

PORT AUTHORITY OF GUAM

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NEWS RELEASE

Port Authority of Guam Addresses Recent Allegations in Public Statement

Piti, Guam, November 17, 2023: The Port Authority of Guam today issued a public statement in response to recent allegations and comments made by Senator Joanne M. Brown regarding its operations and personnel decisions.

Rory Respicio, General Manager of the Port Authority of Guam, stated, "In response to recent public statements and unfounded allegations raised by Senator Brown concerning the Port Authority's operations and the disparaging remarks towards former Senator Dr. Judith P. Gutherz, we find it necessary to provide clarity and context to these matters."

The statement emphasized the importance of accurate and complete information in public discourse, especially concerning the seven senators who voted against Dr. Gutherz's appointment and the legislative process affecting Governor Lou Leon Guerrero's other nominees, Dr. Luis Baza and former Port Board Chairman Frank Santos.

Addressing specific allegations about the tariff for the Guam Power Authority, Respicio clarified that the decision to extend free storage days was made within the existing tariff agreement and was a necessary management decision under unique operational circumstances. He reaffirmed that these actions were in compliance with established protocols and were made in the best interest of the port and its stakeholders.

In response to concerns about the procedure for changing tariff requirements, Respicio assured that the decisions taken were within the scope of his authority as General Manager and did not require intervention by the Public Utilities Commission (PUC).

The statement also addressed the annual leave cash-out of Respicio and Deputy General Manager Dominic Muna, confirming that these actions complied with existing personnel policies with respect to how employees are hired.

Respicio expressed a commitment to transparency, accountability, and the highest standards of public service. He stated, "Each time baseless allegations are made by Sen. Brown, we will respond promptly with truth and light. Our aim is to maintain the integrity of the Port Authority and ensure it continues to play its crucial role in our community."

The Port Authority of Guam invites open and constructive dialogue to address any issues and remains committed to the continuous improvement of its operations.



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Lourdes A. Leon Guerrero
Governor of Guam

Joshua F. Tenorio
Lieutenant Governor

November 17, 2023

The Honorable Joanne M. Brown
Senator

I Mina'trentai Siette na Liheslaturan Guåhan

120 Father Duenas Avenue,

Capitol Plaza Building, Suite 103

Hagåtña, Guam 96910

Via email: office@senatorjoannebrown.com

Dear Senator Brown,

I am writing to address the unfounded allegations you raised in your recent public statements regarding operations at the Port Authority of Guam. I also wish to respond to the continued disparaging remarks made toward former Senator Dr. Judith P. Guthertz as she seeks reconsideration to serve on the Jose D. Leon Guerrero Board of Directors. Our aim in responding to you directly is to provide clarity and context to these matters, ensuring our discussions are based on accurate and complete information. We hope to prevent any undue influence on the seven other senators who voted against Dr. Guthertz's appointment, as well as any misplaced legislative obstacles for Gov. Lou Leon Guerrero's two other nominees, Dr. Luis Baza and former Port Board Chairman Frank Santos, to serve on this critical Board.

Firstly, regarding the allegations about the tariff for the Guam Power Authority, I must clarify that the decision to extend free storage days was made within the framework of our tariff agreement, particularly under Section V, Breakbulk Tariff Item #63. This was a management decision, taken in light of unique operational circumstances, not a waiver or an act of favoritism, and it was proper and authorized by the Tariff. Such decisions are sometimes necessary to manage the dynamic environment of port operations effectively.

Your assertion in the media about this decision and its potential implications was addressed in my letter to you dated November 15, 2023. I believe it is essential to reiterate that our actions were in compliance with established protocols and made in the best interest of the port and its stakeholders, including all of GPA's ratepayers. Essentially, what you seem to be advocating for is a power rate hike, as that would have been the only way GPA could have recouped those unforeseen, unbudgeted charges.

Regarding your concerns about the procedure for changing tariff requirements, please rest assured that the decision taken was within the scope of my authority as General Manager and did not warrant intervention by the Public Utilities Commission (PUC). I am copying members of the PUC on this letter to assure them that your assessment is incorrect and certainly welcome any investigatory inquiry they may require into this matter.

On the matter of my annual leave cash-out and that of Deputy General Manager Dominic Muna, as detailed in our response to Senator Tom Fisher's FOIA request, these administrative actions were proper and in accordance with existing policies, and not unique to our tenure. I am happy to provide further clarity on this matter if required.

We are committed to transparency and have provided detailed explanations in response to inquiries on this matter. Although we have many disagreements, I believe that we both share the goals of transparency and accountability. We are equally committed to maintaining the highest standards of public service and accountability, both in how we conduct ourselves publicly and privately. This is why, Senator Brown, each time you cast a stone or brew up lies and innuendo, I will find the time and the energy to respond immediately with truth and light. It is a promise I have made to myself, to my colleagues and coworkers, and especially to my family and friends, all of whom have had to endure your kind of politics of personal destruction, which has no place in any society, let alone here on our island of Guam.

The Port Authority of Guam plays a crucial role in our community, and it is imperative that we work collaboratively to address any issues that arise. I welcome an open and constructive dialogue with you and remain committed to the continuous improvement of our operations.

Sincerely,



Rory J. Respicio
General Manager

Cc: Governor Lourdes A. Leon Guerrero
Lt. Governor Joshua F. Tenorio
Speaker Therese M. Terlaje & Senators
Former Senator Dr. Judith P. Guthertz
Port Authority of Guam Board of Director Dorothy P. Harris
Port Authority of Guam Board of Director Conchita Taitano
Public Utilities Commission Chairman and Members
PUC ALJ Attorney Fred Horecky
Port Authority of Guam Employees