

EXECUTIVE ORDER NO. 253

Establishing a Special Presidential Task Force to Investigate and Report on the Current Status of the Palau Public Utilities Corporation.

WHEREAS, it is the Constitutional obligation of the national government of Palau to take positive action to attain certain national objectives and to promote certain national policies: among them being the promotion of the national economy; the protection of the safety and security of persons and property; the promotion of the health of the citizens of Palau; and the provision of public education; and

WHEREAS, the availability of reliable electrical power is absolutely essential to attaining and promoting the foregoing objectives and policies; and

WHEREAS, the recent breakdown of some of the Palau Public Utilities Corporation's ("PPUC") generators and the resultant rolling blackouts have raised questions in the minds of many citizens regarding the reliability of electrical power in Palau; and

WHEREAS, there generally has been a pronounced lack of information made available to the national government and to the public at large by the PPUC regarding the reasons for the breakdown of the PPUC generators, and there have been conflicting reports and rumors as to the possibility of continued problems with the PPUC generators in the future;

NOW, THEREFORE, in order to better ascertain the situation regarding the current and future status of the reliability of electrical power in Palau, by virtue of the authority vested in the President by Article VIII of the Constitution of the Republic of Palau, the president orders as follows.

1. Special Presidential Task Force to Investigate and Report on the Current Status of the Palau Public Utilities Corporation. There is hereby established a Special Presidential Task Force (the "PPUC Task Force") that forthwith shall, as and when directed by its Chairman, meet, investigate and consider the issues set forth below, and issue preliminary and final reports relating to the current status of the PPUC. The PPUC Task Force shall consist of the following persons, and such other persons as the President shall, from time to time, designate.

Chairman - Dr. Patrick U. Tellei;

Vice-Chairman - Minister Jackson Ngiraingas

Ministry of Public Infrastructure, Industries, and Commerce;

Senator Paul Ueki;

Delegate Gibson Kanai;

Joshua Koshiba; and

Ken Uehara.

2. Duties of PPUC Task Force. The PPUC Task Force shall investigate, consider, and report upon the following issues, and such other issues as may be assigned by the President:

A. The current status of the PPUC generators: including without limitation those generators located at Malakal Island, Koror State; Aimeliik State; Angaur State; Kayangel State; Peleliu State; and the emergency generator located at the Ngerulmud National, Capitol Complex; without limitation including the current mechanical state of the generators, and the immediate and long term need to rehabilitate or replace the same;

B. The current financial status of the PPUC: including without limitation, its current cash flow, the appropriateness or sufficiency of the rates it charges its customers, the amount and status of any of its investment funds, and the ability of the PPUC, to finance or pay for the rehabilitation or replacement of the existing generators;

C. The current status of the loan from Mega International Commercial Bank, Ltd. to the PPUC: including without limitation, the use to which the proceeds of that loan have been put by the PPUC, any arrearages due and owing on the loan, and the ability of the PPUC going forward to make installment payments on the loan based on the existing payment schedule and terms;

D. The PPUC's proposed short and long-term solutions to the rehabilitation or replacement of the existing generators, and to any shortcomings perceived b/ the PPUC in its present financial situation; and

E. The PPUC's short and long-term plans to replace all or a portion of the current petroleum based system of electrical generation with one powered by renewable energy resources, including any plans the PPUC may have for hydro, solar, tidal or wind alternatives.

3. PPUC Task Force Reports; Deadlines. The PPUC Task Force shall prepare and submit to the President a preliminary report on its findings by no later than March 11, 2009, and by no later than March 23, 2009, submit to the President a final report on its finding with the PPUC Task Forces's recommendations for action. Copies of these reports shall be submitted to the President of the Senate and Speaker of the House of Delegates.

4. Administrative Support. All Ministries and agencies of the Executive Branch of the National Government shall make available staffing and other resources as requested by the Chairman of the PPUC Task Force.

5. PPUC Cooperation. The Board of Directors and the Management of PPUC shall, as required by law, cooperate with and provide such information as is requested by the PPUC Task Force.

6. Effective Date and Duration of Task Force. This Executive Order shall take effect immediately and shall remain in force and effect until the assignment of the PPUC Task Force is completed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this

2nd day of March, 2009.

/s/

Johnson Toribiong
President
Republic of Palau