

**GUAM PUBLIC UTILITIES COMMISSION
REGULAR MEETING
JULY 30, 2013
SUITE 202, GCIC BUILDING, HAGATNA

MINUTES**



The Guam Public Utilities Commission [PUC] conducted a regular meeting commencing at 7:13 p.m. on July 30, 2013, pursuant to due and lawful notice. Commissioners Johnson, Perez, McDonald, and Montinola were in attendance. The following matters were considered at the meeting under the agenda made *Attachment "A"* hereto.

1. Approval of Minutes

The Chairman announced that the first item of business on the agenda was approval of the minutes of June 25, 2013. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the minutes subject to correction.

2. Port Authority of Guam

The Chairman announced that the next item of business was PAG Docket 13-01, Interim Rate Petition, and ALJ Status Report. Counsel reported that the ALJ is notifying the Commission that the Port filed its Interim Rate Petition on July 19, 2013. The Port requests a 5.6% across the board increase on all tariff elements. The increase is designed to address three near-term port financing components. One is the wharf service life extension projects involving the repair of F3, F4, F5, and F6 wharfs. Second, the Port is implementing a financial management system upgrade to include system hardware. Third, the Port seeks the acquisition of a cargo handling top lifter.

The Rate Petition has been filed with the PUC; the ALJ has referred it to the Port Consultant Slater Nakamura & Company. Slater Nakamura is now preparing a scope-of-work to address the matters in the Petition.

3. Teleguam Holdings, LLC

The Chairman announced that the next item on the agenda was GTA Docket 13-02, Teleguam Holdings Tariff Transmittal No. 24, PUC Counsel Report, and Proposed Order. Counsel indicated that this particular matter had been before the Commission four times previously. The Commission previously approved a promotional tariff whereby customers who purchased GTA Internet services would be offered a CAP line, a limited line for internet where people can make 911 calls and repair calls to the GTA repair center. Such tariff was approved by the Commission on a number of occasions. After the last time it was approved, the suggestion was raised that if GTA wants to implement this tariff again, it should address whether or not the tariff should be made permanent rather than again brought as a promotional tariff.

At that point the Chairman asked whether there was anyone present who would like to present comment on this new proposed tariff of GTA. There was no one present who wished to testify. Counsel proceeded to indicate that GTA now sought to make this tariff for "emergency line service" for residential and business customers a "permanent" tariff. For residential customers, this service costs about one half of the monthly recurring fee for ordinary phone service: \$7.00, with normal line service at \$14.00 per month. Counsel's report recommends that the PUC approve this offering as a permanent tariff. The tariff provides an additional service to customers. People who do not wish to pay the full cost of a residential line may find this service appealing and useful.

This Emergency Line Service is in accord with the purpose of the Telecommunications Act in promoting the availability of services to the public. Also, the service will provide additional E911 income because the surcharge for E911 will also be charged on these CAP lines. The service will be advertised on GTA's website. The Proposed Order would determine that the Emergency Line Service provides useful services for customers and provides access to critical services such as E911 and GTA Repair Service. The tariff would be effective August 1, 2013. Commissioner Perez asked whether the recurring and non-recurring rates were separate, and how they worked.

GTA Representative Ms. Lucia Perez stated that the non-recurring fee for residential is \$7.50. It is not a full service line. For business it is \$15.00. Commissioner Perez asked what the total charge for a residential customer would be for this service along with Internet. Ms. Perez indicated that for internet, customers pay the fee for the internet service. For the emergency CAP line, it is \$7.50 on top of the internet charge. Commissioner Perez confirmed that these charges are updated on the website. Commissioner Perez further established with Ms. Perez that the Emergency Lines have unlimited incoming local and toll calls. Ms. Perez indicated that outgoing calls are blocked. Upon motion duly made, seconded and unanimously carried, the Commissioners approved Tariff Transmittal No. 24 and adopted the Order made *Attachment "B"* hereto.

4. Guam Solid Waste Authority

The Chairman announced that the next item on the agenda was GSWA Docket 12-02, Host Community Fund, Request by Receiver for the Revision of the PUC Protocol for Distribution of Host Community Funds directly to the Village Mayors in accordance with PL 32-25, PUC Counsel Report, Proposed PUC Protocol and Proposed Order. Counsel indicated that the original law which set up the Host Community Fee Premium Program provided that the solid waste receiver would pay the premiums to the Department of Administration. Then, DOA would transfer the funds to the villages. However, Public Law 32-21 was passed, which now requires that the Receiver directly place the host community premium funds into accounts established by the two host villages, Ordot-Chalan Pago, and Inarajan. Funds will now be deposited directly in the village accounts, and the funds are controlled by the Municipal Planning Councils. The Receiver's representative Mr. Manning has requested that the PUC protocol, which

previously required that premium fee funds be paid to the Department of Administration, be changed to provide for direct payment to the MPC accounts. The PUC does not have discretion in the matter because the Legislature has mandated this change. Counsel has prepared a new Protocol. The new Protocol now requires that the host premium fee payments be made directly to the host community villages. The new law also provides that Ordot-Chalan Pago will be eligible for host premium fees in the 'post-closure' period [i.e. after the dump is fully closed]. The Proposed Order would approve the Protocol.

Commissioner Perez asked Counsel who would be responsible to determine whether the expenditure of the funds is compliant with the law. Would it be the Office of Public Accountability or PUC? Counsel indicated that he did place the requirements in the Protocol that the funds be used by the villages for the specific purposes related to the community centers. However, it is not specifically the duty of the PUC to police the expenditures. Commissioner Montinola asked whether there was a planning committee that was responsible for the money. Counsel indicated that the Municipal Planning Council was responsible for expenditure of the funds. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the new PUC Protocol for distribution of Host Community Funds directly to Village Mayors, and adopted the Order made *Attachment "C"* hereto.

5. Guam Waterworks Authority

The Chairman announced that the next item on the agenda was GWA Docket 13-01, GWA Petition for Rate Relief, ALJ Status Report. Counsel indicated that this matter again involves the GWA Petition for \$1.2M increase in the Program Management Office contract with Brown & Caldwell. The Commission previously ordered that GWA provide additional documentation regarding the proposed increase, including the Contract with Brown & Caldwell and the remaining current balance available from the 2010 series bond proceeds for payment of this contract, net of any future project commitments. GWA was also requested to provide monthly reports on the work done by the consultants and confirmation that, in 2012, approximately 25% of the payments to Brown & Caldwell were used to pay local contractors for their services.

The ALJ finds that GWA has complied with the PUC prior Order by providing the balance of the available 2010 service bonds, which is approximately \$79.3M. Also, GWA has provided documentation showing that a substantial amount has been subcontracted to Guam subcontractors of over \$1.2M as of February 2013. Various monthly reports from the PMO Brown & Caldwell were submitted. These involve the Hagatna Waste Water Treatment Plant and Umatac, Merizo Plants, Chaot and Agana Heights projects, and NPDES environmental work. The ALJ concludes that GWA has substantially complied with the May 28, 2013 Order.

The Chairman announced that the next item of business was GWA Docket 13-03, Petition for Approval of GWA's Bid and a Proposed Contract for Laboratory Services with Eurofins Eaton Analytical Inc., ALJ Report, and Proposed Order. Counsel indicated that GWA has already entered into a contract with Eurofins to provide Lab

Services. GWA Counsel, Sam Taylor, indicated that GWA had already entered into a one year contract. Counsel stated that Eurofins provides certain water and waste water sampling that GWA needs to provide to the Environmental Protection Agency under the Safe Drinking Water Act. The first contract between GWA and Eurofins was under the \$1M contract review threshold. However, GWA now wishes to extend that contract over a multi-year term for up to five years.

The annual amount for the contract is \$568,185. So, over a five year period the total amount for the contract would be over \$2.8M. GWA has brought this multi-year contract to the PUC for approval. GWA believes that it needs these services. If the water samples aren't properly done by a lab, the data could be rejected by the regulatory agency. However, the ALJ Report finds that GWA was supposed to specify the source of funding for the Eurofins contract. According to the ALJ, the GWA petition does not indicate the projected source of funding for this project with appropriate justification and documentation as required by the contract review protocol.

The ALJ suggests in the Order that GWA be ordered to clarify what the funding sources are for the contract and provide the appropriate documentation to show the funding source. Thus, the Proposed Order does not go to the merits of approval of the Petition. It simply requires GWA to provide more information about the funding sources. GWA Counsel Taylor indicated that the laboratory testing services are routine testing done daily for some samples, quarterly for other samples, and yearly for others. It is a requirements contract. This testing is required by federal statutes. The Chairman asked GWA Counsel if he could have Mr. Cruz of GWA clarify the source of funding with the ALJ. GWA Counsel asked whether the Order could just be subject to clarification of funds. PUC Counsel suggested that GWA and the ALJ work this matter out. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the ALJ recommendation that GWA clarify the source of funding for the proposed Eurofins contract and adopted the Order made *Attachment "D"* hereto.

6. Guam Power Authority

The Chairman indicated that the next item on the agenda was GPA Docket 10-03, GPA Status Report on the Implementation of the New Fuel Hedging Protocol (Informational). The Chairman asked GPA for a status report on the fuel hedging protocol. GPA General Manager Joaquin Flores indicated that GPA has created a new position. At present GPA has entered into two swaps. GPA has retained its original consultant to develop the fuel hedging program, a subcontractor to RW Beck [Rubin Moreno]. Mr. Moreno continues to help GPA to oversee the program and guide and mentor GPA. GPA uses Mr. Moreno as a sounding board to determine whether certain instruments make sense for a certain period of time. This is the procedure GPA followed for the fixed-price swap. GPA had to comply with certain requirements in place under the Dodd-Frank law. The Chairman asked whether that procedure was one time, and the GPA Comptroller responded that it was. All hedge transactions need to be run through a clearing house. GPA cannot participate in hedge transactions unless it is registered with the federal clearing house.

GPA advisors indicated that GPA needed to be registered. Mr. Flores stated that the day to day entry of the database is continuing. Value and risk calculations are done on a weekly or two-week basis. GPA has the protocol in place but it still needs to recruit a full-time business analyst and then bring in its advisor Rubin to mentor the analyst through the analytics and the whole process. A few staff members such as the Assistant Comptroller Montellano and other people in the comptroller's group are helping with the model on a weekly basis. The Chairman asked whether there would be no more covered calls for the time being in addition to the old ones. The Comptroller confirmed that such was the case. The Comptroller indicated that it's just the spot contracts which GPA has now.

The Chairman then announced that the next item on the agenda was GPA Docket 11-13, Petition for Contract Review of Additional Black & Veatch Contract Services under the Smart Grid Project, PUC Counsel Report, and Proposed Order. Counsel indicated that his Report covers the history of the Smart Grid Program; the program has repeatedly been approved by the Commission. GPA now requests additional funds for contract services from its PMO, Black & Veatch, in the amount of \$881,065.50. Services involve technical support services, monitoring compliance with the contract, assuring that the system is implemented properly, and reviewing work that has been completed. GPA is far along on the project: the basic backbone and network structure is in place for the Smart Grid. Black & Veatch has done a lot of work in implementing the system.

The process of changing out the meters is ongoing. 5,000 commercial meters need to be installed. GPA stores meters and other equipment related to the smart grid project in a private warehouse, the rental cost of which is \$144,000. Black & Veatch is working on reporting requirements for the Smart Grid Project to the U. S. Department of Energy. There is also work being done on the E-Portal program. Counsel believes GPA has made significant progress with the Smart Grid Program. The additional costs requested for Black & Veatch Services and other expenses should be approved. The Order would approve the specific request for the amount of \$881,065.50.

The Chairman asked the GPA General Manager whether, with the expenditure of \$881K, the project would be completed. Mr. Flores indicated there was an outstanding issue on prepaid accounts, and GPA hoped to roll it out by December. GPA officials indicated that there was a pilot project for prepaid on a limited basis. The Service appears to be popular. At present GPA has only seven out of twenty-nine substations extended up to nine. The Chairman asked whether DOE had paid off its \$17M to GPA. GM Flores indicated that it had not. GM Flores indicated that 42,000 meters out of 48,000 had been installed.

GM Flores indicated that for people who don't want the smart meters installed, GPA could turn off the radio portion of the meter. Comptroller Wiegand indicated that, at present, the number of persons opting out is in the range of 72-75. Commissioner Perez asked whether conditions such as weather, humidity or heat affected the meters. AGMO Camacho indicated this had not yet occurred. GPA Representative Cruz indicated that 75 meters thus far have been defective, about a .18% defect rate among

the meters installed so far. The industry standard for smart meters is less than 1%. GM Flores indicated that all residential and commercials could be read from the central office.

