

## BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN RE: PETITION FOR TARIFF RATE

RELIEF BY THE PORT AUTHORITY OF GUAM PAG DOCKET 11-01

AMENDED ORDER

## INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the "PUC") upon the February 14, 2012 request by the Jose D. Leon Guerrero Commercial Port, Port Authority of Guam (hereinafter referred to as "PAG"), to extend certain submission deadlines for reports required by the PUC's January 11, 2012 Order, and to implement the approved terminal tariff and corresponding increase of rates on March 1, 2012.

## **DETERMINATIONS**

- 1. On January 11, 2012, the PUC approved the proposed tariff and rates indicated in "Appendix A" of the Slater Nakamura Report.
- 2. On February 10, 2012, PAG management conferenced with the ALJ regarding implementation of the terminal tariff and corresponding increase of rates, and extension of the deadlines indicated in the PUC's January 11, 2012 Order.
- 3. On February 14, 2012, PAG transmitted to the ALJ its request to schedule implementation of the revised terminal tariff and rate increase for March 1, 2012, as well as to extend the deadlines outlined in the January 11, 2012 Order.
- 4. On February 17, 2012, the ALJ filed an ALJ Report addressing PAG's February 14, 2012 request.

- 5. In the February 17, 2012 ALJ Report, the ALJ found that PAG sought a March 1, 2012 date of implementation after PAG performed an internal assessment of its "information technology capabilities to fully implement the terminal tariff and in order to conduct an outreach program" to PAG's users.
- 6. Based on this assessment, the ALJ found that PAG's request to implement the revised terminal tariff and rate increase on March 1, 2012 was reasonable as it provided both PAG and its users additional time to become acclimated with the revised terminal tariff and increase in rates.
- 7. In addition, the ALJ further found that an extension of the deadlines ordered in the PUC's January 11, 2012 by one (1) month was also reasonable since it would provide PAG with additional time to better facilitate implementation of the revised tariff and rate increase, and to prepare submission of its required reporting.

The Commission hereby adopts the findings made in the February 17, 2012 ALJ Report and, therefore, issues the following:

## ORDERING PROVISIONS

Upon consideration of the record herein, PAG's February 14, 2012 request, the February 17, 2012 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 that:

- 2. PAG's request to extend the submission deadlines for reports indicated in the PUC's January 11, 2012 Order is approved.

- 3. Accordingly, by August 22, 2012, PAG shall file a five (5) year rate plan, which shall detail any tariff rate increases for the next five (5) years.
- 4. By August 22, 2012, PAG shall conduct a sensitivity analysis to determine the impact of the recent events in Japan and the United States, along with the current throughput of materials on the ability of PAG to generate the revenue it needs to service its debts, and shall file a report on such sensitivity analysis.
- 5. By August 22, 2012, PAG shall file a plan for the upgrade to the marina facilities.
- 6. By November 22, 2012, PAG shall file a financing plan for the completion of Phase I and Phase II of the 2007 Port Master Plan.
- As indicated in the PUC's January 11, 2012 Order, the PUC authorizes the ALJ to conduct proceedings necessary to establish an appropriate debt service coverage ratio for PAG.
- 8. All other provisions ordered by the PUC in its January 11, 2012 Order shall remain in effect.

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9. PAG is further ordered to pay the PUC's regulatory fees and expenses, including and without limitation, consulting and counsel fees, and the fees and expenses associated with conducting the rate relief investigation. Assessment of the PUC's regulatory fees and expenses is authorized pursuant to 12 G.C.A. §§ 12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the PUC.

SO ORDERED this  $22^{nd}$  of February, 2012.

Jeffrey C. Johnson

Chairman

Rowena E. Perez Commissioner

Michael A. Pangelinan Commissioner Joseph M. McDonald Commissioner

Filomena M. Cantoria Commissioner

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