



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN RE: PETITION FOR APPROVAL)	GWA DOCKET 17-10
TO REFUND THE GUAM)	
WATERWORKS AUTHORITY'S))	ORDER APPROVING
2010 BOND SERIES AND TO)	LONG TERM DEBT
APPROVE SUPPORTING)	
DOCUMENTS)	
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On October 27, 2005, the Guam Public Utilities Commission (the "Commission") adopted an Order in Docket No. 05-10 (the "2005 Order") approving certain aspects of the proposal of the Guam Waterworks Authority ("GWA") to issue and sell long-term debt in the form of revenue bonds (the "Bonds") pursuant to Article 2 of Chapter 14 of Title 12 of the Guam Code Annotated (the "Act") for the purposes of financing certain additions and improvements to the water and wastewater systems of GWA (the "System").

The proposed form of an indenture pursuant to which the Bonds in one or more series were proposed to be issued (the "General Indenture") was presented to the Commission at that time. In accordance with the Act, the terms and conditions pursuant to which the Bonds were to be issued, and included in the General Indenture, were approved by the Commission pursuant to the 2005 Order.

GWA executed and delivered the General Indenture, dated as of December 1, 2005, and issued one series of Bonds on December 7, 2005, having the terms and issued for the purposes authorized and approved by Orders of the Commission heretofore adopted.

On October 29, 2010, this Commission approved an Order in Docket No. 10-03 approving the issuance and sale by GWA of long-term debt in the form of Bonds pursuant to the Act for the purposes of financing certain additions and improvements to the System.

GWA issued one series of Bonds on November 23, 2010, having the terms and issued for the purposes authorized and approved by Orders of the Commission heretofore adopted.

On November 18, 2013, the Commission approved an Order in Docket No. 14-01 approving the issuance and sale by GWA of long-term debt in the form of Bonds pursuant to the Act for the purposes of financing certain additions and improvements to the System.

GWA issued one series of Bonds on December 12, 2013, having the terms and issued for the purposes authorized and approved by Orders of the Commission theretofore adopted.

On June 26, 2014, the Commission approved an Order in Docket No. 14-05 approving the issuance and sale by GWA of long-term debt in the form of Bonds pursuant to the Act for the purposes of redeeming or retiring all or a portion of the outstanding 2005 Bonds and 2010 Bonds. GWA issued two series of Bonds on August 7, 2014, having the terms and issued for the purposes authorized and approved by Orders of the Commission theretofore adopted, including retiring the outstanding 2005 Bonds (and none of the 2010 Bonds were retired thereby).

On December 10, 2015, the Commission approved an Order in Docket No. 15-10 approving the issuance and sale by GWA of long-term debt in the form of Bonds pursuant to the Act for the purposes of financing certain additions and improvements to the System.

GWA issued one series of Bonds on February 24, 2016, having the terms and issued for the purposes authorized and approved by Orders of the Commission theretofore adopted.

GWA has now applied to the Commission for approval of the issuance of one or more additional series of Bonds (the “Revenue Refunding Bonds”) in an aggregate principal amount sufficient to provide funds for the purpose of redeeming or retiring all or a portion of GWA’s outstanding Water and Wastewater System Revenue Bonds, Series 2010 (the “Prior Bonds”), under the limitations provided in Section 4 of Public Law 28-71, as amended by Public Law 30-145, and by Public Law 32-069 (as so amended, the “GWA Bonds Law”), and of the terms and conditions pursuant to which such Revenue Refunding Bonds are to be issued.

The proposed form of supplemental indenture pursuant to which the Revenue Refunding Bonds are proposed to be issued (the “Supplemental Indenture”) has been presented to the Commission (together with certain financial and other relevant information).

The Commission having duly considered the application of GWA and the information presented on GWA’s behalf and having determined that the issuance of the

Revenue Refunding Bonds for such purposes is just and reasonable, it is ordered as follows:

1. The issuance of the Revenue Refunding Bonds and the terms and conditions pursuant to which the Revenue Refunding Bonds are to be issued are hereby approved; provided, however, that any material modification or amendment of the Supplemental Indenture shall be subject to the Commission's prior review and approval. GWA shall have the responsibility of bringing any such material modification or amendment to the Commission's attention.

2. The principal amount of Revenue Refunding Bonds that may be issued may not exceed an aggregate principal amount sufficient to provide funds for the redemption or retirement of all or a portion of the Prior Bonds, plus costs of issuance and of retirement or redemption, and of a debt service reserve fund deposit. As provided in the GWA Bonds Law, the Revenue Refunding Bonds shall have a final maturity not later than the final maturity of the Prior Bonds; the Revenue Refunding Bonds shall be issued and sold pursuant to the Indenture and in compliance with the Act; and the present value of debt service on the refinancing shall be at least two percent (2%) less than the present value of debt service on the Prior Bonds being refinanced, using the yield on the refinancing bonds as the discount rate. All obligations of GWA to pay debt service on, and the redemption price of, the Prior Bonds shall be discharged concurrently with the issuance of the refinancing bonds; and thereafter, the Prior Bonds shall be payable solely from, and secured solely by, an escrow established for such purpose in accordance with the Indenture.

3. Further, that any issuance of Revenue Refunding Bonds shall yield an annual savings of at least \$350,000.

4. GWA is 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.

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[SIGNATURES TO FOLLOW ON NEXT PAGE]

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SO ORDERED this 12th day of September, 2017.



JEFFREY C. JOHNSON
Chairman

ROWENA E. PEREZ
Commissioner



JOSEPH M. MCDONALD
Commissioner



FILOMENA M. CANTORIA
Commissioner



MICHAEL A. PANGELINAN
Commissioner



PETER MONTINOLA
Commissioner

ANDREW L. NIVEN
Commissioner

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