Commissioner Montinola asked whether the funding now requested (\$881,000) will cover the project through December. Chairman indicated that bond funds were used and had run out. Commissioner McDonald asked whether meter box repair was installation or repairing the box of a new meter. GM Flores indicated that it resulted when old meters were pulled out and replaced with smart meters. GM Flores indicated that the village/educational meetings were not still ongoing, but the next wave would be to promote the portal. GPA is trying a two phase approach for the portal on how to log in, how to register and to look at the dashboards. PIO Art Perez indicated that part of the outreach involves going to the malls and having face to face customer contact.

The Chairman asked whether there would be an extra charge for the device for the customer. GM Flores indicated that GPA was evaluating such issues. Commissioner Perez asked how many employees were involved in training for the smart grid. GM Flores indicated that there were quite a few, involving storing meters, warehousing, transfer of the meter, activation, etc. There is an ongoing process of finding new responsibilities and skill sets for employees. Upon motion duly made, seconded and unanimously carried, the Commissioners approved additional expenditures for Black & Veatch contract services under the smart grid project and adopted the Order made *Attachment "E"* hereto.

The Chairman announced that the next item on the agenda was GPA Docket 13-02, Filing of the GPA Integrated Resource Plan, Lummus Consultants Report, and Proposed Order. Counsel stated that this docket commenced upon GPA's filing of its Integrated Resource Plan. The essence of the plan is that GPA is attempting to figure out a way to comply with various new environmental requirements of the RICE MACT requirements, air quality standards, and other issues about fuel diversity. The main thrust of the IRP is to suggest a process whereby the base load generating plants, as well as the diesel plants, would change to LNG as a fuel source away from the RFO that has been the basis of the system for many years. At the request of the PUC, Lummus Consultants conducted an in-depth study, in collaboration with GPA, to review the issues in the IRP. Lummus recommends that the PUC authorize GPA to continue looking at the LNG plan; perhaps not a green light, but more in the nature of a yellow light to proceed with caution. At this point we don't have a very good handle on the cost of the proposed changes to the ratepayers, overall impact, or funding. Ultimate plans about how to put LNG into effect still need to be done, particularly the implementation plan.

Lummus believes that the IRP plan proceeds heavily in the direction of implementing LNG; if fuel diversity is a goal, other sources need to be integrated more. The facilities and infrastructure for implementing LNG need to be explained further. The market for LNG could go up and down, just like RFO. A good handle is needed on exactly what the cost could be to Guam to get the LNG here. The market is not always stable.

Lummus is looking at the need for an implementation study to be done before a final decision could be made, considering the practicalities, and the actual fuel suppliers who are out there. GPA concludes that we can save 15% off the base case by converting to LNG, but the actual prices for LNG could be different based on who the suppliers are and the nature of long term contracts. There could be extra costs or premiums that could reduce a difference in cost savings. Lummus is asking that these questions be examined. As GPA's own consultants said, the LNG study is a "preliminary feasibility study," not a detailed implementation plan.

Lummus indicates that we are at an early stage of this process and need to examine the issues in a more detailed process. Questions are raised about the necessary volume of LNG that would be needed. GPA indicated that the volume was 34,000Mbtu. However, Lummus suggests there are more recent studies making a lesser volume of LNG feasible. Lummus also indicates that perhaps a more gradual transition to LNG could be done rather than a complete transition. Lummus believes that the pricing aspect of LNG in the GPA report by RW Beck is over two years old. Furthermore, other fuel sources such as methanol or DME could also be considered. John Cruz of GPA believes that DME is not feasible. Its cost would be 40% higher than current fuel prices. Cruz also indicated that methanol would also be in the same price category.

Counsel stated Lummus' belief that other low sulfur RFO fuels might also be considered as alternatives. The Order proposed by Counsel would conditionally approve the IRP, but require more investigation. GPA would be ordered to do a more detailed resource implementation plan that would be approved by the PUC. The acquisition study would be carefully identified by which LNG resources would be brought to Guam, an implementation schedule, project expenditures, milestones, and a resource implementation plan to look at business models. It is not necessarily the case that all the eggs should be put into the LNG basket. The proposed Order would require GPA to spend more resources on additional investigation by consultants. That cost could be covered in the LEAC. Studies and other research, such as wind studies, have been previously paid for from LEAC. Additionally consultant costs could alternatively be covered through rates (i.e. in the pending rate case).

Commissioner Montinola asked whether there was a cost estimate on the Consultants' report. Counsel indicated that there was no figure at this time. GPA would need to look at what Lummus is asking for in its Report and come back to the Commission with an estimated cost. GM Flores of GPA wished to make some comments. He indicated that GPA had already missed some environmental compliance deadlines with the four slow-speed diesel engines for May 2013 under the RICE MACT Rules. Lummus recognizes that the slow-speed diesels are the most challenging issues facing GPA. GPA has not been given an extension by EPA for compliance with the RICE MACT Rules for the slow-speed diesels. GPA is exposed to liability for compliance. GPA is pressed with significant stack emission mitigation costs and infrastructure. If there is no compliance, EPA can file a lawsuit against GPA. GPA is attempting to negotiate a consent decree with EPA, and EPA has discretionary authority to forego any penalties

while the consent decree is being implemented. EPA may not view prolonging this issue favorably. Additional feasibility studies will be costly.

The savings potential for LNG is enormous to ratepayers. There will need to be a programmatic approach. However, the additional investigation by consultants could cost a couple of million dollars. He is concerned about the cost of the work. Commissioner Perez asked what the cost had been for the LNG plan. GM Flores indicated that the feasibility study alone was \$500,000. SAIC IRP work was at least a couple of hundred thousand. SAIC also helped with the renewable acquisition Phase I and Phase II. TRC was hired by GPA to assist with the environmental strategic plan, including designing the oxygen catalyst for the small peaking units. The Chairman asked what the potential penalties were that EPA might put into place on the slow-speeds. GM Flores indicated that it could be \$37,000 per day, per unit, but it's discretionary. Commissioner Perez asked GM Flores what would happen if the LNG procurement process turned out to be too costly to work on Guam. GM Flores indicated that was a good question, and even the CCU had expressed that GPA needs to develop an acquisition strategy to ensure that it is going in the right direction.

There is still a question as to what property to build on and where the berthing facility would be located (inside/outside of the harbor). The Chairman asked how the negotiations with EPA were going at present. GM Flores indicated that the negotiations were stalled. GM Flores hopes to find a solution that will stave off any consent decree so that GPA can make business decisions rather than as an environmental regulatory requirement. Commissioner Perez asked whether if GPA proceeded with the procurement with LNG possibilities, that it would give it an edge in dealing with EPA to stay possible penalties. GM Flores indicates that he understands the yellow light here and agrees with it. GPA would do that anyway as it has to prove to its CCU that the procurement can be done. Financing, procurement, legal, environmental, and engineering teams would need to flush out the different costing. Then quality assurance and risk management would also have to approve. That is the approach GPA envisions to take.

The Chairman indicated that he did not believe that the proposed Order stopped GPA from proceeding ahead, but that there were a lot of unanswered questions. The consultants were just attempting to have a certain level of responsibility to the Commission. They want more answers along the way. But, this process can keep going forward. The Chairman emphasized again that it's a yellow light, not a green light or a red light. The Chairman does not believe that GPA is ready to put forward the entire plan at this point in time. GM Flores agreed that it would take some time and that GPA would do the best it could with responding to the PUC within 120 days with the Report. The Chairman emphasized that some of the issues, such as feasibility of DME, could be addressed by GPA internally, and indicated that Units 3 and 4, and 8 and 9, were the biggest concerns. The Chairman asked whether Unit 3 was still offline. GM Flores indicated that the shaft is being put into the generator. GPA is on schedule for October for Cabras Unit 3. Commissioner Montinola clarified that recently Units 1 and 2 had

gone down. GM Flores indicated that there would be boiler overhauls for No. 1 when No. 3 comes back.

GM Flores indicated that there were different environmental rules for compliance with steam units such as Cabras Units 1 and 2. The Chairman asked whether the yard at Cabras had an ambient standard or whether each stack was separately measured. GM Flores indicated that each stack, each unit has its own thresholds-- pounds or parts per minute, per hours limitations. Commissioner Perez clarified that the individual stacks have to be compliant. The Chairman stated to the GPA GM that if issues would cost too much on a consultant basis, or not be necessary, GPA can come back to the Commission to work it out. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the recommendations in the Lummus Report and adopted the Order made *Attachment "F"* hereto.

The Chairman indicated that the next item of business was GPA Docket 13-06, Levelized Energy Adjustment Clause Filing, Report of the PUC Chairman, and Proposed Order. Counsel indicated that, at the request of the Chairman, the LEAC filing was reviewed internally and not by consultants. Originally GPA proposed a reduction in the LEAC factor from 0.209 to 0.19006 per kilowatt hour for meters read on or after August 1, 2013. Subsequent to the filing, the CCU approved the fuel supply contract with Hyundai. The Hyundai contract contained a reduction in the premiums charged on RFO from that charged by the existing supplier, Petrobras. Counsel asked the GPA Assistant Controller to update the impact in reduction of the premiums on the LEAC factor. The updated LEAC figures indicated that the LEAC factor could be reduced even further from 0.209 to 0.182054. The overall decrease in the total bill will be 9.3%. The reduction on the LEAC portion of the bill is in the order of 13%. The proposed Order would decrease the LEAC factor over the next six month period.

There is also a second element to the LEAC Order. The Fuel component of the Working Capital Fund Surcharge is scheduled to increase. GPA must collect additional amounts under the surcharge to comply with its bond covenant. The additional amount, which is approximately \$300,000, will be recovered over a one month period. The Order would also hold that GPA need not conduct an audit of its fuel oil procurements; GPA has made progress in the fuel procurement process. The Chairman pointed out if that GPA experienced any problems during the six month period, with Cabras 3 being down, GPA could come back to the PUC for an adjustment of the LEAC. He also pointed out that GPA should come back to the Commission if it appeared it would be a big increase in the LEAC factor or rate shock by the time next February comes. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the LEAC factors for the next six month period, and adopted the LEAC Order made *Attachment "G"* hereto.

The Chairman announced that the next item on the agenda was GPA Docket 13-10, Petition to Approve the Contract with Hyundai Corporation for Supply of RFO No. 6, PUC Counsel Report, and Proposed Order. Counsel indicated that Hyundai Corporation was selected as a result of the Rebid on the Fuel Oil Contract. The new

contract will begin on September 1, 2013. For the rebid, there were three bidders: Petrobras, Vitol, and Hyundai. Hyundai was the low bidder. On the premium portion of the RFO charge, Hyundai was quite a bit lower than the other bidders. GPA now proposes to enter into a two year contract with Hyundai from September 1 of this year through August 31, 2015. For two years the cost of this contract for the ratepayers is \$719,400,000. The draft contract has been submitted. It follows the form which the Commission has approved on many occasions; it is detailed and protects the interests of GPA and the ratepayers. There are performance bond provisions if the contractor doesn't perform. Counsel recommends approval of the form of the contract. It was negotiated, well thought out, and includes adequate protections. The Commission should approve the contract to ensure that GPA has a continuous supply of fuel oil necessary to run the base load plants.

The Chairman asked whether there were any bid protests. GPA officials indicated that there were none, the date for protests having passed. The Chairman asked whether the fuel supplied was in accordance with the modified specifications requested by Petrobras. GM Flores indicated that the bidders had complied with the specs. Hyundai is a company out of Singapore. Commissioner Perez asked whether the cost proposed was for two years. GM Flores indicated that it was. AGMO Camacho indicated that there were three one year options for renewals. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the Fuel Oil Supply Contract between GPA and Hyundai Corporation, and adopted the Order made *Attachment "H"* hereto.

