



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN RE: REQUEST BY THE GUAM
WATERWORKS AUTHORITY FOR
APPROVAL OF BOND PROJECTS
FUNDED BY GWA'S 2010 SERIES
BOND PROCEEDS

GWA Docket No. 11-01

ORDER

INTRODUCTION

This matter comes before the Guam Public Utilities Commission (the "PUC") at the request of Petitioner Guam Waterworks Authority ("GWA") for expedited approval of reprogramming of projects funded by GWA's 2010 Series Bond ("2010 Bond") proceeds, filed with the PUC on March 13, 2013.

DETERMINATIONS

In its Petition, GWA sought approval to reallocate \$7.57 million of 2010 Bond funds to complete several projects required under the November 10, 2011 Order for Preliminary Relief Re: Deadlines for Outstanding Projects under the Amended Stipulated Order issued by the District Court of Guam in U.S. v. Guam Waterworks Authority, Civil Case No. 02-00035 (hereinafter referred to as the "Amended Stipulated Order").

GWA set forth such projects requiring 2010 Bond reprogramming in its Petition, its Capital Improvement Plan for 2013-2018 (hereinafter referred to as the "CIP"), as well as Resolution No. 17-FY2013 issued by the Consolidated Commission on Utilities ("CCU"). The capital improvement projects requiring reprogramming include: potable

water and wastewater projects, as well as an electrical engineering project, and a single miscellaneous project.

On March 25, 2013, the Administrative Law Judge of the PUC, David A. Mair (the “ALJ”), issued an ALJ Report regarding GWA’s request to reprogram the 2010 Bond proceeds. Upon review, and based on the documentation provided by GWA, the ALJ subsequently found that the projects for which GWA sought approval in its Petition were reasonable and necessary for the expansion and improvement of Guam’s water and wastewater systems, as well as for compliance under the Amended Stipulated Order. The ALJ, therefore, recommended approval of GWA’s Petition.

The ALJ, however, further recommended that GWA submit to the PUC updates on several of its CIP projects that required additional funding. Specifically, the ALJ recommended that, with respect to the meter replacement program, GWA report on the status of this program by May 15, 2013. The ALJ also recommended that, with respect to GWA’s Water Reservoir Internal/External Assessment Program, GWA provide the PUC with documentation on the status of this project, as well as documentation related to cost estimates for this project by June 15, 2013. Finally, the ALJ recommended that, with respect to GWA’s Wastewater Collection System Replacement and Rehabilitation program, GWA report on the status of this program by July 15, 2013.

Finally, on July 30, 2012, the PUC “recommended” that GWA comply with its obligations pursuant to P.L. 30-145. The approval of the current petition for reprogramming should not be interpreted so as to vacate or amend that “recommendation.” However, inasmuch as GWA has judicially challenged the PUC’s “recommendation,” the

approval of the current petition should also not be interpreted as a waiver of any of GWA's rights in the pending civil action. GWA has duly preserved its right to challenge the PUC's "recommendation." The PUC is hopeful that the Guam Legislature and GWA will resolve the dispute relating to P.L. 30-145 in GWA's next bond application.

The Commission hereby adopts the findings made in the March 25, 2013 ALJ Report and, therefore, issues the following:

ORDERING PROVISIONS

Upon consideration of the record herein, the March 25, 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. GWA's expedited petition for approval to reallocate \$7.57 million of 2010 Bond funds is hereby GRANTED.

2. With respect to the Meter Replacement Program, GWA shall file a report with the PUC detailing the status of the program by May 15, 2013.

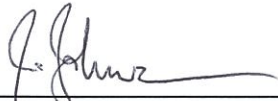
3. With respect to the Water Reservoir Internal/External Assessment Program, GWA shall file a report with the PUC detailing the status of the project, and shall file with the PUC documentation related to cost estimates for the project by June 15, 2013.

4. With respect to the Wastewater Collection System Replacement and Rehabilitation program, GWA shall file a report with the PUC detailing the status of the program by July 15, 2013.


5. GWA 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 this docket. 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 26th day of March, 2013.



JEFFREY C. JOHNSON
Chairman

JOSEPH M. MCDONALD
Commissioner

ROWENA E. PEREZ
Commissioner

FILOMENA CANTORIA
Commissioner

MICHAEL A. PANGELINAN
Commissioner

PETER MONTINOLA
Commissioner

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