

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN RE: ) GWA Docket 19-08  
)  
GWA DOCKET 19-08 SEPTEMBER 28, )  
2023 ORDER FOR TRUE-UP FOR FY2024 ) **ORDER**  
GWA RATES )  
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INTRODUCTION

This matter comes before the Guam Public Utilities Commission ["PUC"] pursuant to the Petition of the Guam Waterworks Authority ["GWA"] to amend the PUC's September 28, 2023 Order Re Filing Deadlines, Review Timeframes, and Submittals Required for GWA's FY2025-FY2029 Rate Application Case.<sup>1</sup>

SUMMARY OF GWA REQUESTS

GWA makes two requests in its Petition: (1) Extension of Deadline for Filing of its FY2025-2029 Multi-Year Rate Plan. On September 28, 2023 the PUC ordered: "GWA shall file its next multi-year rate plan on or before April 1, 2024."<sup>2</sup> GWA claims that the filing deadline ordered by the PUC "is not tenable" because the Ratepayer Bill of Rights acquires GWA "to publish a January 1, 2024, public notice informing the public of "any proposed rate increase". GWA requests that the filing deadline be extended to June 3, 2024; (2) Confirmations and Restrictions upon PUC's right to require further Analytical

<sup>1</sup> GWA Petition, Petition to Amend the PUC's Sept. 28, 2023, Order Re Filing Deadlines, Review Timeframes, and Submittals required for GWA's FY2025-FY2029 Rate Application Case, GWA Docket 19-08, dated December 7, 2023.

<sup>2</sup> PUC Order Re: Annual True-Up for FY2024 Rates, GWA Docket 19-08, dated September 28, 2023 at Ordering Provision No. 4.



Staffing Studies. Six and one-half months before GWA has filed its final rate case petition or final rate plan, it requests that the PUC approve certain “confirmations”, limitations, and prerequisites upon the authority of the PUC to order additional analytical studies.<sup>3</sup>

### **ALJ REPORT DATED DECEMBER 15, 2023**

The ALJ filed his Report herein dated December 15, 2023. The PUC adopts all conclusions and recommendations stated in the ALJ Report.<sup>4</sup>

### **DETERMINATIONS**

- 1. Extension of the Filing Deadline for the multi-year rate plan from April 1, 2024, to June 3, 2024, should be granted.**

GWA should be given additional time to file its plan if it feels that it will not have complete or sufficient information to file its final rate plan by April 1. The Ratepayer Bill of Rights restricts the filing of a rate case by a utility until certain public notice requirements are complied with but leaves any decision as to the date upon which a rate filing will be submitted to the PUC up to the discretion of the utility. 12 GCA § 12102.2. 12 GCA §12016 does require that rate applications “shall be filed with the Commission” but does not dictate the timing of filing.

GWA is the “applicant” for rate relief under Rule 1 of the Commission's Rules for Practice and Procedure and is the party filing an “application for rate change.” The Commission’s Rules for Practice and Procedure do not require that a petition be filed

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<sup>3</sup> GWA Petition at p. 1.

<sup>4</sup> ALJ Report, GWA Docket 19-08



upon any particular date or otherwise limit the date upon which a rate application may be filed. GWA should be given some leeway in determining when it is able to file a petition. There are standard filing requirements which a utility must meet to file a rate petition, including testimony of utility personnel or other expert witnesses, revenue requirements, revenues, operating expenses, debt service, construction etc.<sup>5</sup> The Commission should extend the Filing Deadline for the multi-year rate plan from April 1, 2024, to June 3, 2024.

If GWA does not file its final petition and “final multi-year rate plan” until June 3, 2024, it assumes a risk of delay in the proceedings and a possibility that the proceedings will not be concluded by September 30, 2024. GWA should also file its “advance draft petition” on March 4, 2024. The PUC approves the amendment of Ordering Provision No. 4 of its September 28, 2023, Order Re: Annual True-Up for FY2024 Rates to require an advance draft petition filing on March 4, 2023, and a final petition and final multi-year rate plan filing by June 3, 2024.

**2. GWA’s Requests regarding “Analytical Studies” should be denied in their entirety.**

GWA has not yet filed its rate case. It will not file an “advance petition” until nearly three months from now or its final multi-year rate plan until nearly six months later. Yet, it is requesting PUC to address hypothetical, conjectural issues that are not even before the Commission at the present time concerning analytical studies. GWA requests: “confirmation that no additional studies shall be ordered without a determination on whether the studies are necessary to support GWA’s next rate application before action on its rate application can be taken.” GWA further requests

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<sup>5</sup> Rules for Practice and Procedure Before Commission, Administrative Docket No. 00-04, dated February 25, 2000.



that “if the completion of any additional study is ordered requiring additional time and costs GWA requests to be informed as early as possible and further requests the PUC confirm that it shall consider whether there is a need to delay action on GWA’s rate application requests if the study or studies cannot realistically be completed before GWA’s final multi-year plan comes due (proposed to be June 3, 2024).