The Chairman announced that the final item of business was GPA Docket 13-11, Petition to Approve the Contract with Tristar for the Dock Facility User Agreement, the Pipeline Agreement, and the Fuel Storage Agreement, PUC Counsel Report, and Proposed Order. Counsel indicated that, under the Dock Facility Agreement, Tristar manages the Port's Facilities. GPA can bring ships in, load and unload fuel. Under the Pipeline Agreement, GPA uses the B Pipeline to supply fuel from the dock to the Navy Valve pit and then transfers the fuel to GPA's generating facilities in Cabras. Finally, there is a Storage Agreement at the Agat Terminal of Tristar, GPA utilizes one of the Tristar tanks to store its RFO. The new Dock Facility Agreement is at the same cost of the prior agreement, somewhere over \$7.2M. The other two agreements, the Pipeline Agreement and the Storage Agreement are going up considerably. Under the Pipeline Agreement there is a 20% increase. It also goes up 4% automatically every year. Over five years, the Pipeline Agreement will cost \$2,252,342.

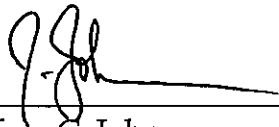
GPA has reduced its storage under the Storage Agreement from roughly 490,000 barrels down to about 422,000 barrels. However, the annual cost is going up. For tank 1902, the cost has gone up 20% in the first year, and 4% for each additional year. So, over the five years, the total amount is \$9.165M. Increases are high, and they get passed through LEAC. There are some justifications given for the increases. The Pipeline Easement fees that Tristar pays to the Port went up because, among other things, the PUC had increased the valuation of those fees based upon the Captain Report. Cost of living increases have traditionally been a part of these contracts. The Pipeline Agreement has

an automatic 4% a year increase. GPA has tried to negotiate with Tristar. However, Tristar is the sole source provider and has been fairly adamant in its position. GPA does not have other options. It needs the dock and storage facilities, as well as the pipelines, or the power plants can't function. GM Flores indicated that GPA has agreed to the offer of Tristar. GPA personnel have made collective efforts to negotiate with Tristar, but cannot get Tristar to go lower than 4%. GM Flores is not pleased with the 20% increase. But, Tristar is the sole source provider. The old contract has been expired for some time and GPA is now on a month to month contract since expiration.

Commissioner Montinola asked whether this was a sole source contract or whether GPA was the sole customer of Tristar. GM Flores indicated that GPA is not the only customer. There are several tanks at the Agat terminal. The terminal is being used by all fuel vessels, Mobil and IP&E. AGMO Camacho indicated that the pipeline used by GPA is dedicated to GPA. GM Flores indicated that, at the Agat terminal, it's all high-sulfur fuel. The Chairman asked where GPA gets the low-sulfur fuel. GM Flores indicated that GPA gets it from F1 and delivers it through the switching station at the road towards Ski Beach. There's a switching station there that goes up to the terminal in Agat where it goes into GPA's fuel farm. GM Flores indicated that low-sulfur fuel comes directly from the vessel to the fuel farm. GPA gets high-sulfur fuel oil from the Agat Terminal because it can't afford to have fuel ships come to Guam more than every 25 days periodically. GPA could build its own storage at the fuel farm, but that is a very costly endeavor. GM Flores also indicated that building new tanks would involve codes and standards which potentially require a concrete berth.

A discussion ensued between the Chairman and GPA management concerning the use of RFO and LNG in the slow-speed diesels. Commissioner Perez asked whether Tristar was being presumptive about the consumer price index changes to set it at a flat 4% per year. AGMO Camacho indicated that in previous contracts, it averaged out to 4% per year, or something like 3.7%. Commissioner Montinola asked whether the costs for these contracts would come out of LEAC. AGMO Camacho indicated that they would. GM Flores indicated that these costs have already been factored into the LEAC. Commissioner McDonald then moved to approve the Dock Facility Agreement and the Pipeline Agreement. However, he believes that more information was needed on the Storage Agreement, as the capacity used by GPA has gone down, yet the rates are going up. He is not prepared to make a motion on the Storage Agreement. Upon motion duly made, seconded and unanimously carried, the Commissioners approved the Dock Facility Agreement and the Pipeline Agreement but tabled the Storage Agreement and requested further information thereon. The Commissioners adopted the Order made *Attachment "I"* hereto.

There being no further business, the Commissioners moved to adjourn the meeting.



Jeffrey C. Johnson
Chairman

**BEFORE THE GUAM PUBLIC UTILITIES COMMISSION
REGULAR MEETING
SUITE 202, GCIC BUILDING
414 W. SOLEDAD AVE. HAGATNA, GUAM
7:00 p.m., July 30, 2013**

Agenda

- 1. Approval of Minutes of June 25, 2013**
- 2. Port Authority of Guam**
 - **PAG Docket 13-01, PAG's Interim Rate Petition, ALJ Status Report**
- 3. Teleguam Holdings LLC**
 - **GTA Docket 13-02, Teleguam Holdings, LLC ["GTA"] Tariff Transmittal No. 24, Establishment of a Permanent Tariff for GTA Emergency Line Service, Public Notice, PUC Counsel Report, and Proposed Order**
- 4. Guam Solid Waste Authority**
 - **GSWA Docket 12-02, Host Community Fund, Request by Receiver for Revision of PUC Protocol for distribution of Host Community Funds directly to Village Mayors in accordance with Public Law 32-21, PUC Counsel Report, Proposed PUC Protocol, and Proposed Order.**
- 5. Guam Waterworks Authority**
 - **GWA Docket 13-01, Petition of Guam Waterworks Authority for Rate Relief [Re: Compliance with Order filed on May 28, 2013], ALJ Status Report**
 - **GWA Docket 13-03, Petition for Approval of GWA's Bid and the Proposed Contract for Lab Services with Eurofins Eaton Analytical, Inc., ALJ Report, Proposed Order**
- 6. Guam Power Authority**
 - **GPA Docket 10-03, GPA Status Report on the Implementation of the new Fuel Hedging Protocol (Informational)**
 - **GPA Docket 11-13, Petition for Contract Review of Additional Black & Veatch Contract Services under the Smart Grid Project, PUC Counsel Report, and Proposed Order**
 - **GPA Docket 13-02, Filing of GPA Integrated Resource Plan ["IRP"], Lummus Consultants Report, and Proposed Order**
 - **GPA Docket 13-06, Levelized Energy Adjustment Clause Filing,**

dated June 14, 2013, Report of the PUC Chairman, and Proposed Order

- **GPA Docket 13-10, Petition to Approve the Contract with Hyundai Corporation for Supply of Residential Fuel Oil No. 6 to GPA, PUC Counsel Report, and Proposed Order**
- **GPA Docket 13-11, Petition to Approve the Contract with Tristar Terminals Guam Inc. for the Dock Facility User Agreement, Pipeline Agreement, and Fuel Storage Agreement for GPA, PUC Counsel Report, and Proposed Order**

7. Administrative Matters

8. Other Business

9. Public Hearing

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF:

TELEGUAM HOLDINGS LLC,

GENERAL EXCHANGE TARIFF NO. 1,) ORDER

TARIFF TRANSMITTAL NO. 24)

) GTA DOCKET 13-02

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the submission of Tariff Transmittal No. 24 by Teleguam Holdings LLC ["GTA"] to establish a permanent tariff for "GTA Emergency Line Service."¹
2. This Tariff will provide an Emergency Line to GTA customers who subscribe to internet services but do not want to subscribe to traditional voice phone line services. This service will allow customers to make critical 911 calls, GTA service calls and other limited voice calls through their GTA internet lines.²
3. GTA proposes that Emergency Line Service would be effective on August 1, 2013.

BACKGROUND

4. GTA previously provided a promotional offering (CAP Line) for customers who subscribe to Spyder Broadband Services with limited voice services.³ Under such offering, GTA provided customers with a CAP Emergency Line providing a residential one-party access line with certain limitations.
5. The CAP Line service for a promotional offering for residential one-party access lines was approved by the PUC on four separate occasions as a limited, short term offering. The promotional offerings were approved as Tariff Transmittals No. 14⁴, No. 16⁵, No. 21⁶, and No. 23⁷.

¹ GTA Tariff Transmittal No. 24, GTA Docket 13-02, filed June 27, 2013.

² Id.

³ PUC Order, GTA Docket 13-01, issued March 26, 2013, at p. 3.

⁴ PUC Order, GTA Docket 10-05, issued July 27, 2010.

⁵ PUC Order, GTA Docket 11-02, issued March 21, 2011.

⁶ PUC Order, GTA Docket 12-11, issued November 20, 2012.

⁷ PUC Order, GTA Docket 13-01, issued March 26, 2013.

6. In accordance with the PUC March 26, 2013 Order, GTA now seeks to make Emergency Line Service a permanent tariff offering rather than a promotional tariff.⁸
7. GTA has proposed the Emergency Line Service as a revision to its General Exchange Tariff No. 1. The tariff appears as "Emergency Line Service, Section XVI to General Exchange Tariff No. 1."⁹
8. The Emergency Line Service is a limited local exchange service that is bundled with GTA Internet Service. The Emergency Line allows subscribers to originate local calls only to E911, 511 and calls to the GTA Repair Center. Emergency Lines have unlimited incoming local and toll calls. 1+800 calls may also be originated on an emergency line.¹⁰
9. The Emergency Line Services are offered in all exchanges where technically available. Subscribers must purchase a GTA Internet Service of at least five (5) Mbps to qualify for an Emergency Line. The Emergency Line is not a standalone service.¹¹
10. Emergency Line Service is available to residents and basic business line subscribers who meet the qualifications.¹²
11. The Rates for Emergency Line Service are as follows:

	Recurring*	Nonrecurring*
Residential	\$7.00	\$7.50
Business	\$24.00	\$15.00

*rates do not include the rate for GTA Internet Service¹³

12. Due notice has been provided by GTA of its Tariff Transmittal No. 24 filing to certain other telecom companies within Guam.¹⁴

⁸ GTA Tariff Transmittal No. 24, GTA Docket 13-02, filed June 27, 2013.

⁹ See Revision to General Exchange Tariff No. 1, Section 5, Original Page No. 72 (attached to GTA Tariff Transmittal No. 24).

¹⁰ Id.

¹¹ Id.

¹² Id.

¹³ Id.

¹⁴ GTA Tariff Transmittal No. 24, GTA Docket 13-02, filed June 27, 2013.

13. The PUC caused public notice of this Tariff Filing to be published in the Pacific Daily News on July 5, 2013.¹⁵ Said notice gave interested parties until July 29, 2013, to file any comments concerning the tariff. To date, no such comments have been filed.
14. PUC Counsel filed his Report herein on July 18, 2013.¹⁶

DETERMINATIONS

15. Emergency Line Service is beneficial to residential and business customers of GTA in that it provides an Emergency Line Service that would not otherwise be available. Such service promotes the ability of GTA customers to call E911 for emergencies and to call GTA for repairs.
16. This Tariff will help to insure that customers have access to critical services like E911 and the ability to call GTA for service issues.¹⁷ One of the purposes of the Guam Telecommunications Act of 2004 is to provide the people of Guam access to modern, innovative and affordable telecommunications services.¹⁸
17. This permanent Tariff will also promote the purposes set forth in GTA's General Exchange Tariff No. 1 at Section XVII, which include the attraction of new customers, the retention of existing customers, and the stimulation of customer usage.
18. The E911 surcharge will be charged on the proposed Emergency Line Service. Thus, the service will further promote revenues for the E911 system.
19. In addition, the residential charge for the limited Emergency Line Service, at \$7.00 per month, is only approximately one-half of the normal charge for full residential line service. Again, this offering will promote the ability of customers to utilize such service, particularly where such customers either cannot afford or do not wish to utilize full residential line service.
20. It is important for GTA to publish the availability of its services, such as Emergency Line Service and other services established through Tariff Transmittals, on its website. GTA's website, Terms of Use, is up to date in the listing of Tariff

¹⁵ Public Notice published in the Pacific Daily News, July 5, 2013.

¹⁶ PUC Counsel Report, GTA Docket 13-02, dated July 18, 2013.

¹⁷ Id.

¹⁸ 12 GCA §12101(b).


Transmittals which have been approved by the Guam Public Utilities Commission.¹⁹

ORDERING PROVISIONS


Upon consideration of the record herein, Tariff Transmittal No. 24, filed by GTA on June 27, 2013, and the Report of PUC Legal Counsel, and for good cause shown and on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS that:

1. GTA's Tariff Transmittal No. 24, Emergency Line Service, was properly filed pursuant to 12 GCA §12106(a), which requires telecommunications companies such as GTA to file tariffs indicting the rates, classifications, and terms and conditions of its telecommunications services.
2. Tariff Transmittal No. 24, including all changes, revisions, and additions therein to GTA's General Exchange Tariff No. 1, is hereby approved and adopted.
3. The Emergency Line Service contained in Tariff Transmittal No. 24 for residential and business customers shall be effective August 1, 2013.
4. GTA shall file its Revised Tariff with the PUC, and shall also provide notice of the same to its Customers on its website.
5. GTA is ordered to pay for the PUC's regulatory fees and expenses incurred in this Docket, including, without limitations, consulting and counsel fees and expenses. Assessments of the PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §12002(b) and 12024(b), 12104, 12109, the Rules Governing Regulatory fees for Telecommunications Companies, and Rule 40 of the Rules of Practice and Procedure before the PUC.

