



**BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF: ) GPA Docket 14-01  
)  
The Application of Guam Power )  
Authority and Guam Waterworks ) **ORDER**  
Authority to Approve a One-Year )  
Extension of the Contract with Wipro )  
Technologies for the Implementation of )  
the Customer Care & Billing (CC&B) )  
Software Package.

**INTRODUCTION**

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Petition of the Guam Power Authority ["GPA"] and the Guam Waterworks Authority ["GWA"] to extend the Wipro Technologies Contract for implementation of the Customer Care & Billing ["CC&B"] software package for one year.<sup>1</sup>
2. If approved, the contract extension for Wipro Technologies would commence on September 7, 2015 and end on September 6, 2016.<sup>2</sup>

**BACKGROUND**

3. On November 26, 2013, the PUC approved GPA's application to enter into a contract with Wipro Technologies for fixed price implementation services for the Oracle Customer Care & Billing Customer Information System Software.<sup>3</sup>
4. At that time, the justification offered for implementing a new Customer Information System was that the old billing system could not timely process bills and resulted in deficiencies in the GPA audit report. The new system would enable GPA to take full advantage of the features of the Smart Grid Program.<sup>4</sup>

<sup>1</sup> GPA & GWA Petition for Contract Review (Application of GPA & GWA to Approve the One-Year Extension of the Contract of Wipro Technologies for Implementation of the Customer Care & Billing (CC&B) Software Package), GPA Docket 14-01, filed September 4, 2015.

<sup>2</sup> Wipro Ltd., CC&B Extended Support [Change Request for GPA Software Implementation Services Proposal No.: CR-GPA-018-CC&B Application Support], attached to Petition, GPA Docket 14-01, dated July 23, 2015.

<sup>3</sup> PUC Order, GPA Docket 14-01, dated November 26, 2013.

<sup>4</sup> Id at p. 1.

5. On December 30, 2013, the PUC approved GWA's application to expend funds to Wipro Technologies for fixed price implementation services for the Oracle Customer Care & Billing Customer Information System Software.<sup>5</sup>
6. To date, the PUC has authorized GPA to expend up to the total amount of \$3,340,000 for completion of the CC&B software implementation.<sup>6</sup> The PUC also previously authorized GWA to expend up to \$1,166,765.00 on its CC&B Implementation Contract with Wipro.<sup>7</sup>
7. GPA and GWA have jointly determined that "additional task orders for Wipro are necessary to complete the implementation of the CC&B software package in the amount of \$250,000 for GPA and \$250,000 for GWA, which exceeds the 20% threshold of the additional amounts approved by PUC."<sup>8</sup>
8. On August 25, 2015, the Guam Consolidated Commission on Utilities, in Resolution No. 2015-40, authorized GPA and GWA to extend the CC&B Implementation Contract with Wipro for an additional 12 months.<sup>9</sup> The CCU found that an additional 12 months extension for the Wipro contract is necessary "to provide required support to properly manage and maintain the CC&B application, its integrated applications and Database".<sup>10</sup>
9. This extension was determined to be necessary to ensure the continued operations of the system; during the 12 month period, GPA and GWA will identify, plan and secure training required to develop in-house personnel skill sets and knowledge to manage and maintain the system.<sup>11</sup>

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<sup>5</sup> PUC Order, GPA Docket 14-01, dated December 30, 2013 at p. 3.

<sup>6</sup> PUC Order, GPA Docket 14-01, dated December 1, 2014 at p. 4.

<sup>7</sup> PUC Order, GPA Docket 14-01, dated January 29, 2015, at p. 2.

<sup>8</sup> GPA and GWA Petition for Contract Review (Application of GPA & GWA to Approve the One-Year Extension of the Contract Wipro Technologies for Implementation of the Customer Care & Billing (CC&B) Software Package), GPA Docket 14-01, filed September 4, 2015, at p. 1.

<sup>9</sup> Guam Consolidated Commission on Utilities Resolution No. 2015-40, Authorizing the Guam Power Authority and Guam Waterworks Authority to Extend the CC&B Application Support for an Additional 12 Months, dated August 25, 2015.

<sup>10</sup> Id at p. 1.

<sup>11</sup> Id.