Presently there is no issue pending before the PUC concerning additional “analytical studies” (the parties have already agreed to a staffing study). Because GWA has not filed anything regarding its upcoming rate case, the PUC, the ALJ, and the PUC Consultant do not know what will be in GWA’s advance petition or its final multi-year rate plan, or whether further analytical studies will be necessary. Whether new analytical studies would be required depends on what matters are included in GWA’s Petition and new multi-year rate plan.

What GWA is requesting is akin to a party requesting a court to decide matters even before the case is filed. Any “confirmation” at this time would be premature and inappropriate. None of these issues need to be addressed at all unless the ALJ decides that further analytical studies are necessary after the advance petition or final multi-year rate plan are filed. These issues should not now be addressed by the Commission, but by the ALJ in the first instance in the context of a rate case that has been filed. If the ALJ determines that there is a need for additional analytical studies, he can address such issue in a scheduling order. Any rulings on these issues raised by GWA are unnecessary unless and until the ALJ orders that further analytical studies are necessary.

GWA’s request for “confirmations” before a case is filed, advance requirements for notice to GWA, and restrictions on PUC’s right to conduct discovery are also inappropriate. Applicable law gives the PUC the unrestricted, unfettered right to conduct discovery or order analytical studies whenever it deems appropriate, “at all times, upon request” “that it may require”. When PUC informs GWA of a need for



additional analytical studies, what considerations PUC makes, and what notice PUC provides are up to the PUC. Such matters are not determined by GWA.

The PUC can conduct any discovery it requires in a rate case, or require any studies or financial schedules, at any time that it desires, without any restriction or limitation by GWA. 12 GCA §12108, Public Utilities to Furnish Information, states: (a) **Every public utility shall at all times, upon request furnish to the Commission all information that it may require respecting any of the matters concerning rates and charges, revenues and expenditures which it is given power to investigate...**<sup>6</sup>

All action requested by GWA concerning analytical studies and requested “determinations” should be denied at the present time. Whether further studies will be required, if at all, will be determined after the advance petition and multi-year rate filings are made by GWA in the rate case.

### **ORDERING PROVISIONS**

Upon consideration of the record herein, the Petition of GWA to Amend the PUC’s September 28, 2023 Order Re Filing Deadlines, Review Timeframes, and Submittals Required for GWA’s FY2025-FY2029 Rate Application Case, the 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** that:

1. Ordering Provision No. 4, in the matter of PUC Petition for Approval of GWA’s Third Five-Year Financial Plan (Base Rate Increases), in Re: Annual True-Up for FY2024 GWA Rates, dated September 28, 2023, is hereby amended to read as follows:

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<sup>6</sup> 12 GCA §12108(a).



- “4. GWA shall file an advance draft petition on or before March 4, 2024. GWA shall file its final petition and a final multi-year rate plan on or before June 3, 2024. The “advance draft petition” will, in form and content, satisfy the intent of the PUC September 28, 2023 Order Re Annual True-Up for FY2024 GWA Rates, and comply with all applicable PUC Rules of Procedure and applicable laws.”
2. All Requests by GWA regarding Analytical Studies are denied.
3. GWA 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 are authorized pursuant to 12 GCA §§12103(b) and 12125(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

**[SIGNATURES TO FOLLOW ON NEXT PAGE]**



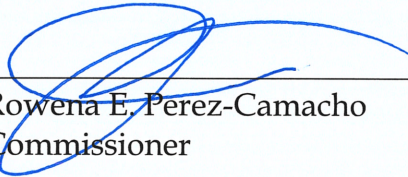
Order  
Re: September 28, 2023  
Order re Annual True-Up  
GWA Docket 19-08  
December 19, 2023

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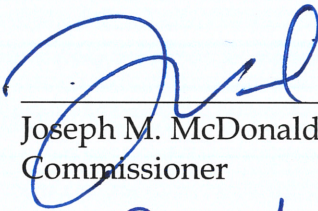
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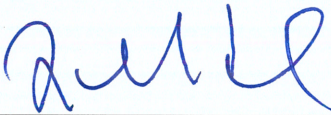
Jeffrey C. Johnson  
Chairman



Rowena E. Perez-Camacho  
Commissioner



Joseph M. McDonald  
Commissioner

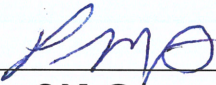


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