Dated this 30th day of July, 2013.




Jeffrey C. Johnson
Chairman



Joseph M. McDonald
Commissioner

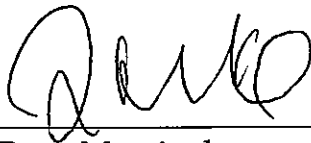
¹⁹ See www.gta.net/terms-of-use.

PUC Order
GTA Tariff Transmittal No. 24
GTA Docket 13-02
July 30, 2013



Rowena E. Perez
Commissioner

Michael A. Pangelinan
Commissioner



Peter Montinola
Commissioner

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF:

GSWA DOCKET 12-02

ESTABLISHMENT OF HOST
COMMUNITY PREMIUM FEES
PURSUANT TO PUBLIC LAW 30-165

ORDER

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Request of the Representative of the Receiver of the Guam Solid Waste Authority, David Manning, to modify the present method by which Host Community Premium Surcharge Funds are distributed to the host villages of Inarajan and Ordot-Chalan Pago.¹

BACKGROUND

2. On July 30, 2012, the PUC adopted a Protocol which established the procedure by which GSWA would collect solid waste tipping fees for the Host Community Premium Fund.²
3. Public Law 30-165, enacted into law on July 16, 2010, determined that a "Host Community Premium" must be awarded for the villages of Inarajan and Ordot-Chalan Pago in the annual amount of \$150,000.00 each. The purpose of this "Host Community Benefit" was to compensate communities where solid waste management facilities, such as sanitary landfills, are located.³
4. In its prior Order, the PUC established a Protocol which set forth the procedure for the establishment of the Host Community Premium fees and the transfer of such funds to the Host Communities.
5. Public Law 30-165 required that the Host Community Premium Surcharge fees be transferred to the Department of Administration ["DOA"]. It was established that expenditures would be made by DOA from the Host Community Fund upon approval by resolution of the Host Community Municipal Planning Councils.⁴

¹ Email from Receiver Representative David L. Manning to PUC Legal Counsel Frederick J. Horecky dated July 14, 2013.

² PUC Order, GSWA Docket 12-02, dated July 30, 2012, at p. 3.

³ Public Law 30-165, enacted into law on July 16, 2010.

⁴ 10 GCA §511006.

6. On April 11, 2013, Public Law 32-21 was enacted. Such law removed the Department of Administration from the role of administering the Host Community Fund; 10 GCA §511006, as amended by Public Law 32-21, provides that the Host Community Fund shall be **"managed by the Mayor and the Municipal Planning Council. No expenditure shall be made from the fund that is *not* approved by resolution of the respective Municipal Planning Councils of the Host Community."** (Emphasis added).
7. On July 16, 2013, PUC Legal Council issued its Report herein. The Commission adopts said Report.

DETERMINATIONS

8. Public Law 32-21 removes responsibility for management of the Host Community Fund from the Department of Administration to the Mayors and Municipal Planning Councils of the Host Communities, Inarajan and Ordot-Chalan Pago.⁵
9. The present PUC Protocol, adopted on July 30, 2012, provided that, on a quarterly basis, GSWA is required to transfer all Host Community Premium Surcharge Fees directed to the Department of Administration.⁶
10. However, since Public Law 32-21 transferred responsibility for the administration and management of the Host Community Fund to the Mayor and Municipal Planning Councils of the Host Communities, the PUC has a duty to amend its Protocol so that such protocol is in accord with Public Law 32-21.
11. As an administrative agency, the Guam Public Utilities Commission must act in accordance with its statutory authority. In accordance with 10 GCA §511005, the PUC is given responsibility to determine the Host Community Premium for each residential and commercial account. It must seek to ensure that the Host Community Fund is distributed to the Municipal Planning Council Fund Accounts in accordance with Public Law 32-21.
12. The PUC should adopt the Protocol proposed by PUC Counsel which incorporates the changes enacted by Public Law 32-21 regarding the Host Community Premium Benefit Program.

⁵ Public Law 32-21, enacted April 11, 2013.


⁶ PUC Order, GSWA Docket 12-02, dated July 30, 2012, at p. 3.

ORDERING PROVISIONS


After careful consideration of the record herein, the Request of the Representative of the Receiver for GSWA, the PUC Counsel Report dated July 16, 2013, and for good cause shown, on motion duly made, seconded and carried by the undersigned Commissioners, the Public Utilities Commission hereby **ORDERS** that:

1. The PUC hereby adopts the Protocol attached hereto as Exhibit "A" concerning the Host Community Premium Fees and the Host Community Fund.
2. Said Protocol is adopted in accordance with the provisions of Public Laws 30-165 and 32-21.
3. The PUC Order of July 30, 2012, in this Docket, remains in effect, except to the extent to which it is inconsistent with the new Protocol adopted in this Order.
4. The new Protocol adopted herein supersedes the prior Protocol.
5. GSWA shall publish the new Protocol regarding the Host Community Premium Surcharge in its website on the world wide web and in the website of the Court appointed Receiver GBB.
6. GSWA 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 the 2009 Amended Assessment Order, 12 GCA 12024(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

Dated this 30th day of July, 2013.



Jeffrey C. Johnson
Chairman



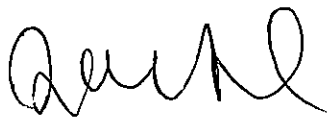
Rowena E. Perez
Commissioner



Joseph M. McDonald
Commissioner

Michael A. Pangelinan
Commissioner

Order
Establishment of
Host Community Premium Fees
GSWA Docket 12-02
July 30, 2013



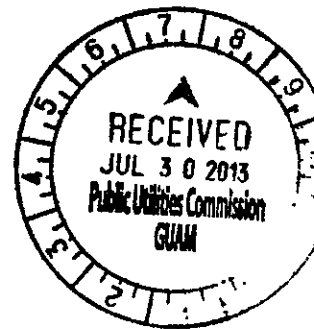
Peter Montinola
Commissioner

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

ESTABLISHMENT OF HOST
COMMUNITY PREMIUM FEES
PURSUANT TO PUBLIC LAW 30-165

GSWA DOCKET 12-02



PROTOCOL OF THE GUAM PUBLIC UTILITIES COMMISSION
GOVERNING THE ESTABLISHMENT OF HOST COMMUNITY
PREMIUM FEES PURSUANT TO PUBLIC LAWS 30-165 AND 32-21

On July 30, 2012, the Guam Public Utilities Commission ["PUC"] issued an Order in this Docket which created a Protocol governing the establishment of Host Community Fees pursuant to Public Law 30-165. Thereafter, on April 11, 2013, Public Law 32-21 was enacted into law. Said Public Law amended certain provisions relative to Host Community Fees, and the transfer, governance, and management of such fees. The PUC now adopts the following Protocol in accordance with the provisions of Public Laws 30-165 and 32-21. The PUC Order of July 30, 2012, remains in effect, except to the extent to which it is inconsistent with the new Protocol adopted herein, or this new Protocol changes or amends the provisions of the prior Protocol.

GSWA and the Village Mayors/Municipal Planning Councils of the Host Communities [Inarajan and Ordot-Chalan Pago] shall comply with their duties and responsibilities under this Protocol, as well as under Public Laws 30-165 and 32-21, in the establishment, assessment, transfer and expenditure of the Host Community Premium Fees:

- a. The fees established herein shall appear on Commercial and Residential Customer Bills for trash/solid waste collection as the "Host Community Premium Surcharge".
- b. Such Surcharge shall be identified on each bill/invoice as a separate line item. The amount owed by each customer for such surcharge shall be clearly and separately identified on the bill/invoice.
- c. On each Bill/Invoice issued after October 1, 2012, a Host Premium Surcharge in the amount of \$3.57 per ton shall be assessed upon Commercial Customers (including Governmental Customers) to fund the Host Community Premium Benefit for the Villages of Inarajan and Ordot-Chalan Pago.
- d. On each Bill/Invoice issued after October 1, 2012, a Host Premium Surcharge in the amount of \$0.38 per month shall be assessed upon each Residential

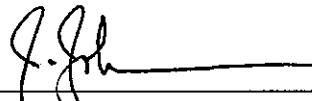
Customer to fund the Host Community Premium Benefit for the Villages of Inarajan and Ordot-Chalan Pago.

- e. The Host Community Premium Surcharge provided for herein shall be utilized to provide a Host Community Benefit in the annual amount of \$150,000.00 each to the Villages of Inarajan and Ordot-Chalan Pago. The aggregate Host Community premium is One Hundred and Fifty Thousand Dollars (\$150,000.00) per year for the Village of Inarajan and One Hundred and Fifty Thousand Dollars (\$150,000.00) per year for the Village of Ordot-Chalan Pago.
- f. The Host Community premium shall be assessed from the opening of the Inarajan landfill until the closing of the Inarajan landfill. For the Village of Ordot-Chalan Pago, the Host Community premium shall be assessed through the duration of the post-closure period of the Ordot dump, as defined in 10 GCA §511005.
- g. GSWA should deposit all Host Community Premium Surcharge fees collected from Commercial and Residential Customers in an account separate and apart from all other accounts maintained by GSWA [the Host Community Fund]. Said fees should not be used for any purpose by GSWA. All such fees must be transferred by GSWA to the Host Community Municipal Planning Council Funds established by the Host Communities of Inarajan and Ordot-Chalan Pago. The funds shall be transferred in equal amounts to the MPC Funds Accounts of the Host Communities of Inarajan and Ordot-Chalan Pago.
- h. On a quarterly basis, GSWA shall transfer Host Community Premium Surcharge fees collected, in equal amounts, to the Host Community Municipal Planning Council Fund Accounts established by the Host Communities of Inarajan and Ordot-Chalan Pago.
- i. The Host Community MPC Funds shall be maintained separate and apart from all other government funds and shall be managed by the Mayor and the Municipal Planning Council. No expenditure shall be made from the Fund that is *not* approved by resolution of the respective Municipal Planning Councils of the Host Community. The funds deposited in the Host Community Fund *shall only* be used by the respective Host Community for the purposes of the Host Community Benefit projects as described in 10 GCA §511003: (a) Youth, Senior and Community Centers; (b) Recreation areas, to


include parks, sports fields and public gathering areas; (c) Infrastructure to provide access to utilities, telecommunications, television and internet services to areas where providing such services are cost prohibitive; and (d) Village Beautification projects.

- j. GSWA shall provide a quarterly report to the PUC concerning the Host Community Premium Surcharge, which shall include the total amount of funds transferred to Host Community MPC Fund Accounts and a breakdown of the amounts collected from Commercial and Residential Customers, and the date(s) when such amounts were transferred.
- k. The Public Utilities Commission shall review the Host Community Premium at least once every five years, and may adjust said premium to account for factors such as inflation.

Dated this 30th day of July, 2013.

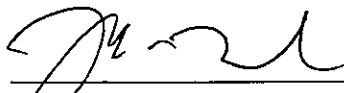


Jeffrey C. Johnson
Chairman

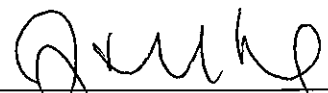


Rowena E. Perez
Commissioner

Michael A. Pangelinan
Commissioner



Joseph M. McDonald
Commissioner



Peter Montinola
Commissioner



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN RE: PETITION FOR APPROVAL
OF GWA'S BID AND THE
PROPOSED CONTRACT FOR
LAB SERVICES WITH
EUROFINS EATON
ANALYTICAL INC.

) GWA DOCKET 13-03

) ORDER

INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the "PUC") pursuant to the June 6, 2013 Petition for approval of a multi-year contract for laboratory services provided by Eurofins Eaton Analytical, Inc. ("Eurofins"), filed by the Guam Waterworks Authority ("GWA"). In the petition, GWA seeks PUC approval to enter into a multi-year laboratory services contract with Eurofins.

