



**CONSOLIDATED
COMMISSION ON UTILITIES**

Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana, Guam 96932

RESOLUTION NO. 2009 - 59

**RESOLUTION TO APPROVE BYLAWS AND A CODE OF CONDUCT FOR THE
CONSOLIDATED COMMISSION ON UTILITIES**

WHEREAS, the Consolidated Commission on Utilities is committed to conducting its business in an ethical, professional, and lawful manner, to include the proper use of its authority and the proper use of decorum for all the Commission's lawful function; and

WHEREAS, the Consolidated Commission on Utilities finds that it is appropriate to establish Bylaws and a Code of Conduct to govern the conduct of the Commissioners of the Consolidated Commission on Utilities; and

NOW, THEREFORE, **BE IT RESOLVED**, by the CONSOLIDATED COMMISSION ON UTILITIES, as follows:

1. The Consolidated Commission on Utilities hereby establishes its Bylaws and Code of Conduct, which are set forth and described in Exhibit "A" attached herein and incorporated by reference as if fully set forth.


2. The Ethics Policy adopted by the CCU on April 27, 2004 is hereby rescinded.

RESOLVED, THAT THE CHAIRMAN OF THE COMMISSION CERTIFIES AND THE SECRETARY OF THE COMMISSION ATTESTS THE ADOPTION OF THIS RESOLUTION.

DULY AND REGULARLY ADOPTED THIS 15th DAY OF DECEMBER 2009.

Certified by:

Attested by:


SIMON A. SANCHEZ II
CHAIRMAN


GLORIA B. NELSON
SECRETARY

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3 **SECRETARY'S CERTIFICATION**
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5 I, GLORIA B. NELSON, Secretary, Consolidated Commission on Utilities, hereby certifies as
6 follows;
7

8 The foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting
9 of the members of the Consolidated Commission on Utilities of the Guam Power Authority duly
10 and legally held at the meeting place thereof on December 15, 2009, at which meeting all of the
11 said members had due notice and at which at least a majority thereof were present.
12

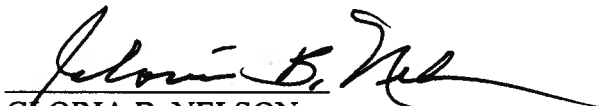
13 At said meeting, said resolution was adopted by the following vote:

14
15 Ayes 5
16
17 Nays 0
18
19 Abstain 0
20
21 Absent 0
22

23 Said original resolution has not been amended, modified, or rescinded since the date of its
24 adoption, and the same is now in full force and in effect.
25

26 SO CERTIFIED this 15th day of December 2009.
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GLORIA B. NELSON
Secretary, Consolidated Commission on Utilities



CONSOLIDATED COMMISSION ON UTILITIES

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BYLAWS

I. Name

1. The Consolidated Commission on Utilities was established and created under 12GCA, Chapter 79 on March 12, 2002.

II. Commissioners

1. The Consolidated Commission on Utilities shall be comprised of Five (5) Commissioners elected at large by the voters of Guam in a General Election.
2. Commissioners shall serve a term of Four (4) years commencing on the First (1st) day of January following their election.
3. The Eligibility criteria shall be as set forth in 12GCA, Chapter 79.
4. Vacancies shall be filled as set forth in 12GCA, Chapter 79.

III. Officers

1. The Officers of the Consolidated Commission on Utilities shall consist of a Chairman, Vice-Chairman for GPA, Vice-Chairman for GWA, Secretary, and Treasurer nominated and elected by the Commission.
2. The Officers shall serve a term of Two (2) years and shall be elected on the First (1st) meeting in January following an election of Commissioners.
3. The Chairman shall preside at all commission meetings and perform other duties as associated with the office of Chairman, which shall include setting the agenda for meetings, calling the meeting to order and ensuring that these by-laws are complied with.. The appropriate Vice-Chairman shall assume the duties of the Chairman in the absence of the Chairman. The Secretary shall be responsible for the accuracy of the minutes of the Commission and perform other duties as associated with the office of Secretary. The Treasurer shall keep record of the Consolidated Commission on Utilities budget and financial reports and perform other duties as associated with the office of the Treasurer.

