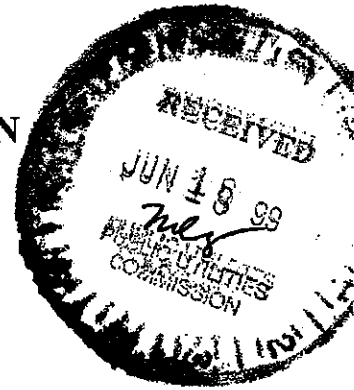


BEFORE THE PUBLIC UTILITIES COMMISSION
OF GUAM



GUAM INTERNATIONAL)
COUNTRY CLUB, INC.)
_____)

DOCKET 93-09

ORDER

On May 11, 1999, Guam International Country Club, Inc. [GICC] filed a petition with the Commission seeking approval of an amendment to the protocol for changing GICC greens and cart fees, as established by Commission order dated November 16, 1995. The amendment would substitute, during fiscal years 2000 and 2001, the Federal "Consumer Price Index – Other Goods and Services" category for the panel of mainland courses methodology in determining whether GICC merits rate relief.

Upon due and lawful notice, a Commission public hearing on the GICC petition was held at 6:30 p.m. on June 17, 1999 at Suite 202 GCIC Building, with Commissioners Brooks, Cantoria, McDonald and Crisostomo in attendance. At the hearing, the Commission received a presentation from GICC regarding a stipulation, filed May 7, 1999, between it and the Commission's regulatory consultant [Georgetown] in support of the petition. No public comment was received.

The Commission, having carefully reviewed the stipulation and the comments of GICC and Georgetown at the public hearing and after discussion at a meeting duly noticed, called and convened on June 18, 1999, and for good cause shown, **ORDERS THAT:**

1. The stipulation between GICC and Georgetown in this docket filed on May 7, 1999, a copy being attached hereto, is approved. The stipulation shall establish the methodology during fiscal years 2000 and 2001 by which the Commission determines whether GICC should receive rate relief.

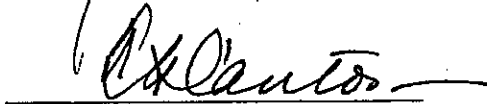
2. GICC shall pay for the Commission's expenses in this proceeding, including without limitation, consulting fees and expenses and the expense of conducting and transcribing hearing proceedings.

Dated this 18th day of June, 1999.



Joseph D. Torres

Vicente D. Gumataotao



Filomena M. Cantoria



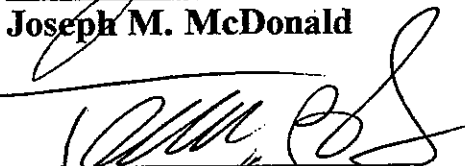
Edward C. Crisostomo



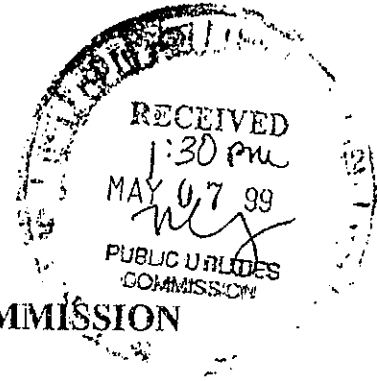
Joseph M. McDonald



Paul E.R. Paekbier



Terrence M. Brooks



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF GUAM**

GUAM INTERNATIONAL COUNTRY CLUB)
RATES AND ACCESS POLICY) DOCKET 93-009
)

STIPULATION

In February 1994, the Public Utilities Commission (PUC) established interim rates for Guam Municipal Golf, Inc. (GMG), which later became incorporated as Guam International Country Club (GICC). These rates were interim in nature until final resolution of the comparability of these rates to those for US mainland municipal courses could be determined.

In July 1995, Georgetown Consulting Group (GCG) and GMG entered into a stipulation to accept the appropriateness of the interim rates set by the PUC, to set service rules and regulations and to establish a second phase of the proceeding to establish a fixed methodology to set the appropriate green fees and cart rental rates for Guam residents in the future. The PUC adopted this stipulation in September 1995.

In November 1995, GMG and GCG entered into another stipulation which established a method of determining future rate changes for the regulated rates for the residents of Guam. This methodology was established and approved in recognition of the responsibility to comply with the terms of PL19-34, §23.b which required that the Guam resident rates shall be comparable to rates charged in comparable facilities in the mainland United States. This method required surveying several municipal golf courses (panel members) in the US and determine the average percentage increases in the equivalent fees for these courses. This percentage increase would then be applied to the fees at GMG (GICC).

In 1996, GMG requested an increase in the green fees based upon the PUC-approved panel methodology for 1996. In 1997, GICC requested another increase in the rates

established in 1996 and in the fee for cart rentals which were established in 1995¹, based upon the results of the 1997 survey of the panel members. In 1998, GICC did not request an increase in the fees that the PUC regulates, due in great part to the slowing economy of Guam. Moreover, GICC has informed the PUC that it has cut back the costs of operations wherever possible to reflect the Island-wide economic decline.