DETERMINATIONS

Pursuant to 12 G.C.A. §12004, GWA may not enter into any contractual agreements or obligations which could increase rates and charges without the PUC's express approval. Additionally, pursuant to GWA's Contract Review Protocol issued in Administrative Docket 00-04, "[a]ll professional service procurements in excess of \$1,000,000" require "prior PUC approval under 12 G.C.A. §12004, which shall be obtained before the procurement process is begun" ¹ With respect to "multi-year contracts," "[t]he test to determine whether a procurement exceeds the \$1,000,000 threshold for PUC review and approval (the review threshold) is the total estimated cost of the procurement, including cost incurred in any renewal options." ²

¹ GWA's Contract Review Protocol ("GWA CRP"), Administrative Docket 00-04, p. 1 (Oct. 27, 2005).

² GWA CRP, p. 4.

In addition, GWA's Contract Review Protocol further requires, *inter alia*, that GWA submit documentation indicating "[t]he projected source of funding for the project with appropriate justification and documentation."³

On July 26, 2013, the Administrative Law Judge of the PUC (the "ALJ") filed an ALJ Report detailing his review of GWA's request to enter into a multi-year laboratory services contract with Eurofins. In the Report, the ALJ found that GWA failed to indicate any "projected source of funding for the project with appropriate justification and documentation."⁴ The ALJ further expressed that such information could not be gleaned from any documentation GWA provided to the PUC to support its petition. Accordingly, the ALJ recommended that the PUC require GWA to furnish to the PUC, in compliance with Paragraph 6 of GWA's Contract Review Protocol, information regarding its projected source of funding for the extended Eurofins contract.

The Commission hereby adopts the findings contained in the July 26, 2013 ALJ Report and, therefore, issues the following:

ORDERING PROVISIONS

Upon careful consideration of the record herein, the July 26, 2013 ALJ Report, and for good cause shown, on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS the following:

1. That, with respect to the proposed extension of the Eurofins contract, GWA provide the PUC with "the projected source of funding for the project

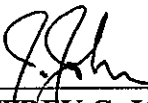
³ GWA CRP, p. 4.

⁴ GWA CRP, p. 4.

with appropriate justification and documentation,” in compliance with Paragraph 6 of GWA’s Contract Review Protocol.

2. GWA is further ordered to pay the Commission’s regulatory fees and expenses, including, without limitation, consulting and counsel fees and the fees and expenses associated with the instant contract review. Assessment of the PUC’s regulatory fees and expenses is authorized pursuant to 12 G.C.A. §§12002(b), 12024(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

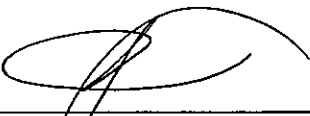
SO ORDERED this 30th day of July, 2013.



JEFFREY C. JOHNSON
Chairman



JOSEPH M. MCDONALD
Commissioner



ROWENA E. PEREZ
Commissioner

MICHAEL A. PANGELINAN
Commissioner



PETER MONTINOLA
Commissioner



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

)
) GPA DOCKET 11-13
)

)
) GUAM POWER AUTHORITY'S
) PETITION FOR REVIEW AND
) APPROVAL OF ADDITIONAL BLACK
) & VEATCH CONTRACT SERVICES
) UNDER THE SMART GRID PROJECT
)

)
) ORDER
)

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Petition of the Guam Power Authority ["GPA"] for contract review and approval of additional Black & Veatch Contract Services under the Smart Grid Project.¹
2. GPA is requesting additional Black & Veatch contract services under GPA's Smart Grid Project in the amount of \$881,065.50.²
3. According to the Petition, the additional services provided under the Black & Veatch PMO Contract are critical to the success of GPA's Smart Grid Project, and are "reasonable, prudent, and necessary."³

BACKGROUND

4. The Smart Grid Project has been before the Commission on numerous occasions. Previously, PUC authorized GPA to issue revenue bonds, which included approximately \$17M for the Smart Grid Project. PUC further approved the expenditure of funds for Smart Grid under the Contract Review Protocol and the implementation of the Smart Grid Project.⁴
5. On December 19, 2011, the PUC approved GPA's intent to proceed with six major contracts for different aspects of the Smart Grid Project, including Distribution

¹ GPA Petition for Contract Review of Additional Black & Veatch Contract Services under the Smart Grid Project, GPA Docket 11-13, filed July 12, 2013.

² Id. at p. 2.

³ Id.

⁴ PUC Order, GPA Docket 10-01, issued July 27, 2010, at p. 2.

Management System ["DMS"], and authorized GPA to obligate funds up to the full amount of \$17M.⁵

6. The PUC also approved and implemented measures to assist GPA in rapidly implementing its Smart Grid Program; if expeditious action is not taken by GPA to implement Smart Grid, there is the possibility that its Grant could be terminated by the U.S. Department of Energy.⁶
7. In said Order, the PUC implemented an expedited procedure for Smart Grid Projects whereby GPA would not need to obtain prior PUC approval for procurements of Smart Grid Projects, but only to obtain final review and PUC approval of Smart Grid Contracts.⁷
8. In CCU Resolution No. 2013-31, the Consolidated Commission on Utilities authorized the GPA management to contract additional contract services from Black & Veatch in support of SGIG Projects.⁸
9. PUC Counsel filed his Report herein on July 25, 2013.⁹ The Commission adopts the reasoning therein.

ADDITIONAL BLACK & VEATCH CONTRACT SERVICES
UNDER THE SMART GRID PROJECT

10. In its Petition, GPA is seeking additional funding to continue SGIG project support through December 2013. The services for which GPA seeks support are as follows¹⁰:

Description	Cost	Comments
Tech Support Services (SME)	\$233,000.00	Required SME support to complete SGIG initiatives
Metrics & Reporting	\$43,200.00	Complete the DOE Summer Impact Metrics report and 3 rd Qtr Build Metrics report.

⁵ PUC Order GPA Docket 11-13, issued December 19, 2011, at p. 2.

⁶ Id.

⁷ Id. at p. 3.

⁸ CCU Resolution 2013-31, adopted July 5, 2013.

⁹ PUC Counsel Report, GPA Docket 11-13, dated July 25, 2013.

¹⁰ Black & Veatch Summary on continued SGIG project support

Meter Box Repair	\$350,000.00	Required to complete meter exchanges
Warehouse	\$144,865.50	Required for SGIG project completion; extension of GPA Warehouse lease and support
Communications	\$60,000.00	Continued support for ePortal Campaign, development of Opt-Out Communication Materials and PrePay Campaign
Network Backhaul & Optimization	\$50,000.00	Required procurement of the broadband circuits, installation services, and IT equipment for substations
	\$881,065.50	Total

DETERMINATIONS

11. PUC should approve GPA's request for additional Black & Veatch contract services under the Smart Grid Project, as the request is reasonable, prudent, and necessary.
12. GPA should be authorized to expend an amount up to \$881,065.50 for such contract services.
13. The PUC has previously given broad support for the Smart Grid Project and approved funding for the project.
14. The additional Black & Veatch contract services are critical for the success of the Smart Grid Project. These services will assist GPA in obtaining the projected benefits of the Smart Grid Project.

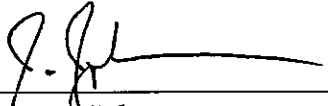
ORDERING PROVISIONS

After review of the record herein, GPA's Petition for Review and Approval of Additional Black & Veatch Contract Services under the Smart Grid Project, and the PUC Counsel Report, for good cause shown, the Guam Public Utilities Commission **HEREBY ORDERS** that:

1. GPA's Petition for Review and Approval of Additional Black & Veatch Contract Services under the Smart Grid Project is hereby granted.

2. The recommendations and reasoning contained in the PUC Counsel Report are hereby adopted.
3. GPA is authorized to expend up to the amount of \$881,065.50 for the specific technical services set forth in GPA's Petition.
4. GPA shall continue to comply with its monthly reporting requirements to the PUC as set forth in the PUC Order dated July 27, 2011. GPA shall submit ongoing progress reports to the PUC concerning this contract and other ongoing Smart Grid Projects.
5. 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.

Dated this 30th day of July, 2013.



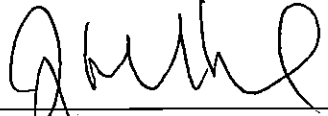
Jeffrey C. Johnson
Chairman



Rowena E. Perez
Commissioner



Joseph M. McDonald
Commissioner



Peter Montinola
Commissioner

Michael A. Pangelinan
Commissioner



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:) **GPA Docket 13-02**
GPA INTEGRATED RESOURCE PLAN) **ORDER**
)

INTRODUCTION

On February 22, 2013, the Guam Power Authority (GPA) filed its Petition for Review and Approval of the GPA 2013 Integrated Resource Plan (IRP). The plan was approved by the Consolidated Commission on Utilities (CCU) on December 12, 2012, in Resolution No. 2012-79. In accordance with P.L. 29-62, the objectives of the IRP are primarily to identify the timing, size, and technology of future power generating units, and to address issues such as fuel diversification and the renewable portfolio standards.

BACKGROUND

GPA develops its IRP every five years. Its previous IRP was filed on June 14, 2008 in Docket 08-06. The objectives recommended in the 2008 IRP were to identify a fuel diversity program that was consistent with reliability, dispatchability, and economic risk to consumers to be implemented at the earliest date possible; mitigate both, the high costs and volatility due to GPA's dependence on fuel oil; lessen this dependence by increasing fuel diversification; and providing customers with a road map that demonstrates how GPA will move from its current situation of being fully dependent on fuel oil to a more fuel diversified and efficient generation resource base.

On December 15, 2008, the PUC's consultant, Georgetown Consulting Group¹, entered into a Memorandum of Understanding (MOU) with GPA regarding Integrated Resource Implementation Planning Protocols for the Guam Power Authority to provide implementation oversight in order to ensure timely implementation of the fuel diversity objectives included in the IRP². On December 29, 2008, the PUC approved GPA's IRP subject to the protocols set forth in the MOU.

The U.S. Environmental Protection Agency (EPA) recently promulgated a number of clean air regulations, which will require costly compliance requirements for GPA. GPA and its consultants determined meeting the EPA requirements would cost approximately \$500M in environmental capital expenditures, including life extension costs for some of its units. In the alternative, GPA considered

¹ Georgetown Consulting Group was acting on behalf of the GPUC.

² The fuel diversity objectives included potential conversion of GPA's TEMMES generating units to liquefied natural gas (LNG) and to add a diversity of renewable resources to GPA's portfolio.

transitioning to alternative fuels, for which LNG was seen as the alternate fuel of choice. GPA filed its 2013 IRP on February 22, 2013 with conversion to LNG as its primary focus.

Lummus Consultants was asked by the GPUC to review the IRP. After engaging in discovery and collaborative discussions with GPA, Lummus issued its Letter Report and Appendix thereto on July 23, 2013.

DETERMINATIONS

In accordance with the Lummus Consultants' findings, the PUC makes the following determinations:

I. General Issues

- A. Economic evaluations conducted by GPA indicate LNG conversion will result in lower costs to rate payers than continued operation on RFO based on the fuel price projections developed in the LNG Study conducted by R. W. Beck in November 2011. However, converting the bulk of GPA generation units to LNG does not necessarily meet its objective of having increased fuel diversity.^{3 4}
- B. GPA should proceed with the recommendations in the IRP; however the conversion to LNG requires a cautious approach, with multiple check-points along the project development path. Also, this path should address diversification of fuel supply to reduce risks of disruption or price spikes to customers. The decision criteria used in the implementation plan should more directly address how diversity will be achieved prior to moving along the recommended path in this IRP.
- C. GPA's IRP does not provide detailed information concerning how the required infrastructure changes and other costs associated with a conversion to LNG will be funded, or what the rate impact of such a plan will be upon ratepayers. The PUC cannot give unqualified approval to a plan without fully understanding how the plan will be funded and how it will impact ratepayers.
- D. R.W. Beck's LNG study was admittedly a preliminary feasibility study. A logical next step is the development of a detailed LNG Project Implementation Plan. This would include a delineation of each of the key steps necessary to move toward a final decision relative to GPA's resource future with a detailed implementation schedule that defines durations and interfaces of key project activities (e.g. permitting, engineering to support permitting, Front End Engineering Design (FEED) studies, equipment procurement, project construction, start-up activities, etc.). The plan would provide projections of project expenditures consistent with the project schedule.
- E. The LNG Project Implementation Plan would identify key decision-making milestones and expected expenditures to reach these milestones. One of the initial tasks is to further investigate the feasibility and project economics of using a lower design volume of LNG, for

³In workpapers submitted by GPA, for the top LNG alternative, by 2040 over 98% of the Authority's thermal input is projected to be LNG.

