less than sixteen (16) Primary Course responses, the Secondary Course responses will be utilized to achieve sixteen (16) course responses for the current year. The Secondary Course responses will be selected in accordance with Item No. 4 of this Stipulation and the first Secondary response available. The calculation of the Green and Cart Fees Index will be based on the sixteen (16) Primary and Secondary Golf Courses that have both current and prior year Green and Cart Fees. In addition, the primary course to be replaced shall have its data removed from the prior year.

HIBIT I
TINARY COURSES

COURSE NAME	RATING COURSE/SLOPE	YARDAGE	MAINTENANCE			GREEN WKDAY	FEES WKEND	CART WKDAY	FEES WKEND	COMBINED WKDAY	FEES WKEND	EFFECTIVE DATE
			CNTY	CITY	OPER							
MARSHALL CANYON	68.5/111	6115				17.00	21.00	9.00	10.00	26.00	31.00	10/01/9
SAVANNAHS AT SYKES CREEK GC	70.6/118	6636	yes		yes	20.00	21.75	9.00	9.00	29.00	30.75	04/17/91
CORONADO GOLF COURSE	71.8/124	6633		yes		20.00	20.00	10.00	10.00	30.00	30.00	07/01/95
DESERT ROSE GOLF COURSE	69.7/112	6511			yes	17.00	19.00	11.00	11.00	28.00	30.00	01/01/95
HENDERSON GOLF CLUB	73.2/138	6650			yes	13.50	19.50	10.00	10.00	23.50	29.50	03/25/95
MANGROVE BAY GOLF COURSE	71.5/120	6779			yes	19.00	19.00	10.00	10.00	29.00	29.00	07/01/95
HARP PARK GOLF COURSE-PACIFIC	70.1/115	6371	yes		yes	15.00	18.00	11.00	11.00	26.00	29.00	07/01/95
BOBBY JONES GOLF COMPLEX AMERI	68.4/117	6009	yes		yes	18.00	18.00	10.00	10.00	28.00	28.00	11/01/94
BOBBY JONES GOLF COMPLEX BRIT	70.0/111	6468	yes		yes	18.00	18.00	10.00	10.00	28.00	28.00	11/01/94
CITY OF LONG BEACH	69.3/111	6354			yes	14.00	17.50	11.00	10.25	24.25	27.75	06/01/94
WHISPERING LAKES GOLF COURSE	71.4/122	6700		yes	yes	12.00	16.00	10.00	10.00	23.00	27.00	07/01/95
CHAHTAHOOCHEE GOLF CLUB	72.1/125	6700		yes	yes	14.00	16.00	10.00	11.00	24.00	26.00	09/06/94
BIDWELL PARK GOLF COURSE	68.6/115	6150			yes	14.00	18.00	8.00	8.00	22.00	26.00	09/01/94
PAPAGO GOLF COURSE	73.3/132	7068	yes		yes	17.00	17.00	8.00	8.00	25.00	25.00	11/01/94
OCEANSIDE MUNICIPAL GOLF COURS	70.1/121	6500			yes	12.50	16.50	8.88	8.88	21.44	25.75	07/01/94
SUGAR HILL GOLF CLUB	70.7/127	6423			yes	13.00	16.00	9.25	9.00	22.25	25.00	05/01/95
COCOA BEACH COUNTRY CLUB	71.7/119	6500	yes		yes	17.00	17.00	8.00	8.00	25.00	25.00	04/01/94
PERSDREAD GOLF COURSE	69.0/115	6055	yes		yes	10.00	17.00	8.00	8.00	18.00	25.00	01/01/95
E CREEK GOLF COURSE	71.1/122	6876	yes		yes	12.00	17.00	7.50	7.50	24.50	24.50	01/01/93
VALLEY OAKS GOLF COURSE	70.7/119	6564	yes		yes	17.00	15.00	9.00	9.00	24.00	24.00	07/01/94
NOB NORTH GOLF COURSE	71.7/128	6573			yes	15.00	15.00	9.00	9.00	24.00	24.00	04/01/94
BULL CREEK GOLF COURSE	72.5/130	6921			yes	13.00	15.00	9.00	9.00	22.00	24.00	01/01/95
CITY OF OLAIA	70.0/118	6367			yes	15.90	15.90	7.95	7.95	23.85	23.85	01/01/95
SLAMAN PARK MUNICIPAL G.C.	70.1/121	6364	yes		yes	10.75	14.75	9.00	9.00	20.00	23.00	11/01/94
PITTSBURG DELTA VIEW GOLF COUR	70.4/125	6400	yes		yes	11.00	14.50	9.00	9.00	20.00	23.50	10/01/94
BENNETT VALLEY GOLF COURSE	70.6/112	6583	yes		yes	9.00	14.00	9.00	9.00	18.00	23.00	08/01/93
SAN CLAMENTE MUNICIPAL	70.2/118	6446	yes		yes	9.00	14.00	8.00	8.00	23.00	23.00	06/01/94
BATTLE MOUNTAIN GOLF COURSE	70.0/119	6118			yes	15.00	15.00	8.50	8.50	22.00	23.00	04/01/95
BARTOW MUNICIPAL GOLF COURSE	68.3/118	6022			yes	13.50	14.50	8.50	8.50	22.00	23.00	01/01/94
ARROYO DEL OSO GOLF COURSE	72.3/125	6892			yes	12.50	12.50	9.50	9.50	22.00	22.00	01/01/94

