

FINAL PROPOSAL



OVERVIEW

The Guam Public Utilities Commission (PUC) is obligated by statute to, among other duties, perform a review of the Guam Solid Waste Authority (GSWA) Three Year Rate Case petition.

MSW Consultants, a management consulting firm specializing in the municipal waste and recycling industry, has been retained by the PUC to prepare an approach and subsequently conduct the review of the GSWA Rate Case petition. MSW Consultants proposes to complete Task 1 before finalizing the remainder of the project approach. This will provide MSW Consultants an opportunity to review the petition in detail and develop a detailed Data Request for all information needed to complete the review of the petition.

APPROACH

TASK 1 – PROJECT INITIATION AND SYSTEM DUE DILIGENCE

Task 1 will include a kick-off zoom meeting, collection operations evaluation, fleet and equipment evaluation, and a detailed review of the GSWA Rate Petition.

Subtask 1.1: Initial Review of Petition: MSW Consultant will review the Petition. This review will assist in the development of the initial Request of Information. MSW will establish their internal plan and propose the expected project timeline and deliverables.

Subtask 1.2: Initial Request for Information (RFI): MSW Consultants will submit a written request for information to be provided within 7-10 business days or as otherwise discussed. The RFI will enumerate readily available information to support our team's due diligence and preparations for the audit.

Subtask 1.3: Kick-off Meeting: MSW Consultants will attend a kick-off meeting to introduce our proposed management team along with meeting the officials from the PUC. MSW will provide the PUC the initial RFI and their initial plan and timeline for the project.

Subtask 1.4: Final Approach and Budget: MSW Consultants will prepare a draft Scope and Budget for the Petition Review Project for review by the PUC. Once the PUC and MSW agree on the Scope and Budget MSW will begin on Task 2 and Task 3.

TASK 2 – EVALUATION OF PROPOSED RATE STRUCTURE

MSW Consultants has written this task with the assumption that a formal analysis of the proposed rate structure is needed. This task may include reviewing the existing rate model prepared by Utility Financial Solution, LLC (UFS) for GSWA. A full scope will be developed at the conclusion of Task 1.

TASK 3 – ANALYSIS OF STAFFING AND EQUIPMENT REVIEW

This task covers a review of GSWA assumptions of the staffing of the collection system used in the UFS financial analysis. It also allows for a review of the equipment assumptions used in the UFS financial analysis. A full scope will be developed at the conclusion of Task 1.

PROPOSAL

TASK 4 –REPORT AND PRESENTATIONS

MSW Consultants will complete the review of the Rate Petition as described in Task 2 and Task 3. A final report will be developed for the PUC. MSW will be available to participate in Presentations to the PUC.

PRICING AND SCHEDULE

The project budget is shown in the table below. Labor and expenses are based on the contractually specified labor rates and expense billing policies.

GSWA Management Audit Budget

#	Task Name	Labor	Expenses	Grand Total
1	Project Initiation and Scoping	\$6,600	0	\$6,600
2	Evaluation of Current Rate Structure			
3	Evaluation of Staffing and Equipment			
4	Reporting and Presentations			
Total				

It is envisioned that this project should be completed by the of October, 2024. The actual schedule shall be mutually adjusted with input from the PUC at the start of the engagement.