

BEFORE THE GUAM PUBLIC UTILITES COMMISSION

IN THE MATTER OF: )  
 ) GPA Docket 10-02  
 )  
NAVY LEAC ISSUES )  
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**ORDER ON NAVY LEAC ISSUES**

This matter comes before the Guam Public Utilities Commission [PUC] upon the Administrative Law Judge [ALJ] Order dated July 12, 2010 and the Joint Stipulation of Settlement of GPA and Navy.

After careful review and consideration of the record herein, the ALJ Order dated July 12, 2010, the Joint Stipulation, and for good cause shown, on motion duly made, seconded and carried, by the undersigned Commissioners, the Guam Public Utilities Commission hereby ORDERS that:

1. The PUC hereby adopts and approves the Joint Stipulation of Settlement between Navy and GPA, a copy of which is attached as Exhibit "A" to the ALJ Order.
2. Navy billing will be adjusted to refund the amount of \$4,117,098.39 covering the period of October 2008 thru April 2010 to account for the error in the calculation of Unit Fuel Cost. Future Unit Fuel Costs will be calculated using the methodology specified in Attachment III of the CSA.
3. GPA will credit the Navy with the amount of the refund indicated above in equal installments over a one year period beginning with the August 2010 invoice. In accordance with Section 28.9.3 of the CSA, the overcharge in a billing error will be computed back for a period of twelve (12) months. Navy initially brought the billing error in the October 2009 billing to the attention of GPA.
4. The billing credit agreed to by GPA to Navy will be included in the calculation of the LEAC factor effective August 1, 2010.

5. The contentions in Navy's Complaint regarding fuel inventory charges and the inclusion of the wind study as a fuel related cost are hereby withdrawn, in accordance with the Joint Stipulation.
6. GPA shall bear the regulatory costs and expenses of this proceeding, including the costs of hearing.

Dated this 27th day of July, 2010.

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Jeffrey C. Johnson  
Chairman

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Joseph M. McDonald  
Commissioner

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Filomena M. Cantoria  
Commissioner

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Rowena E. Perez  
Commissioner

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Michael A. Pangelinan  
Commissioner