IV. Committees

1. The Commission may establish any standing or ad hoc committees as needed.

V. Meeting

1. Regular meetings shall be held on the First (1st) and Third (3rd) Tuesday of every month at 5:00 p.m. unless otherwise agreed upon by a majority vote of the Commissioners during any regularly scheduled meeting.
2. Special meetings may be held at any time when called for by the Chairman or by a majority of vote of the Commissioners.
3. Agendas shall be provided to the Commissioners at least two (2) business days before the scheduled meeting.

VI. Voting

1. Three Commissioners holding office shall constitute a quorum. In the absence of a quorum, no formal action shall be taken except to adjourn the meeting to a subsequent date.
2. The affirmative vote of three Commissioners holding office shall constitute the decision of the Commission.

VII. Conflict of Interest

1. Any Commissioner who has a financial, personal, or other interest in or conflict (or appearance of a conflict) with any matter pending before the Commission, of such nature that it prevents or may prevent that Commissioner from acting on the matter in an impartial manner, shall offer to the Commission to voluntarily excuse him/herself and refrain from discussion and voting on said matter.

VIII. Fiscal Policies

1. The Fiscal year for the Consolidated Commission on Utilities, the Guam Power Authority and the Guam Waterworks Authority shall be as set by law (currently October 1st to September 30th of each year).

IX. Amendments

1. These By-Laws may be amended by the affirmative vote of the Commissioners holding office at a regularly scheduled meeting of the CCU.

X. Rules

1. Meetings shall be conducted in accordance with Roberts Rules of Order where applicable and where they are not inconsistent with the laws of the Territory of Guam. The Chairman of the CCU shall vote on all matters before the CCU.

CONSOLIDATED COMMISSION ON UTILITIES CODE OF CONDUCT

Section 1. AUTHORITY

In accordance with 12 GCA §79101, the Consolidated Commission on Utilities (CCU) hereby adopts, as a policy, the following Code of Conduct to assist it in the conduct of its affairs.

Section 2. PREAMBLE

The CCU commits itself and its actions to ethical, businesslike, and lawful conduct including the proper use of authority and appropriate decorum when acting in their official capacity as Commissioners. Commissioners must avoid actual impropriety and the appearance of impropriety to ensure and maintain public confidence in the CCU and the agencies it governs, the Guam Power Authority (GPA) and the Guam Waterworks Authority (GWA).

Section 3. GENERAL PRINCIPALS

- (a) The effective administration of the laws applicable to the CCU depends to a great extent on the public confidence in those individuals who administer and execute the laws. The reputation of the CCU can best be maintained when those individuals obey not only the literal requirements of the laws of Guam governing their conduct, but when their conduct supports the moral and ethical principals of those laws.
- (b) Commissioners shall conduct themselves with civility and respect at all times with one another, with the staff, management, and personnel of GPA, GWA, and with Guam's ratepayers and the public in general.
- (c) Guam's Ethics in Public Contracting Statutes and their implementing regulations, as respectively codified in 5 GCA §5601 *et. seq.*, and 2 GAR, Div. 4, Chap. 11, §11101 *et. seq.*, establishes specific standards of conduct for Commissioners. This Code of Conduct is made in conjunction with those statutes and regulations and is intended to establish general standards of conduct necessary for the proper and efficient operation of the CCU.
- (d) Commissioners hold positions that involve a degree of trust and responsibility. To insure the effective regulation of the public utility laws and to maintain public confidence in the CCU, it is imperative that Commissioners avoid conduct which is in violation of their public trust. It is recognized that there might be questions of interpretation and judgment which enter into the application of this Code of Conduct, and that some Commissioners may have questions from time to time which they may like to discuss regarding the situation. Any Commissioner who has a question about his or her situation should discuss it with the CCU or its designee. Commissioners may also request an opinion from the Commission's attorney.

