

GOVERNMENT OF GUAM
OFFICE OF THE GOVERNOR
AGANA, GUAM

EXECUTIVE ORDER NO. 83-008

WHEREAS, the Board of Directors of the Guam Power Authority have adopted a modification of electrical rates and service charges effective for meters read on or after April 1, 1983; and

WHEREAS, said rates as adopted by the Board of Directors of the Guam Power Authority have been submitted to the Governor in accordance with Subsection 4 of Section 21503 of the Government Code of Guam as modified by Public Law 16-119; and

WHEREAS, it is important to the social and economic development of the Territory of Guam that the Guam Power Authority be financially viable; and

WHEREAS, the Stone and Webster report of June 4, 1982, the GAO report to the Congress of the United States on July 2, 1982, and the Peat, Marwick, Mitchell & Co. recommendations of September 16, 1982, have all acknowledged the necessity of an increase in the rates for electrical services; and

WHEREAS, the Guam Power Authority is exercising great effort to explore alternate energy sources for electric power generation at the least possible cost to electric consumers of this Territory, including such alternate sources as coal conversion, wood gassification, solar energy, wind energy, and ocean thermal energy conversion; and

WHEREAS, the Guam Power Authority has demonstrated the necessity of maintaining reliable transmission and distribution systems to ensure reliable electric service to the Territory; and

WHEREAS, the Guam Power Authority has implemented such severe cost savings programs to seriously threaten its preventive maintenance programs, and its financial well-being; and

WHEREAS, the Guam Power Authority must become financially viable and demonstrate its technical ability to operate the entire island wide power system in order to control the system and contract with the U.S. Navy to become a customer.

THEREFORE, I, EDWARD D. REYES, Acting Governor of Guam, by virtue of the authority vested in me by virtue of Section 21503 of the Government Code of Guam, do hereby order and direct:

1. That the electrical rates and service charges adopted by the Board of Directors of the Guam Power Authority on February 18, 1983, be and are hereby approved to take effect for meters read on or after April 1, 1983.

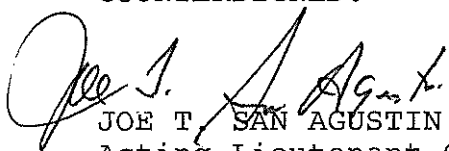
2. In the event the \$36,000,000.00 loan from the Federal Financing Bank is restructured in a manner which reduces the obligation of the Guam Power Authority or other obligations of Guam Power Authority are significantly reduced, said rates shall be revised to reflect any such adjustment.

3. That the Board of Guam Power Authority conduct a review on the financial condition of Guam Power Authority every six (6) months and prepare recommendations to the Governor relative to the power rate structure affecting the consumers.

Signed and promulgated at Agana, Guam this 2nd day of March, 1983.


EDWARD D. REYES
Acting Governor of Guam

COUNTERSIGNED:


JOE T. SAN AGUSTIN
Acting Lieutenant Governor
of Guam