

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

In the matter of: ) Port Docket 09-01  
)  
Petition of the Port Authority of Guam )  
(PAG) for Approval of Request for )  
Proposal (Professional Services for )  
Comprehensive Tariff Study) )  
\_\_\_\_\_ )

ORDER

This matter came before the Guam Public Utilities Commission [PUC] upon the Port Authority of Guam's [PAG] request for approval by the PUC of its procurement for Professional Services for Comprehensive Tariff Study.<sup>1</sup> PAG requests that the Guam Public Utilities Commission approve the Port's procurement for the services of a professional consultant (firm or individual) to conduct a rate study of the Port's tariffs and charges.

This matter was previously before the Commission at its meeting of March 25, 2010.<sup>2</sup> At that time, the PUC Commissioners, based upon Counsel's preliminary favorable review of the procurement, and the Port's demonstrated need to proceed expeditiously, authorized the Chairman to approve the procurement, subject to ratification by the Commission.<sup>3</sup> On March 31, 2010, PUC Counsel filed his report recommending approval of the Port's Request.<sup>4</sup> As set forth therein, the Port is obligated, pursuant to Section 7 of Public Law 30-52, to conduct a study of its rates and tariffs.<sup>5</sup> The Port now seeks to procure a consultant to conduct such study through RFP No.: 010-005.

The Request for Proposals which the Port seeks to issue appropriately seeks the services of a firm/individual to perform a comprehensive review of the tariffs/rates of PAG and recommend revisions of the existing terminal tariff to allow the Port Authority the ability to generate sufficient revenue to cover current and future port operations and

<sup>1</sup> See Email, dated March 17, 2010, from Jose B. Guevera, Financial Affairs Controller of the Port Authority of Guam to Fred Horecky, PUC Legal Counsel.

<sup>2</sup> See PUC Agenda for Special Meeting on March 25, 2010, Item 5.

<sup>3</sup> Tape of Meeting of March 25, 2010.

<sup>4</sup> PUC Legal Counsel Report, Port Docket 09-01, filed March 31, 2010, p. 2.

<sup>5</sup> Id; see Public Law 30-52, Section 7, enacted July 16, 2009.

services.<sup>6</sup> Counsel further recommends that Commission's approval of the procurement should be subject to certain amendments being made by the Port to the Request for Proposal. These changes relate to clarification of the duty of the consultant chosen to assist the Port with the preparation and presentation of its tariff/rate case before the Guam Public Utilities Commission.<sup>7</sup> Since the apparent legislative purpose in requiring the Port to undertake the study of its tariff/rates and the cost of services was to establish a basis for the establishment of appropriate rates and tariffs, it is reasonable to require that the Port consultant also assist the Port in rate proceedings before the PUC to establish such rates and tariffs.

Upon consideration of the record herein, the Request of the Port, the PUC Legal Counsel Report, and for good cause shown, the Commission, by and through its Chairman, hereby ORDERS that:

1. The Request of PAG to issue RFP No.: 010-005, Professional Services for Comprehensive Tariff Study, is hereby approved, subject to the condition in paragraph 2 below.
2. Prior to issuing its Request for Proposal, the Port shall amend its RFP to include the changes recommended in the PUC Counsel Report.
3. PAG is required to conduct a study of existing rates, charges and cost of services pursuant to Section 7 of Public Law 30-52.
4. In accordance with Section 7 of Public Law 30-52, once the Port has selected a contractor to perform its rate study, and has agreed upon a proposed contract with such contractor, the Port must seek the prior approval of the Commission before such contract is effective.
5. The Port 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

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<sup>6</sup> Request for Proposals RFP No.: 010-005, Attachment 1 (Preliminary Scope of Services).


<sup>7</sup> PUC Legal Counsel Report, Port Docket 09-01, filed March 31, 2010, p. 2.

PUC Legal Counsel Report  
PAG Request for Approval of  
Procurement for Professional Services  
(Comprehensive Tariff Study)  
Port Docket 09-01  
March 31, 2010

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§§12002(b) and 12024(b), and Rule 40 of the Rules of Practice and  
Procedure before the Public Utilities Commission.

Dated this 1<sup>st</sup> day of April, 2010.

  
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Jeffrey C. Johnson  
Chairman