### DETERMINATIONS

10. The reliable functioning and availability of Oracle Customer Care & Billing at GPA/GWA requires “a strong support team to address a number of ongoing needs of the users of this key application; with CC&B becoming the single most important application for critical functions like Billing and Customer Care, it is imperative that the application is available and performs as expected”.<sup>12</sup>
11. Wipro’s extended presence at GPA and GWA would provide both with additional time “to scale up on the new application and the enterprise architecture”.<sup>13</sup>
12. GPA and GWA should have additional support from Wipro on the CC&B Implementation for another year to fully resolve issues regarding implementation of the system.
13. GPA and GWA have both exceeded the amount of approved expenditures by the PUC. The PUC authorized GPA to expend up to \$3,340,000; however, GPA’s “actual expenses” to date for Wipro services are \$3,878,414.30 (an excess of \$538,000).<sup>14</sup>
14. PUC authorized GWA to expend up to \$1,166,765.00; however, GWA’s “actual expenses” to date for Wipro services (paid by GPA) are \$1,470,747.23 (an excess of nearly \$304,000).<sup>15</sup>
15. GPA and GWA have both exceeded the amounts authorized by PUC as well as the 20% excess contingency authorized by paragraph 10 of Contract Review Protocol.
16. GPA and GWA intend to pay \$250,000 each for the one year contract extension with Wipro from base rate revenues.<sup>16</sup>

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<sup>12</sup> Wipro Ltd., CC&B Extended Support [Change Request for GPA Software Implementation Services Proposal No.: CR-GPA-018-CC&B Application Support], dated July 23, 2015, id at p. 3.

<sup>13</sup> Id.

<sup>14</sup> GPA Response to PUC Requests for Information, filed September 14, 2015, GPA Charts attached to Exhibit “2” hereto.

<sup>15</sup> GPA Response to PUC Requests for Information, filed September 14, 2015, GWA Chart attached to Exhibit “2” hereto.

<sup>16</sup> GPA Response to PUC Requests for Information, filed September 14, 2015, par. 3, Exhibit “2” hereto.

17. There is a possibility of further extension(s) of the Wipro contract for six months or longer. The transfer of knowledge between Wipro and utility employees must continue.<sup>17</sup>
18. The CC&B contract with Wipro will greatly exceed the amounts originally contemplated by the time it is completed. However, for the reasons previously indicated, the extension of the Wipro contract for GPA and GWA is justified.

### ORDERING PROVISIONS

After review of the record herein, including the GPA and GWA Petition for Approval of the One-Year Extension of the Contract with Wipro Technologies for the Implementation of the Customer Care & Billing Software Package, the PUC Counsel Report, and the Responses to Requests for Information, for good cause shown, on motion duly made, seconded and carried by the undersigned Commissioners, the Guam Public Utilities Commission **HEREBY ORDERS** that:

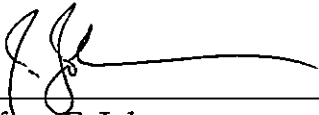
1. GPA and GWA are authorized to each expend \$250,000.00 to extend the Contract with Wipro Technologies for continued services on the Customer Care & Billing Software Implementation Contract for an additional year.
2. Under the one year contract extensions, Wipro is authorized to provide additional services until September 6, 2016, in accordance with the Wipro Ltd. Change Request attached to the Petition.
3. GPA is authorized to expend up to \$3,878,414.30 for the Wipro Contract for CC&B Software Implementation.
4. GWA is authorized to expend up to \$1,470,747.23 for the Wipro Contract for CC&B Software Implementation.
5. GPA/GWA shall not expend any additional funds for the Wipro Contract in excess of the amounts authorized by the PUC without the prior approval of the PUC. There is no additional contingency under the Contract Review Protocol authorized for this Contract.

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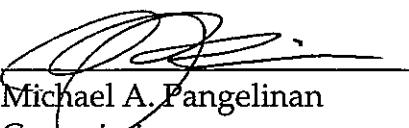
<sup>17</sup> Id., par. 7.

6. GPA and GWA must undertake all possible efforts to ensure that Wipro transfers the necessary skills and operational capacity to utility employees.
7. 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 24th day of September, 2015.

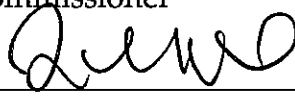
  
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Jeffrey C. Johnson  
Chairman

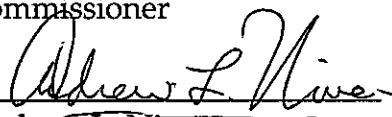
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Rowena E. Perez  
Commissioner

  
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Michael A. Pangelinan  
Commissioner

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Filomena M. Cantoria  
Commissioner

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Joseph M. McDonald  
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Peter Montinola  
Commissioner

  
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Andrew L. Niven  
Commissioner