LIBERTY
COMMUNITY COURSES

ST	COURSE NAME	RATING	COURSE/SLOPE	YARDAGE	MAINTENANCE CNTY CITY	OPER	GREEN WKDAY	FEEES WKEND	CART WKDAY	FEEES WKEND	COMBINED WKDAY	FEEES WKEND	EFFECTIVE DATE
FL	WEST PALM BEACH MUNICIPAL	72.8/124	6789	yes	30.00	30.00	10.00	10.00	40.00	40.00	05/01/95		
CA	SWENSON PARK GOLF COURSE	70.1/110	6500	yes	12.00	13.00	9.00	9.00	21.00	22.00	01/01/93		
GA	BOULDERS COURSE	73.1/140	6800	yes	22.00	29.00	10.00	10.00	32.00	39.00	03/15/95		
FL	NEW SMYRNA BEACH MUNICIPAL GC	70.2/113	6375	yes	14.00	14.00	8.00	8.00	22.00	22.00	10/01/94		
FL	SUNNYVALE MUNICIPAL GOLF COURSE	69.7/119	6249	yes	19.00	24.00	12.00	12.00	31.00	36.00	04/01/95		
CA	DESERT LAKES	71.0/124	6491	yes	13.50	13.50	8.25	8.25	21.75	21.75	07/01/94		
CA	LAS POSITAS GOLF COURSE	72.0/126	6725	yes	18.00	25.00	11.00	11.00	29.00	36.00	07/01/94		
FL	FORT WALTON BEACH MUNICIPAL	69.9/110	6800	yes	15.00	15.00	6.00	6.00	21.00	21.00	01/01/90		
CA	DE LAVEGA GOLF COURSE	70.4/133	6010	yes	18.75	22.00	14.00	6.00	32.75	36.00	05/01/95		
CA	PENSACOLA MUNICIPAL GOLF	70.0/114	6405	yes	13.00	13.00	7.00	7.00	20.00	20.00	10/01/92		
FL	SOULE PARK GOLF COURSE	69.1/107	6398	yes	18.00	23.00	11.00	11.00	29.00	34.00	01/01/95		
CA	PINON HILLS GOLF COURSE	73.3/130	7249	yes	11.00	13.00	7.00	7.00	18.00	20.00	01/01/93		
NM	BOYNTON BEACH MUNICIPAL GC	72.0/120	6400	yes	22.00	22.00	11.00	11.00	33.00	33.00	10/01/94		
FL	MT. GRAHAM GOLF COURSE	72.0/119	6250	yes	12.50	12.50	7.00	7.00	19.50	19.50	07/01/94		
AZ	PAID ALTO MUNICIPAL GOLF COURSE	72.0/116	6800	yes	19.00	23.00	9.50	9.50	28.50	32.50	08/01/94		
CA	TIERRA DEL SOL GOLF COURSE	72.1/129	6909	yes	8.50	7.50	9.00	12.00	20.50	19.50	05/01/95		
CA	THE HABITAT GOLF COURSE	72.9/129	6836	yes	8.00	8.00	11.00	11.00	19.00	19.00	10/01/94		
CA	JACKSONVILLE BEACH GOLF COURSE	70.5/119	6510	yes	17.00	23.00	9.00	9.00	32.00	32.00	07/01/94		
CA	DIAMOND BAR GOLF COURSE	72.5/125	6900	yes	10.00	11.00	8.00	8.00	18.00	19.00	05/01/95		
CA	RIVERVIEW PARK GOLF COURSE	67.7/116	6041	yes	16.00	22.00	10.00	10.00	26.00	32.00	07/01/95		
CA	ANAHEIM HILLS GOLF COURSE	70.0/111	6218	yes	12.00	12.00	7.00	7.00	19.00	19.00	03/01/95		
CA	DAYTONA BEACH GOLF CLUB	70.4/122	6567	yes	10.50	21.00	10.00	10.00	20.50	31.00	10/01/94		
CA	SANTA ANITA GOLF COURSE	70.5/117	6372	yes	19.00	8.75	9.00	9.00	28.00	31.00	01/01/95		
CA	FOSS KERN RIVER GOLF COURSE	70.9/123	6458	yes	11.00	11.00	7.50	7.50	18.50	18.50	11/01/94		
GA	BROWNS MILL	73.0/126	6600	yes	6.00	8.00	8.00	8.00	14.00	16.00	01/01/93		
FL	DELRAY BEACH GOLF CLUB	70.7/122	6907	yes	30.00	30.00	10.00	10.00	40.00	40.00	01/01/93		
NM	OCOTILLO PARK GOLF COURSE		6716	yes		8.00		8.00		16.00			

