

BEFORE THE COMMONWEALTH PUBLIC UTILITIES COMMISSION

INVESTIGATION OF COMMONWEALTH  
UTILITIES CORPORATION'S WATER AND  
WASTEWATER RATES AND RELATED  
MATTERS

DOCKET 09-2

**Decision and Order**

In its April 2, 2009 Decision and Order [*Decision*] herein, the Commonwealth Public Utilities Commission [*Commission*] determined that the parties had not presented persuasive evidence that a proposed 173.4 percent increase in Commonwealth Utilities Corporation's [*CUC*] wastewater rates was either just, reasonable or fair, given evidence in the record that significant commercial establishments on Saipan are connected to CUC's wastewater system, but are neither metered nor billed for this service. Accordingly, the Commission decided to defer its consideration of an increase in wastewater rates pending examination by its hearing examiner of this asserted unmetered, unbilled commercial service.

On June 15, 2009, hearing examiner filed his report, which reviews the results of a collaborative investigation by CUC and Georgetown Consulting Group of whether commercial wastewater customers are receiving unmetered, unbilled service. This investigation is described in the parties' June 3, 2009 stipulation [*Stipulation*] and in the accompanying *Report on Commercial Customer WW Use and Billing*.<sup>1</sup>

After due consideration of the hearing examiner's report, including the June Filings, for good cause shown and on motion duly made, seconded and carried by the undersigned commissioners at a duly noticed and convened special business meeting, the Commonwealth Public Utilities Commission, in the reasonable exercise of its discretion, **HEREBY DETERMINES, FINDS AND ORDERS THAT:**

1. The June Filings convincing address and resolve the Commission's concern, as expressed in its Decision regarding whether the proposed wastewater rate increases would be fair, just and reasonable. Based upon the evidence contained in the June Filings, the Commission finds that it would be fair, just and reasonable to implement the wastewater increases, as proposed by the parties. Accordingly, it is hereby ordered that said

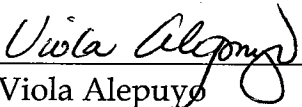
---

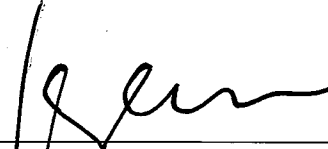
<sup>1</sup>The hearing examiner's report, the June 3, 2009 stipulation and the attached report are referred to herein as the "June Filings".

increases shall be implemented in the manner set forth in section eight of the Stipulation.

2. The Commission's hearing examiner is authorized and directed to:
  - a. Oversee the development of interim lifeline rates for CUC water and wastewater services to assist low income customers, which interim rates shall be submitted for its consideration during the August 2009 regulatory session; and
  - b. Monitor CUC's compliance with its commitment in the Stipulation to initiate on or before June 30, 2009 - in lieu of current fixed monthly charges - the billing of wastewater services to the commercial customers in question based on either metered usage or estimated usage, which reasonably reflects actual usage. Any breach of this commitment shall be promptly communicated to the Commission with a recommendation for appropriate enforcement action.
3. The Commission reserves its continuing jurisdiction in this docket.
4. CUC shall pay for the Commission's expenses, which are incurred as a result of further proceedings in this docket.
5. The hearing examiner is authorized to interpret the meaning of this decision and order in furtherance of its reasonable and effective implementation.

Dated effective June 20, 2009.

  
\_\_\_\_\_  
Viola Alepuyo  
Chairperson

  
\_\_\_\_\_  
Kyle Galabrese  
Commissioner