

# PORT AUTHORITY OF GUAM

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## NEWS RELEASE

### **PUC Approves Crane Sales Agreement and Interim Maintenance Agreement**

*PAG to proceed with purchase of three POLA Cranes*

**Piti, Guam, August 28, 2012:** In June 19, 2012 the Port Authority of Guam (PAG) filed a petition before the Public Utilities Commission (PUC) relative to the acquisition of 3 POLA Cranes and the Interim Maintenance Agreement for the refurbished cranes owned by Matson Navigation Company and Horizon Lines.

At its regular meeting held last night, the PUC issued the following orders based on the review and recommendations made by the Administrative Law Judge. The Commission ordered that:

- The Commission approves the Sales Agreement and Interim Maintenance Agreement
- PAG shall complete its development of a structured maintenance Program for all its cranes, which has been initiated with Parsons Brinkerhoff and sub-consultant Sarandipity, LLC.
- PAG shall begin repairs to the POLA cranes and file a report with the PUC regarding its progress by June 15, 2013.
- PAG shall develop a tariff that fully funds the acquisition, financing, and maintenance resulting from the purchase of cranes.
- PAG shall develop a projection for cargo throughput that can be used to forecast revenues from tariffs.
- PAG shall file a report with the PUC regarding the status, future plans, or demolition of Gantry Crane 2 by February 15, 2013.

"The Board of Directors and I are very pleased with the Commission's review and approval of the sales and interim maintenance agreement, which enables us to meet the deadline mandated under Public Law 30-57," said General Manager Mary C. Torres. "It is essential for the Port to own its own cranes and the acquisition of the POLA cranes by the Port presents a unique opportunity and value to Guam given its presence on the rails, record of operational reliability and elimination of disruption to ongoing operations. The Port is a critical lifeline to the local community and the region and we strive to ensure a continued smooth flow of goods into the homes of every single resident of Guam," she further added.

Public Law 30-57 requires the Port to purchase or lease to own at least two gantry cranes no later than December 31, 2012.