

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

**GUAM POWER AUTHORITY'S 2011
MULTI YEAR BASE RATE RELIEF
FILING**

GPA DOCKET 11-09

**ALJ ORDER RE: ALLOCATION OF
ADDITIONAL WCF SURCHARGE**

1. This matter comes before the Guam Public Utilities Commission [PUC] Administrative Law Judge (ALJ) upon the request of the parties for clarification of the appropriate allocation of the new Working Capital Fund (WCF) surcharge between Navy and civilian ratepayers in this proceeding which the parties have proposed would go into effect on May 1, 2012.
2. On June 20, 2011, the PUC issued a Supplemental Phase III Order in GPA Docket 07-10 regarding GPA's Petition to Modify the Working Capital Fund (WCF) surcharge. In paragraph 9 of the Order, the PUC stated that "any difference in GPA's WCF requirements resulting from a change in fuel prices will be amortized over the remainder of the WCF surcharge amortization period, with the allocation to DOD done in a manner that is consistent with the calculations and the methodology contained in the Stipulation of the parties dated April 21, 2010, in this Docket."¹ The allocation used was the rate base allocation and resulted in an allocation of 17% to Navy of the WCF surcharge.²
3. The ALJ, after careful review of the positions of GCG, Navy, and GPA, orders that the method of rate base allocation and cost of service used in GPA Docket 07-10, with an allocation to Navy of 17% be used in the allocation of the additional WCF surcharge in this proceeding which the parties have proposed would go into effect on May 1, 2012.
4. This specific allocation to the Navy would only be for the proposed additional WCF surcharge to be effective May 1, 2012. The next opportunity to examine adjustment of the WCF surcharge will be in conjunction with the PUC review of the appropriate August 1, 2012 LEAC rate and any of the parties in that proceeding may request a change in how future allocations to Navy are made with regard to additional WCF surcharges and how the PUC should amend its June 20, 2011 Supplemental Order in Docket 07-10 with regard to this issue.

¹No time limit was set for this process to be in effect or to expire.

² No process for modification was discussed or approved.

Dated this 30thday of April, 2012.

FREDERICK J. HORECKY
Administrative Law Judge