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IN THE PUBLIC UTILITIES COMMISSION  
OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

29 **PETITION OF THE COMMONWEALTH  
30 UTILITIES CORPORATION:**

31 **FOR RATE RELIEF IN ITS POWER,  
32 WATER AND WASTEWATER  
33 BUSINESS**

**DOCKET NO. 13-01**

**PL 16-7 RESIDENTIAL REFUND**

**Filing date: May 6, 2014**

34 The Commonwealth Utilities Corporation (“CUC”), a publicly-owned corporation  
35 within the Commonwealth of the Northern Mariana Islands, through its attorneys, hereby files  
36 its report regarding the PL 16-7 residential refund with the Commonwealth Public Utilities  
37 Commission (“CPUC” or “Commission”) to be heard at the May 22, 2014 public hearing. All  
38 other requests set forward in the Petition, Amended Petition, as amended by other filings in  
39 this Docket remain in effect.

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**Testimony and Exhibits:** The material and relevant facts are presented through the testimony of Charles H. Warren, which is attached to and incorporated into this filing as **Exhibit CHW-1.**

**BACKGROUND AND PROCESS**

Public Law 16-7 enacted on July 21, 2008 provided that CUC implement a residential rate reduction or begin a residential consumer rebate program in the amount of \$3.4 million. “The total amount of \$3.4 million shall be expended by CUC for residential rate reduction or a residential customer rebate program within 54 months of the effective date of this Act.” See PL 16-7, Section 4.

By its February 5, 2014 findings and determinations Par. 13, the Commission found that PL 16-7 mandates that CUC provide residential electric ratepayers with a \$3.4 million dollar refund. In the Commission’s Ordering Provisions, CUC was “authorized to institute a 36 month residential refund of \$.023 kWh, which should be funded by a reciprocal increase in commercial rates.” The Commission further found that CUC should propose how and by what amount the commercial rate should be reduced at the conclusion of the 36 month period. CUC was also required to certify on or before March 1, 2017 that the refund and commercial rate increase have been terminated.

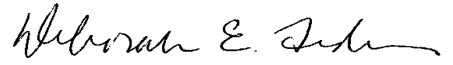
In the April 25, 2014 Minute Order, the Hearing Examiner ordered CUC to present a process to end the commercial funding of PL 16-7 residential refund. CUC proposes that six months prior to the expected date when the total of that rate element equals 3.5 million, CUC will submit a petition to adjust the Commercial Rate to remove the subsidy for the refund, to be effective when the refunds total \$3.5mm. See Testimony of Charles H. Warren, incorporated and attached as **Exhibit CHW-1.**

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**CONCLUSION AND REQUEST FOR RELIEF**

Accordingly, CUC asks that the Commission implement CUC's process to adjust the Commercial Rate at the May 22, 2014 Public Hearing.

Respectfully submitted,



Deborah E. Fisher  
Attorney for Commonwealth Utilities Corporation

Dated: May 6, 2014