(e) Commissioners may not attempt to exercise individual authority over the CCU, or GPA, or GWA, except as permitted by Guam Law and Commission policies and resolutions, therefore:

(1) Commission members must recognize their authority is limited to decisions made by the Commission as a whole in their interactions with Commission, employees, staff, management, and personnel of GPA and GWA.

(2) In their interactions with the public, the press, or other entities, Commissioners must recognize the same limitation as set forth in Section 3(e) (1) above, and Commissioners must not speak for the CCU unless authorized by the CCU.

(3) Commissioners shall express their individual opinions professionally in a responsible manner without negatively impacting the CCU, GPA, or GWA, or to their relationships with other Commissioners, and the staff, management, and personnel of GPA and GWA.

(f) Commissioners must comply with Guam's Open Government Law and shall not meet officially outside of publicly noticed meetings to make decisions concerning the CCU, GPA, or GWA. However, Commissioners may meet individually or in small groups (less than the number required for a quorum of the CCU) with the staff, management, and personnel of GPA and GWA, for the purposes of gathering information or for any other purpose authorized by law.

(g) Any performance evaluations of the General Managers, Chief Financial Officers, Commission Attorneys, or other staff or personnel directly hired by, or under the purview of the CCU shall be performed in Executive Session held in accordance with Guam law.

(h) As required by Guam Law, Commissioners shall respect the confidentiality appropriate to issues regarding personnel, proprietary matters, and attorney-client privileged communications.

(i) Commissioners shall be prepared for CCU meetings, activities, and deliberations in order to exercise good business judgment in the business and affairs of GPA and GWA.

(j) Commissioners shall maintain positive, professional outlook and demeanor when making statements during CCU meetings or events, GPA or GWA activities, or at other public forums, meetings, or events, or via the media.

(k) Commissioners are vested with the duty to manage the business and affairs of GPA and GWA to the best of their ability and to use good business judgment in exercising their fiduciary duties and to protect the interests of the ratepayers concerning the efficient management and use of the assets of GPA and GWA.

(1) Commissioners shall disclose any conflicts of interest they may have in managing the business and affairs of GPA and GWA. Conflicts of interest may include but are not limited to instances where a Commissioner will personally profit from a transaction, or when a close family member of the Commissioner will profit from the transaction, or when the Commissioner serves on the board of a corporation that is transacting business with the CCU, GPA, or GWA. Commissioners shall disclose any conflicts of interests or potential conflicts of interest, to include all material facts concerning the Commissioner's relationship or interest in the transaction involved, to the CCU in the official deliberations of such transactions.

Section 4. APPLICABILITY

This Code is applicable to all Commissioners and all senior Management of GPA and GWA. If any section, subsection, paragraph, sentence or other part of this Code is adjudged unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remainder of this Code, but shall be confined in its effect to that part of the Code ruled unconstitutional or invalid.

Section 5. USE OF OFFICIAL POSITION OR INFORMATION

(a) No Commissioner shall use or attempt to use his or her official position to secure unwarranted privileges or advantages.

(b) No individual Commissioner shall willfully disclose to any person or to the public whether or not for pecuniary gain, any information not generally available to a member of the public which he or she acquires in the course of and by reason of his official duties. No Commissioner shall use for the purpose of pecuniary gain, whether directly or indirectly, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties.

(c) No Commissioner shall use his or her official position or authority to influence or control, in any manner whatsoever, either directly or indirectly, any information not generally available to members of the public which he receives or acquires in the course of and by reason of his official duties.


Section 6. DISSEMINATION


A copy of this Code shall be delivered to each and every new member of the CCU upon the date such new member takes office.


Section 7. EFFECTIVE DATE

This Code shall take effect upon approval by an affirmative vote of the majority of the Commissioners of the CCU.

SO APPROVED this 15th day of December, 2009 by:


SIMON A. SANCHEZ, II
Chairman


BENIGNO M. PALOMO
Vice-Chairman, GPA


ELOY P. HARA
Vice-Chairman, GWA


GLORIA B. NELSON
Secretary


JOSEPH T. DUENAS
Treasurer