

BEFORE THE COMMONWEALTH PUBLIC UTILITIES COMMISSION

COMMONWEALTH UTILITIES
CORPORATION RATE PETITION
AS AMENDED

DOCKET 13-01

Administrative Order

During the course of phase two activities in this docket, efforts have been made to publicly question the reasonableness of the Commission's regulatory fees and expenses and indeed even the value of regulation. The Commission finds these allegations to be extremely serious given the fact that it is tasked with serving as public watchdog to assure that the rates and charges of regulated utilities, including those of the Commonwealth Utilities Corporation [CUC], are just, reasonable and necessary. The Commission concludes that its administrative and regulatory expenses and those of CUC should be transparent and available to Commonwealth ratepayers to evaluate.

The Commission operates on a modest \$150,000 administrative budget, which is limited by arbitrary statutory ceiling and prevents it from employing full time administrative staff. With this limited budget it is challenged to assemble the administrative resources, which are necessary to regulate CUC with gross annual revenues of over \$90 million dollars. The Commission also incurs regulatory expenses in the course of conducting regulatory proceedings on CUC petitions, such as those in this Docket 13-01. These expenses are billed directly by the Commission to CUC.

In furtherance of empowering the public to have the facts necessary to independently evaluate whether the Commission discharging its statutory duties in a fair, transparent and cost efficient manner, in the reasonable exercise of its broad investigative authority under 4 CMC §8412, after due discussion and for good cause shown, on motion duly made, seconded and unanimously carried by the undersigned commissioners, it is **HEREBY DETERMINED AND ORDERED THAT:**

1. On or before August 22, 2014, CUC and Georgetown Consulting Group [Georgetown] shall provide the following information to the Commission with regard to the consolidated electric, water and wastewater rate petition filed by CUC on July 5, 2013 in this docket:
 - a. The total amount of increased revenues requested annually in CUC's consolidated rate petition for the three year period FY14-16.

- b. The total amount of increased revenues awarded by the Commission for the three year period from FY14-16.
 - c. The total expense incurred by CUC for its consulting, legal and any other outside contractual assistance in preparing and litigating activities in Docket 13-01 from inception to the current date.
 - d. The total regulatory expense billed by Georgetown in Docket 13-01 from inception to the current date.
 - e. On or before August 22, 2014, the Commission's administrative assistant shall file a summary of any other regulatory expenses, which have been incurred by the Commission [i.e. counsel fees, notice expenses, travel expenses, etc.] in the docket from inception to the current date.
2. In its June 25, 2014 comments regarding hearing examiner's June 13, 2014 report, CUC raised a number of administrative concerns about the Commission's billing practices. Commission counsel is authorized and directed to: a) examine these CUC concerns; b) consult with CUC and Georgetown as necessary; and c) make findings and recommendations for appropriate regulatory action, which shall be submitted to CUC and Georgetown for comment.
 3. The transparent disclosure of all regulatory expenses - both those incurred by the Commission and by CUC - should occur as a matter of Commission policy in every regulatory docket.

Dated this July 24, 2014.



Joseph C Guerrero
Chairman



Dave Guerrero
Commissioner

Oscar P. Quitugua
Commissioner

- b. The total amount of increased revenues awarded by the Commission for the three year period from FY14-16.
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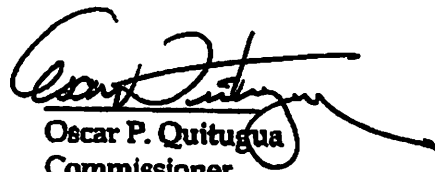
Dated this July 24, 2014.



 Joseph C Guerrero
 Chairman



 Dave Guerrero
 Commissioner



 Oscar P. Quitugua
 Commissioner