⁴ Public Law 29-62 requires GPA to establish preliminary renewable energy portfolio standards of five percent of its net electricity sales by December 31, 2015 and increasing by various increments over a 20-year period to 25 percent of its net electricity sales by December 31, 3035.

example sufficient to replace the slow speed diesels and to supply a new NGCC plant. These results could be compared with the concept of complete conversion of the GPA system as currently planned.

- F. As the whole LNG transition plan for Guam hinges on the availability and delivered pricing of LNG to the Island, the most important issue for justifying a “go forward” decision is the sourcing and pricing of LNG delivered to Guam. It would be beneficial to identify specific potential suppliers of LNG to Guam and conduct discussions with such suppliers including preliminary indicative price discussions based on preliminary project specifications. The R. W. Beck report is approaching two years old and although it looked in general at the LNG market in that area, it doesn’t appear to include communication with specific LNG suppliers and discussions regarding preliminary indicative price offerings specific to Guam.
- G. Based on review and discussion with GPA, it is apparent that little analytical work was performed on assessing alternative low sulfur fuels other than LNG. Investigation of the availability, delivered price forecasts, and required plant modifications for use of methanol, dimethyl ether (DME) at GPA generating units would serve as useful decision criteria to assess the attractiveness of delivering LNG to the island.
- H. The IRP does not address system and plant reliability issues. The focus appears to be solely upon generation and fuel source, without discussion of the transmission and distribution system. Recent outages have raised issues concerning the efficiency and reliability of the plants/system. Such reliability concerns could become even more significant in a period of system transformation to a new fuel source such as LNG.

II. Environmental Issues

- A. The United States Environmental Protection Agency (USEPA) has promulgated regulations since the last IRP filed by GPA, which provide added incentives for certain GPA generating units to convert from residual fuel oil (RFO) to lower sulfur fuels such as liquefied natural gas (LNG).
- B. The USEPA’s Reciprocating Internal Combustion Engine (RICE) Maximum Achievable Control Technology (MACT) standards have near-term impacts on GPA’s peaking diesel units as well as the base-load slow speed diesels. The impact of the RICE MACT standards on the peaking diesel units does not have a material impact on the IRP results and the PUC has issued an Order authorizing the procurement of equipment for the peaking diesel units for compliance with the RICE MACT standards. GPA obtained a one-year compliance extension from the USEPA until May 3, 2014 for the peaking diesel units.
- C. The RICE MACT standards have a significant impact on the future operations of the base-load slow speed diesels. Compliance with these standards using RFO will require complex, high capital cost air quality control system (AQCS) retrofits or switching from RFO to very low sulfur fuels (e.g. low sulfur diesel or LNG) plus AQCS retrofits with much lower capital costs. GPA is seeking an extension of the RICE MACT compliance deadline from USEPA for the slow speed diesels to coincide with LNG conversion of these units.
- D. The USEPA Mercury and Air Toxics Standards (MATS) affect the base-load steam boilers at Cabras Units 1&2 and Tanguisson Units 1&2 and have a compliance deadline of April 16, 2015.

Compliance deadlines for MATS may be extended by one to two years with proper agency approvals. Tanguisson Units 1&2 can avoid MATS requirements by derating the units from 26.5 to 25 MW. It is possible Cabras Units 1&2 could be required to retrofit electrostatic precipitators (ESPs) at an estimated cost of \$34M. GPA is evaluating stack test results to better understand the need for ESPs at Cabras Units 1&2.

- E. There are other USEPA regulations, such as the recently promulgated 1-hour SO₂ National Ambient Air Quality Standard (NAAQS), which could require additional AQCS retrofits at Cabras Units 1&2 and Tanguisson Units 1&2 in the future, if Guam or portions of Guam are determined to be “non-attainment” with the 1-hour SO₂ NAAQS.

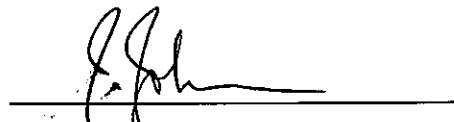
ORDERING PROVISIONS

The PUC conditionally approves GPA’s 2013 Integrated Resource Plan, subject to the following:

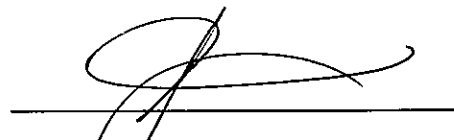
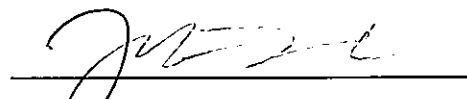
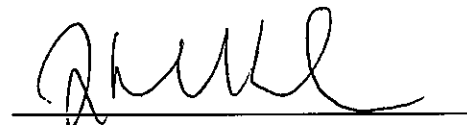
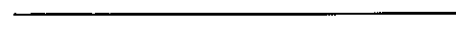
1. Within 120 days of this Order or sooner, GPA shall prepare and submit a detailed Resource Implementation Plan to the PUC for approval. This Plan shall identify the acquisition strategy GPA intends to utilize to bring LNG resources to Guam, including: a detailed implementation schedule; projected project expenditures consistent with the project schedule; identification of key decision-making milestones, criteria, and expenditures to reach those milestones; and identification of the expected schedule milestones for establishing contracts for the LNG supply. The Resource Implementation Plan should also address appropriate business models for adoption of LNG and other resources in the future.
 2. GPA shall continue negotiations with the USEPA related to compliance with the RICE MACT standards for the slow speed diesels.
 3. GPA shall continue with the recommendations of the IRP, with additional investigations performed in parallel as suggested in the Lummus Letter Report, including:
 4. Further investigation of renewable fuels
 5. Further investigation of alternative low sulfur fuels.
 6. Early identification and discussions with potential suppliers of LNG to Guam including expressions of interest in serving this size market.
 7. In parallel, GPA will continue to investigate the economics of diversification of fuels and a project plan for this path will be included in the Resource Implementation described in 1 above. This should include investigation of lower sulfur fuel, renewables including battery storage technology, and identification of the preferred level of diversification for Guam including the economic impact.
-
8. GPA’s efforts on these activities will be monitored by PUC, with the assistance of Lummus Consultants, as it moves forward. The GPUC will consider the inclusion of reasonable costs associated with a well thought out Resource Implementation Plan, either in the LEAC or a budgeted item in the FY2014 rate proceeding, after review.

9. In proceeding ahead with IRP and the activities outlined in this Order, GPA shall seek review by the PUC of all matters for which prior PUC review is required under the Contract Review Protocol.
10. GPA will investigate as part of the next steps how to enhance system reliability in order to encourage inclusion of renewable technologies and to enhance service to customers and will submit reports to the GPUC semiannually on its progress.
11. 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.

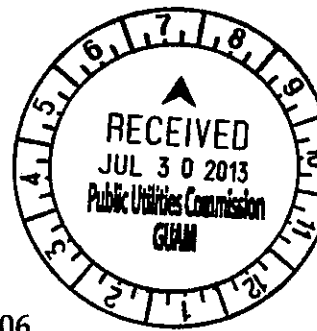
Dated this 30th day of July, 2013.


Jeffrey C. Johnson

Chairman


Rowena E. Perez
Commissioner
Joseph M. McDonald
Commissioner
Peter Montinola
Commissioner
Michael A. Pangelinan
Commissioner

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



GUAM POWER AUTHORITY
LEVELIZED ENERGY ADJUSTMENT
CLAUSE [LEAC]

GPA DOCKET 13-06

ORDER

In accordance with the protocol established by Guam Public Utilities Commission [PUC] Order dated January 29, 1996, as amended by Order dated March 14, 2002, Guam Power Authority [GPA] transmitted its LEAC Filing, dated June 14, 2013, to the PUC.¹ GPA requested that the Levelized Energy Adjustment Clause Factor ["LEAC"], for the six-month period commencing August 1, 2013, be decreased from \$.20927/kWh to \$.19006/kWh effective for meters read on or after August 1, 2013.² This decrease in the LEAC factor represents a 6.6% decrease in the total bill, or a \$19.21 decrease for a residential customer utilizing an average of 1,000 kilowatt hours per month.³

The basis for the LEAC filing is that there has been a decrease in fuel prices from \$104.34/bbl to approximately \$94.54/bbl, which represents a decrease in fuel costs from the prior LEAC period. However, GPA represents that such decrease is somewhat offset by the increased blending costs for the fuel supply contract which will lead to an increase in fuel costs of approximately 10%. Also, GPA forecasts an increase use of diesel fuel because Cabras 3 will still be unavailable during the upcoming LEAC period.⁴

GPA further requests an extension of the Working Capital Fund Surcharge of \$0.00778/kWh and \$179,152.00/month for the Navy. The WCF Surcharge adjustment is based upon the calculation of the additional WCF requirement as a result of the change in the FY14 Fuel Costs budget. GPA proposes to amortize this amount over three months, effective August 1, 2013 through October 31, 2013.⁵

On June 4, 2013, the Guam Consolidated Commission on Utilities, in Resolution No. 2013-32, Authorized GPA Management to Petition the PUC for the decrease

¹ GPA LEAC Filing, GPA Docket 13-06, filed June 14, 2013.

² Id.

³ Id.

⁴ Id.

⁵ Letter from Joaquin C. Flores, GM, to Frederick J. Horecky, ALJ, dated June 14, 2013, Re: Levelized Energy Adjustment Clause Petition for the Period August 1, 2013 through January 31, 2014, GPA Docket 13-06 LEAC at p. 2.

in the LEAC for the period August 1, 2013 – January 31, 2014 as set forth in GPA's Petition.⁶ The Resolution indicates that the FY14 Fuel Cost Budget is \$326.9M, representing an increase of \$10.3M (related to fuel) from FY13. This projected increase creates an additional requirement in the Working Capital Fund of \$855,000, to be recovered through the WCF surcharge.⁷ In its Petition, GPA has submitted supporting documents to justify additional O&M costs for its fuel tank farm management, the Fuel Supply contract extension with Petrobras and the Line of Credit facility with ANZ Bank.⁸ The additional costs for the Fuel Tank major maintenance total \$388,500. They include piping upgrades, tank repainting, systematic tank gauging (ATG) system, and Fire Fighting Equipment Upgrade.⁹

On July 5, 2013, PUC Counsel requested that GPA provide PUC with an update on the Morgan Stanley RFO prices for a determination as to whether there had been any changes in such prices since the filing by GPA of its LEAC Filing.¹⁰ Counsel also requested that GPA provide updated figures showing the impact of the newly approved RFO Supply Contract with Hyundai Corporation upon the LEAC Factor. Counsel's request was prompted by the fact that, after the Consolidated Commission on Utilities approved the new RFO Contract with Hyundai on June 25, 2013, various GPA officials, including the Chairman of the CCU, General Manager, and the Public Information Officer announced that, as a result of lower prices in the new Contract, there would be a further reduction in the LEAC Factor.¹¹

On July 16, 2013, GPA provided an updated LEAC analysis: (a) showing the updated Morgan Stanley call dated July 15, 2013; (b) updating the values to reflect actual amounts for May and June 2013; and (c) updating the fuel premiums for August 2013 through January 2014 based on the new fuel supply contract and the new pipeline fees and storage fees effective September 1, 2013. GPA's updated analysis is attached hereto as Exhibit "1" and incorporated herein by reference.¹²

⁶ CCU Resolution No. 2013-32, issued June 4, 2013.

⁷ Id.

⁸ See Attachment VI to the Petition.

⁹ Id.

¹⁰ Email from PUC Counsel to GPA Assistant Chief Financial Officer, GPA Docket 13-06, dated July 5, 2013.

¹¹ "CCU authorizes new fuel oil contract, selects Hyundai; with new contract, fuel surcharge may go down", Marianas Variety Guam Edition, June 26, 2013, at p 2; "Power Bills could drop by 9 percent", Gam Pacific Daily News, June 26, 2013, at p. 2.

¹² See Exhibit "1" attached hereto.