Recognizing the economic situation on Guam and to further reduce administrative costs, GCG and GICC have entered into this Stipulation to modify the procedure to adjust Green Fees and Cart Fees as set forth in the July 24, 1995 and November 14, 1995 Stipulations.

The joint proposal by GICC and GCG is to use the change in a particular category of the U.S. Consumer Price Index (CPI) as the surrogate for the proposed annual change for green fees and cart fees until 2002. The CPI is an index that is a published survey of prices either by region or nationwide for prices paid for goods and services. This is a readily available index and is segregated into several categories. The particular category that we recommend is the "other goods and services" category of the CPI. Historically, the annual change in that index has approximated (or been less than) the change in green fees and cart fees, as produced by an annual survey of golf courses consistent with Article 5 of the July 24, 1995 stipulation.

GICC and GCG hereby stipulate as follows:

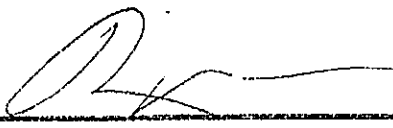
1. The parties agree to modify the requirement to perform an Annual Green Fee and Cart Fee survey for Fiscal Years 2000 and 2001.
2. The parties agree that the Federally Published Consumer Price Index category "Other Goods & Services" provides a reasonable surrogate for the results of the Annual Green Fee and Cart Fee Survey for 1995, 1996 and 1997.
3. The parties agree that the Federally Published Consumer Price Index category "Other Goods and Services" will be used to adjust Green Fees and Cart Fees for Fiscal Years 2000 and 2001.
4. The parties agree that an Annual Green Fee and Cart Fee Survey will be performed to adjust Green Fees and Cart Fees for Fiscal Year 2002.

¹ The cart fee increase in 1996 was di minimis. The 1995 rate was unchanged.

5. The parties agree that the Fiscal Year 2002 Green Fee and Cart Fee survey will be conducted in accordance with the procedures set forth in the November 14, 1995 Stipulation, as modified by item 6 below.
6. The parties agree and recommend that for Fiscal Year 2002 to survey secondary golf courses only when there is a non-response from primary golf courses such that data from secondary golf courses is required to complete the requirements of the number of golf courses required to be surveyed.
7. Either party may petition the Commission for relief from this Stipulation for good cause.

CARLSMITH BALL WICHMAN
CASE & ICHIKI

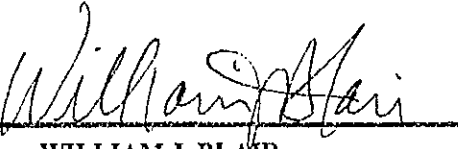
By: _____


PHILIP D. ISAAC
Attorneys for Guam International
Country Club, Inc.

Dated: May 6, 1999

KLEMM, BLAIR, STERLING & JOHNSON
A Professional Corporation

By: _____


WILLIAM J. BLAIR
Attorneys for Georgetown
Consulting Group, Inc.

Dated: May 5, 1999

ATTACHMENT

APPENDIX I

The Major groups and examples of categories in the "Other Goods and Services" survey are as follows:

- Food and Beverages (cookies, etc.)
- Housing (residential rent, etc.)
- Apparel and its upkeep (men's shirts, etc.)
- Transportation (airline fares, etc.)
- Medical care (prescription drugs, etc.)
- Recreation (newspapers, toys, etc.)
- Education and communication (tuition, etc.)
- Other Goods and Services (haircuts, cosmetics, bank fees, etc.)

TABLE I OVERVIEW OF INDICES

Year	Alternative Indices		
	CPI USA % Chg	CPI OGS&S* % Chg	CPI Quant % Chg
1995	2.8%	4.2%	5.1%
1996	3.0%	4.1%	6.2%
1997	2.3%	4.3%	1.6%

*Other Goods and Services

TABLE II CPI - MAINLAND

Year	CPI USA						Total % Chg
	% Chg	Green Fee % Chg Weekday	Sat/Sun/Hldy	Cart Fee % Chg Weekday	Sat/Sun/Hldy	Weekday	
1996	2.8%	4.95%	4.18%	3.13%	3.12%	4.19%	3.79%
1997	3.0%	5.68%	5.16%	8.87%	8.95%	6.99%	6.57%

TABLE III CPI - "OTHER GOODS & SERVICES

Year	CPI OGS&S*		Green Fee % Chg		Cart Fee % Chg		Total % Chg	
	% Chg	Weekday	Sat/Sun/Hldy	Weekday	Sat/Sun/Hldy	Weekday	Sat/Sun/Hldy	
1996	4.2%	4.95%	4.18%	3.13%	3.12%	4.19%	3.79%	
1997	4.1%	5.68%	5.16%	8.87%	8.95%	6.99%	6.57%	

*Other Goods and Services

TABLE IV CPI - GUAM

Year	CPI Guam		Green Fee % Chg		Cart Fee % Chg		Total % Chg	
	% Chg	Weekday	Sat/Sun/Hldy	Weekday	Sat/Sun/Hldy	Weekday	Sat/Sun/Hldy	
1996	5.1%	4.95%	4.18%	3.13%	3.12%	4.19%	3.79%	
1997	6.2%	5.68%	5.16%	8.87%	8.95%	6.99%	6.57%	