Exhibit III

GUAM MUNICIPAL GOLF, INC. 18-HOLE REGULATION MUNICIPAL GOLF FACILITY SURVEY
--

Course Name :	State:
Fax No :	

1. Please provide the rates that will be effective on October 01.

Green Fees – 18 holes

Resident

Non – Resident

Senior

Junior

Twilight

October 01 Rates	
Weekdays	Weekends
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$

Green Fees – 9 holes

Resident

Non – Resident

Cart Fees – 18 holes (per rider)

Cart Fees – 9 holes (per rider)

\$	\$
\$	\$
\$	\$
\$	\$

2. What is the price of 50 balls on the Driving Range ?

The due date to submit your completed survey is August 01, 1996

Please fax your survey to:
 Attention: Mr. G Tarasar, Deloitte & Touche, Guam at (671) 472-3933

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1. The rate increases proposed by the stipulation are just and reasonable and are hereby approved with an effective date of October 1, 1997. GICC is directed to notify its customers by notice prominently posted at its clubhouse and by published newspaper notice of the rate increases.

2. All rulings and orders of the Commission's administrative law judge during the course of this proceeding are confirmed and ratified. All motions not heretofore granted are denied. No other matters require discussion.

3. GICC shall pay for the Commission's expenses, including without limitation, consulting and counsel fees and the expenses of conducting and transcribing the hearing proceedings.

4. ALJ is directed to review all prior orders and stipulations in this docket, to consult with the parties, and thereafter brief the Commission during the January, 1998 regulatory session on GICC regulatory matters which will require Commission scrutiny in this docket during 1998 and 1999.

Entered this 15th day of September, 1997.

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