As a result of the updated GPA analysis, the LEAC Factor for the six-month period commencing August 1, 2013, is decreased further from \$.19006/kWh to \$.182054/kWh effective for meters read on or after August 1, 2013. This decrease in the LEAC factor represents a 9.3% decrease in the total bill, or a \$27.22 decrease for a residential customer utilizing an average of 1,000 kilowatt hours per month.¹³ There is also a reduction in the transmission and distribution delivery classifications.¹⁴

GPA also provided an updated analysis of the Working Capital Fund Requirement-Fuel Portion.¹⁵ The Working Capital Fund Requirement-Fuel Portion is attached hereto and incorporated herein by reference as Exhibit "2".¹⁶ Instead of the three month extension of the existing WCF Surcharge requested in the original LEAC filing, GPA now proposes to collect the additional WCF requirement resulting from the increase in the FY14 Fuel Costs budget amount over one month, effective August 1, 2013 through August 31, 2013. The increase in the Working Capital Fund Requirement for the FY14 Fuel budget is now anticipated to be \$324,083 rather than the \$855,250 previously projected.¹⁷ The reduction in the projected increase is due to the lower fuel premium charges in the Hyundai RFO Supply Contract.

Chairman Jeffrey C. Johnson has submitted a Report. In accordance with the updated GPA analyses contained in Exhibits "1" and "2", he recommends that the PUC approve a decrease in the LEAC factor from the current \$.20927/kWh to \$.182054/kWh effective on all meters read on or after August 1, 2013.¹⁸ The transmission and distribution delivery classifications should be reduced in accordance with Exhibit "1". Finally, the WCF Surcharge should be extended for one month, effective August 1, 2013 through August 31, 2013, to recover the increase in the Working Capital Fund Requirement-Fuel Portion caused by the increase in fuel premiums and other costs in the FY14 Fuel budget.¹⁹

After carefully reviewing the record in this proceeding, and after discussion and a duly noticed public meeting held on July 30, 2013, for good cause shown and

¹³ Id., Proposed LEAC Rate effective 8/1/13.

¹⁴ Id.

¹⁵ Email from Assistant Chief Financial Officer to PUC Counsel, GPA Docket 13-06, dated July 17, 2013.

¹⁶ See Exhibit "2" attached hereto.

¹⁷ Id; see also GPA LEAC Filing, GPA Docket 13-06, filed June 14, 2013, Attachment IX.

¹⁸ Report of Chairman Jeffrey C. Johnson Re: LEAC and Petition dated June 14, 2013.

¹⁹ Id.

on motion duly made, seconded and carried by affirmative vote of the undersigned Commissioners, the Guam Public Utilities Commission hereby **ORDERS** that:

1. The current singular LEAC factors are hereby adjusted effective August 1, 2013, as shown in the following table:

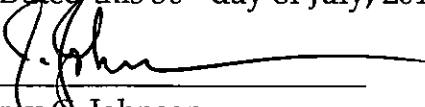
<u>Delivery Classification</u>	<u>LEAC</u> <u>\$ per kWh</u>
Secondary -	\$ 0.182054
Primary - 13.8 KV	\$ 0.174100
Primary - 34.5 KV	\$ 0.173359
Transmission - 115 KV	\$ 0.170204

This change represents a 9.3% decrease in the total bill for a residential customer utilizing an average of 1,000 kilowatt hours per month (\$27.22 per month) and a 13.0% decrease from the current LEAC rate.


2. GPA should file for a change in the LEAC factors to be effective February 1, 2013 on or before December 15, 2013.
3. As requested by GPA, the Working Capital Fund Surcharge of \$0.00778 per kWh for civilian customers and the monthly fixed charge of \$179,152 for Navy will be extended. GPA shall be permitted to recover the increase in the Working Capital Fund Requirement-Fuel Portion caused by the increase in fuel premiums and other costs in the FY14 Fuel budget by collecting said amount for one month, effective August 1, 2013 through August 31, 2013.
4. GPA shall not be required to conduct an audit of its fuel oil procurement functions. On June 5, 2013, in GPA Docket 12-13, LEAC, GPA submitted its Position on a Focus Management Audit of Fuel Procurements. On June 17, 2013, Administrative Law Judge in this matter issued a letter to GPA finding that GPA had made progress in improving the efficiency of its fuel procurement process. In addition, based upon GPA's proposed use of other energy sources such as LNG there could be changes to GPA's present fuel procurement process. PUC retains the right to require GPA to conduct a Focus Management Audit of its Fuel Oil Procurement at a later time, if necessary and justified. The PUC adopts the ALJ's recommendation.

5. 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 30th day of July, 2013.



Jeffrey C. Johnson
Chairman




Rowena E. Perez
Commissioner



Joseph M. McDonald
Commissioner

Michael A. Pangelinan
Commissioner



Peter Montinola
Commissioner

GPA
Proposed LEAC Rate

	Effective 8/1/13	
	GPA	Updated
	Filing	LEAC Model Run
	(\$000s)	(\$000s)
Number 6 (HSFO/LSFO)	\$ 144,474	\$ 141,597
Number 2 (GPA)	4,146	4,264
TOTAL COST	\$ 148,620	\$ 145,861
Handling Costs	3,555	777
Total Current Fuel Expense	\$ 152,175	\$ 146,638
Civilian Allocation	78.11%	78.11%
LEAC Current Fuel Expense	\$ 118,858	\$ 114,534
Deferred Fuel Expense	(3,518)	(4,053)
Total LEAC Expense	\$ 115,341	\$ 110,481
Less: Trans. Level Costs	(6,360)	(6,092)
Distribution Level Costs	\$ 108,981	\$ 104,389
Distribution Level Sales (mWh)	573,397	573,397
LEAC Factor Distribution	0.19082	0.182054
Current LEAC Factor Distribution	0.209271	0.209271
Increase/(Decrease)	(0.019209)	(0.027217)
Monthly Increase - 1000 kWh	(19.2)	(27.22)
% Increase/(Decrease) in LEAC	-9.2%	-13.0%
% Increase/(Decrease) in Total Bill	-6.6%	-9.3%
Total LEAC Expense	\$ 115,341	\$ 110,481
Total Sales (mWh)	608,447	608,447
LEAC W/O Trans. Discounts	0.189566	0.181578
Discount (3%)	0.181758	0.174100
Discount (4%)	0.180985	0.173359
Discount (5%)	0.177691	0.170204

Note (1) The difference is due to the lesser premium applied in December 2013 and January 2014, assuming the first shipment from the new supplier is in September 2013.

(2) The month end inventory is also affected, the inventory at the end of January 2014 is lower by \$6.55 per bbl., the average HSFO/LSFO savings in premiums (\$15.42/bbl less \$8.87/bbl)

Fuel Clause Reconciliation

C:\G:\Gmail\GPAV EACs\Mar02\LEAC Feb 13 thru Jul 13 Revised 7 16 2013

Guam Power Authority
Working Capital Fund Requirement-Fuel Portion

Exhibit A

	Additional FY 2014	Additional FY 2013	Additional FY 2012	Original Eff 4/1/12	Total WCF Surcharge Eff 5/1/12
A Current Year Fuel Costs Budget	\$ 320,484,000	\$ 316,595,000	\$ 305,450,000		
B Prior Year Fuel Costs Budget	\$ 316,595,000	\$ 305,450,000	\$ 247,191,000		
C Increase in Fuel Costs	\$ 3,889,000	\$ 11,145,000	\$ 58,259,000		
D Working Capital Fund Requirement (1/12 of Line C Increase In Fuel Costs)	\$ 324,083	\$ 928,750	\$ 4,854,917		
E Navy Share ⁽¹⁾			17.0%		
F Civilian Share ⁽¹⁾			83.0%		
G Navy Additional WCF Surcharge Share (Line D x Line E)		\$ 825,336			
H Navy WCF Surcharge (Line G / 12)		\$ 68,778		\$ 110,374	\$ 179,152
I Civilian Additional WCF Surcharge Share (Line D x Line F)		\$ 4,029,581			
J Kwh Sales Forecast (May 2012 through April 2013)			1,288,180,143		
K Civilian WCF Surcharge (Line I / Line J)		\$ 0.00313		\$ 0.00466	\$ 0.00778

Note (2)

Note (3)

Note (4) (5)

- (1) Per PUC Order dated 6/10/11. (FY 10 TLCOS Rate base allocator)
(2) This surcharge is effective from April 1, 2012 through September 30, 2015 (42 months amortization). This is related to the 2010 Subordinate Bond P&I.
(3) This additional surcharge is effective May 1, 2012 through April 30, 2013 (12 months amortization). This is related to the FY 12 fuel related WCF requirement.
(4) This surcharge is extended until July 31, 2013 to cover the FY 13 fuel related WCF requirement of \$928,750 (Additional 3 months amortization)
(5) This surcharge is extended until August 31, 2013 to cover the FY 14 fuel related WCF requirement of \$324,083 (Additional 1 month amortization)

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF:

GPA DOCKET 13-10

THE APPLICATION OF THE GUAM
POWER AUTHORITY TO APPROVE
THE CONTRACT FOR SUPPLY OF
RESIDUAL FUEL OIL NO. 6 TO GPA

ORDER

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Petition of the Guam Power Authority ["GPA"] for Review and Approval of the Contract for Supply of Residual Fuel Oil No. 6 with Hyundai Corporation.¹

BACKGROUND

2. On July 19, 2013, PUC Counsel filed his Report herein. The Report covers the history of GPA's current procurement for Fuel Oil No. 6, and that Report is adopted and incorporated herein.²
3. On July 30, 2012, the PUC authorized GPA to proceed with the procurement of RFO No. 6 finding that such fuel was "essential to the operation of the plants."³ GPA's then current contract for RFO with Petrobras Singapore ["Petrobras"] was set to expire on February 28, 2013.⁴
4. On February 4, 2013, after a protest was filed on the possible award of the contract to Vitol Asia Pte., GPA requested that the PUC approve a six month contract extension with the present supplier of RFO No. 6, Petrobras. On February 11, 2013, the PUC, acting through its Chairman pursuant to 12 GCA §12004, approved GPA's Petition authorizing a 6 month extension of the Fuel Supply Contract with Petrobras.⁵

¹ GPA Petition for Contract Review, GPA Docket 13-10, filed July 5, 2013.

² GPA Petition for Contract Review, GPA Docket 12-09, filed July 16, 2012.

³ PUC Order, GPA Docket 12-09, issued July 30, 2012, at p. 4.

⁴ Id. at p. 1.

⁵ Id. at p. 1.

5. On or about April 11, 2013, GPA issued a Re-Bid No. GPA-068-12 procurement of Residual Fuel Oil. GPA decided to cancel the prior IFB in order to rebid the procurement of a new residual fuel oil supply contract.⁶
6. After evaluation of the bids on the "Re-Bid" GPA determined that Hyundai Corporation was the lowest, most responsive bidder meeting the requirements of the bid solicitation.⁷
7. GPA now proposes to enter into a Residual Fuel Oil No. 6 Supply Contract with Hyundai Corporation for a period of two years, commencing September 1, 2013 and expiring on August 31, 2015. Based upon mutual agreement of both parties, there may be up to three one-year extension options renewable annually.⁸
8. The cost of the contract for the ratepayers for the two year contract period is \$719,400,000.⁹
9. On July 8, 2013, GPA forwarded a copy of the RFO Fuel Supply Contract with Hyundai Corporation to the PUC; GPA seeks approval of such contract.¹⁰

DETERMINATIONS

10. The proper prerequisites of the procurement process were met for the consummation of this Fuel Oil Supply Contract. The procurement for RFO No. 6 was duly approved by both the CCU and PUC. GPA issued adequate public announcement for the need for such fuel supply services; three bidders submitted bids for GPA's consideration [Hyundai Corporation, Vitol Asia Pte., Ltd., and Petrobras Singapore Pte., Ltd.].¹¹
11. To date no procurement protest regarding this bid has been filed.¹² GPA may thus legally proceed with the execution of the Fuel Oil Supply Contract.

⁶ Guam Consolidated Commission on Utilities Resolution No. 2013-37, issued June 25, 2013, at p. 1.

⁷ Id. at p. 1.

⁸ Id. at pgs. 2-3.

⁹ Id. at p. 2.

¹⁰ Emails from Graham Botha, GPA Legal Counsel, to Frederick J. Horecky, PUC Legal Counsel, GPA Docket 13-10, RFO Fuel Supply Contract with Hyundai Corporation, dated July 8, 2013, with contract attached, and Documents for PUC Review.

¹¹ CCU Resolution No. 2013-37, issued June 25, 2013, at p. 1.

