



July 20, 2017

Members of the Public Utilities Commission
Suite 207 GCIC Building
414 West Soledad Avenue
Hagatna, Guam 96910

Dear Members of the Public Utilities Commission:

This letter will provide the quarterly report for the third quarter of FY 2017, relative to Host Community Premium Surcharge (HCPS) fees. This report will cover the period from April 1, 2017 through June 30, 2017.

Since the inception of these fees, their administration and payment to the beneficiaries has been complicated by the need to carefully monitor when these fees were actually paid. We believed this necessary since there is a significant delay between when the billing occurs and when payment is received by GSWA. Given the cash flow issues confronting GSWA early in our tenure, we determined the more complex analysis was needed to assure that GSWA's finances are not negatively impacted by paying out the fees. With almost five years of data now available, we have decided to simplify this process. Beginning with this report, and on future quarterly reports, we will begin paying the total amount of fees assessed during the preceding quarter. While this does place the risk of non-collection on GSWA, we believe it is a small risk and that it can be better addressed in the future as a part of GSWA's monitoring of overall delinquency rates. To make this change it will require that we accelerate this year's payments with a one-time adjustment. This will increase the amount paid this quarter but will not change the total amount paid for the year.

During the quarter ending June 30, 2017, GSWA billed \$84,767.80 in HCPS fees. The following table outlines the commercial and government tonnage on which fees have been assessed during the period April 1, 2017 through June 30, 2017. The table also shows the total fees assessed on this tonnage. In addition, the table shows the number of residential customers during the period and the total fees assessed on these residential customers during each month of the period.

COMMUNITY BENEFIT CHARGE SUMMARY								
3rd Quarter FY 2017								
CUSTOMER	APRIL		MAY		JUNE		TOTAL	
	TONNAGE	AMOUNT	TONNAGE	AMOUNT	TONNAGE	AMOUNT	AMOUNT	
ISLAND WASTE	50.16	\$ 179.07	53.51	\$ 191.03	75.93	\$ 271.07	\$ 641.17	
LAGU	679.84	\$ 2,427.03	757.11	\$ 2,702.88	715.56	\$ 2,554.56	\$ 7,684.47	
MR RUBBISHMAN	2,483.50	\$ 8,866.10	2,649.59	\$ 9,459.04	2,605.60	\$ 9,301.89	\$27,627.03	
PAC WASTE	972.23	\$ 3,470.86	1,095.02	\$ 3,909.22	947.92	\$ 3,384.13	\$10,764.21	
TRASCHO	120.85	\$ 431.43	130.31	\$ 465.21	122.36	\$ 436.87	\$ 1,333.51	
NAVFACMAR GUAM- NAVY	385.56	\$ 1,376.45	396.38	\$ 1,415.08	380.74	\$ 1,359.25	\$ 4,150.78	
NAVFACMAR GUAM- AIR FORCE	234.09	\$ 835.70	232.97	\$ 831.70	261.44	\$ 933.32	\$ 2,600.72	
Total Large Commercial	4,926.23	\$ 17,586.64	5,314.89	\$ 18,974.16	5,109.55	\$ 18,241.09	\$54,801.89	
Small Commercial	34.06	\$ 121.59	31.37	\$ 111.99	30.24	\$ 107.96	\$ 341.54	
Gov. Guam	733.13	\$ 2,617.27	790.87	\$ 2,823.41	758.86	\$ 2,709.13	\$ 8,149.81	
TOTAL COMMUNITY BENEFIT TAX	767.19	\$ 2,738.86	822.24	\$ 2,935.40	5,898.65	\$ 2,817.09	\$ 8,491.35	
RESIDENTIAL	# of units 18,699	\$ 7,105.62	# of units 18,867	\$ 7,169.46	# of units 18,946	\$ 7,199.48	\$21,474.56	
TOTAL COMMUNITY BENEFIT CHARGE		\$ 27,431.12		\$ 29,079.02		\$ 28,257.66	\$84,767.80	

The following table shows the total amount of fees assessed to date for FY 2017 less the amounts previously paid and the balance owed.

Fees Assessed / Paid	Amount
FY 2017 Fees Assessed October 1 through March 31, 2017	\$176,531.36
FY 2017 Fees Assessed April 1 through June 30, 2017	\$ 84,767.80
FY 2017 Total Fees Assessed	\$261,299.16
Less FY 2017 Fees Paid to Date	\$ 84,414.88
Total Amount Paid this Report	\$176,884.28

The total transfer to the Host Communities for this reporting period will be \$176,884.29 in equal amounts of \$88,442.14.

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Please contact us if you have questions or need additional information.

Thank you.

Sincerely,

A handwritten signature in brown ink that reads "David L. Manning". The signature is written in a cursive style with a large, looping initial "D".

David L. Manning
Receiver Representative

Attachment

c.c.

Jessy "Jess" C. Gogue, Mayor of Ordot
Doris F. Lujan, Mayor of Inarajan
Frederick J. Horecky, PUC Legal Counsel
Members of the GSWA Board of Directors