¹² Telephone conversation between GPA Legal Counsel and PUC Counsel on July 12, 2013.

12. The form of the proposed contract between GPA and Hyundai Corporation has previously been approved by the PUC on numerous occasions. When the PUC initially approved this procurement for RFO No. 6 on July 30, 2012, the proposed contract form incorporated in the bid was approved by the PUC.¹³
13. The Contract includes protections for GPA such as substantial performance and payment bond requirements. In addition, the Contract requires that the successful bidder deliver to GPA an executed performance and payment bond as security for the performance of the contract.¹⁴ All risk of loss, cost and liability prior to the time of passage of title of the fuel oil to GPA is upon the contractor."¹⁵
14. The new proposed Contract appears to include various provisions which adequately protect GPA and its customers.
15. GPA has the power to enter into contracts "necessary or convenient in the exercise of its powers..."¹⁶, subject, however, to the Contract Review Protocol and prior PUC approval..."¹⁷
16. GPA has met its burden to demonstrate that its Contract for Supply of Fuel Oil with Hyundai Corporation for Residual Fuel Oil No. 6 is essential to the operation of the Cabras power plants.
17. While Contract premium prices on RFO have increased substantially, the premium prices proposed by Hyundai Corporation are lower than the prices which were included in the 6 month contract extension with Petrobras [from March 1, 2013 through August 31, 2013], and lower than those proposed by other bid competitors.
18. The continuous supply of fuel oil to GPA, for the benefit of ratepayers, must be maintained.

¹³ PUC Order, GPA Docket 12-09, dated July 30, 2012, at p. 3.

¹⁴ Id.

¹⁵ Id.

¹⁶ 11 GCA §8104(e).

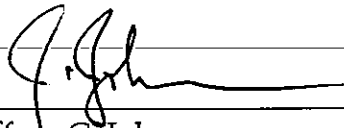
¹⁷ Contract Review Protocol for Guam Power Authority, Administrative Docket, dated February 15, 2008.

ORDERING PROVISIONS

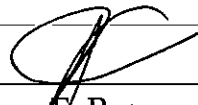
Upon consideration of the record herein, the Petition of GPA, the PUC Legal Counsel Report, and for good cause shown, on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby **ORDERS** that:

1. GPA's Contract for Supply of Residual Fuel Oil No. 6 with Hyundai Corporation is hereby approved.
2. GPA has demonstrated a clear need for Residual Fuel Oil No. 6 for the Baseload Power Plants, as such fuel is essential to the operation of the plants. The proposed contract is reasonable, prudent and necessary.
3. In general, the premiums for LSFO and HSFO are substantially higher than those in the prior contract with Petrobras which was terminated on February 28, 2013. However, the premiums in the new contract with Hyundai Corporation are lower than those than in the 6 month contract extension with Petrobras which terminates on August 31, 2013, and lower than those submitted by other bidders.
4. GPA has selected the most responsive bid, and the lowest price bid, through an open competitive procurement process. Under the circumstances, the selection of Hyundai Corporation is its best price option.
5. 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 30th day of July, 2013.



Jeffrey C. Johnson
Chairman

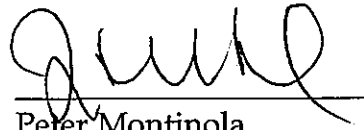


Rowena E. Perez
Commissioner

Order
Contract for Residual Fuel Oil No. 6
GPA Docket 13-10
July 30, 2013



Joseph M. McDonald
Commissioner



Peter Montinola
Commissioner

Michael A. Pangelinan
Commissioner



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:) GPA DOCKET 13-11
THE APPLICATION OF THE GUAM)
POWER AUTHORITY TO APPROVE)
THE CONTRACT WITH TRISTAR) ORDER
TERMINALS GUAM, INC. FOR THE)
DOCK FACILITY USER AGREEMENT,)
PIPELINE AGREEMENT, AND FUEL)
STORAGE AGREEMENT FOR GPA)

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Petition of the Guam Power Authority ["GPA"] for contract review and approval of the Contract with Tristar Terminals Guam Inc., for the Dock Facility User Agreement, Pipeline Agreement, and Fuel Storage Agreement for GPA.¹

BACKGROUND

2. GPA is requesting that the PUC approve three agreements related to the delivery and storage of fuel: the Dock Facility User Agreement, Pipeline Agreement, and Fuel Storage Agreement.
3. Tristar is the current manager of the Dock Facility, owned by the Port Authority of Guam.²
4. GPA is requesting that the above Agreements be approved for a five-year period from September 1, 2013, to August 31, 2018.³
5. The Dock Facility User Agreement allows GPA to discharge or load fuel from and to GPA's vessels that the F-1 Dock Facility.⁴

¹ GPA Petition for Review and Approval of Contract with Tristar Terminals Guam, Inc. for the Dock Facility User Agreement, Pipeline Agreement, and Fuel Storage Agreement for GPA, GPA Docket 13-11, filed July 12, 2013.

² Id. at p. 1.

³ Id. at p. 2.

⁴ See Facility User Agreement F-1 Dock, attached to GPA Petition for Review and Approval of the Contract with Tristar Terminals Guam, Inc., GPA Docket 13-11, filed July 12, 2013.

6. Under the Pipeline Agreement, Tristar grants GPA the non-exclusive use of the B Pipeline for fuel resupply from the F-1 Dock to the Navy Valve Pit for further transfer by GPA from the Navy Valve Pit through the GPA controlled pipelines through the GPA storage and power generating facilities at Cabras.⁵
7. Tristar maintains and operates a facility known as the Agat Terminal.⁶
8. GPA resupplies its Piti storage facility using fuel stored at the Agat Terminal. In the Storage Agreement GPA will use storage tanks of Tristar with a total storage capacity of 422,150 barrels for the storage of fuel oil.⁷
9. On June 25, 2013, the Guam Consolidated Commission on Utilities approved Resolution No. 2013-38, which authorizes Management of GPA to petition the PUC to enter into Agreements with Tristar Terminals Guam for fuel delivery and storage through the Dock Facility, Pipeline and Fuel Storage Agreements.⁸
10. According to the CCU, Tristar "is the **sole service provider** of the Dock Facility, Pipeline, and Fuel Storage Services..."⁹
11. The CCU indicates that GPA and Tristar have negotiated a new five-year contract period for the three agreement the new contract cost for which are set forth in exhibits to the Resolution.¹⁰
12. The estimated total expenses for renewal of the three agreements for the five-year period are: \$7,375,440.00 for the Dock Agreement; \$2,252,342.16 for the Pipeline Agreement; and \$9,165,390.88 for the Storage Agreement.¹¹
13. The CCU submits that the three Agreements will serve the best interests of GPA ratepayers by insuring an uninterrupted supply of fuel to GPA through the use of Tristar's fuel handling facilities.¹²

⁵ Id.

⁶ See Storage Agreement, attached to the GPA Petition for Review and Approval of the Contract with Tristar Terminals Guam, Inc., GPA Docket 13-11, filed July 12, 2013.

⁷ Id.

⁸ CCU Resolution No. 2013-38, adopted on June 25, 2013.

⁹ Id.

¹⁰ Id.

¹¹ Id.

¹² Id.

14. Counsel submitted his Report dated July 24, 2013.¹³

DETERMINATIONS

15. GPA has provided a "CONTRACT FEE COMPARISON", attached as Exhibit "A" to the CCU Resolution, which indicates comparison between the current contract prices (which expire August 31, 2013) and the New Contract prices from September 2013 to August 2018.¹⁴ Attached to the CCU Resolution as Exhibit "B" are the "NEW CONTRACT EXPENSES (ESTIMATED)".¹⁵
16. The Fees for the use of the Dock Facility [i.e. Facility User Agreement F-1 Dock] remain unchanged from the existing contract and are based on hourly rates for the dock operators, excess lay time costs, and imports and exports of RFO on a per barrel basis.¹⁶
17. However, under the Pipeline Agreement, there is a 20% increase in the first year of the new contract (SEP.2013-AUG.2014). Thus, the five-year total for the new Pipeline Agreement is \$2,252,342.16.
18. Tristar justifies the increase on the initial term of the Pipeline Rental Fee upon the following cost drivers:
- a) Port Authority of Guam Increases of Easement Fees at 124% of the original easement rate of which Tristar has not passed on portions of the B line cost to GPA for 40 months.
 - b) Pipeline integrity testing by Tristar done every 5 years as part of the routine maintenance cost on this renewal with annual amortization cost of \$30,000.00 per year.
 - c) Other operational cost increases on insurances and environmental considerations.¹⁷

¹³PUC Counsel Report, GPA Docket 13-11, dated July 24, 2013,

¹⁴ See Exhibit "A" to CCU Resolution No. 2013-38.

¹⁵ See Exhibit "B" to CCU Resolution No. 2013-38.

¹⁶ CCU Resolution No. 2013-38, adopted June 25, 2013, at p. 1.

¹⁷ Letter from K. Vikraman, General Manager of Tristar, to Joaquin Flores, General Manager GPA, dated May 20, 2013.

19. Under the Storage Agreement, GPA previously leased tanks 1902, 1910, & 1911 at the Agat Terminal. However, under the new Storage Agreement GPA will only lease tank 1902. This results in a reduction in storage capacity of 75,000 barrels from 497,150 barrels to 422,150 barrels.¹⁸
21. Under the prior Storage Agreement, yearly rental for the three tanks was \$1,386,720.00. There is a 20% increase in the first year rental fee under the new Agreement. The lease fee for Tank 1902 for the first year will be \$1,413,023.47, which is more than the previous charge for all three tanks.¹⁹
22. There is also a 4% annual cost of living increase in the Storage Agreement.²⁰
23. With regard to the price escalation for the Storage Agreement, Tristar justifies the increase as follows:

The 20% increase on the initial term is only a portion of the expected tank refurbishment cost for Tank 1902 as per API 653 which is estimated to be about \$0.79 annual contribution to the construction in progress (CIP).

The 4% flat adjustment on the 4 years that follows is a result of allocation on the standard Consumer Price Index Changes and increased operational cost accorded by various regulating agencies.²¹
24. The cost increases for the Pipeline and Storage Agreements are high. Tristar is a "sole source" provider. GPA has sought to negotiate with Tristar; at this point however, Tristar appears unwilling to negotiate further.
25. The Dock Agreement pricing has remained the same; the Facility User Agreement F-1 Dock should be approved.
26. While the increases in the Pipeline Agreement appears high, there has been some justification offered for the increases therein.

¹⁸ CCU Resolution No. 2013-38, adopted June 25, 2013, at p. 2.

¹⁹ See Exhibit "A" attached hereto.

²⁰ See Exhibit "A" attached hereto.

²¹ Letter from General Manager K. Vikraman of Tristar to General Manager of GPA, Joaquin Flores, dated May 20, 2013.

27. A further justification for the price increases in the Pipeline Agreement is attached to the PUC Counsel Report as Exhibit "C".
28. The Pipeline agreement should be approved. However, the Commission does not have sufficient information to justify approval of the Storage Agreement. Justification is required for the 20% increase and the automatic 4% annual increase.

ORDERING PROVISIONS

After careful review and consideration of the above determinations, the Petition of GPA, the Dock Facility User, Pipeline, and Storage Agreements between GPA and Tristar, the Report of PUC Counsel, and the record herein, for good cause shown, on motion duly made, seconded, and carried by the undersigned Commissioners, the Guam Public Utilities Commission hereby ORDERS that:

1. The PUC hereby grants GPA's request for approval of the Dock Facility User and Pipeline Agreements between GPA and Tristar. However, there is not sufficient justification provided at this time for the increase in price of the Storage Agreement. The matter of the Storage Agreement is presently tabled.
2. GPA is authorized to enter into the Pipeline and Storage Agreements for a five-year period, from September 1, 2013 through August 31, 2018. GPA may bring the Storage Agreement back to PUC for further review.
3. GPA is authorized to expend, for the five-year period, amounts up to \$7,375,440.00 for the Dock Agreement and \$2,252,342.16 for the Pipeline Agreement.
4. 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.

Order
GPA Request for Contract Review and
Approval of Agreements with
Tristar Terminals Guam, Inc.
GPA Docket 13-11
July 30, 2013

Dated this 30th day of July, 2013.

Jeffrey C. Johnson
Chairman

Rowena E. Perez
Commissioner

Michael A. Pangelinan
Commissioner



Joseph M. McDonald
Commissioner

Peter Montinola
Commissioner