
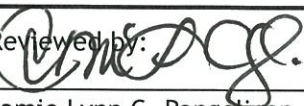
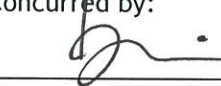
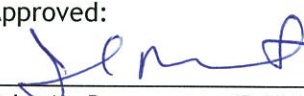


<p style="text-align: center;">GUAM POWER AUTHORITY</p> <p style="text-align: center;">STANDARD OPERATING PROCEDURE</p>	<p>Prepared by:</p> <p> / <u>5/16/18</u></p> <p>Reuben C. Ulloa / Date</p>
<p>TITLE:</p> <p>Inventory Monitoring and Maintenance Procedures</p>	<p>Reviewed by:</p> <p> / <u>5/16/18</u></p> <p>Jamie Lynn C. Pangeliman / Date</p> <p style="text-align: center;">Supply Management Administrator</p>
<p>NO: SOP-025</p> <p>Supersedes: SOP-025 01/28/16</p>	<p>Concurred by:</p> <p> / <u>5/16/18</u></p> <p>Beatrice (Tricee) P. Limtiaco / Date</p> <p style="text-align: center;">Assistant General Manager- Administration</p>
<p>Page 1 of 9</p>	<p>Approved:</p> <p> / <u>5/18/18</u></p> <p>John M. Benavente, (P.E) General Manager / Date</p>

1.0 SCOPE

To establish the responsibilities and procedures for stocked part, materials and supply inventory control. This policy and procedures applies to all parts, material and supplies requisitioned for purchase by all divisions and sections under the general ledger 107/154 account.

2.0 GENERAL:

Dededo Supply Warehouse inventory shall be categorized under Critical and Non-Critical concept.

- 2.1.1 Category **“Critical Stock”** items are high priority items which are afforded tight control, including the most complete, accurate records, regular review, frequent deliveries and follow ups to reduce lead time. Ordering procedures for critical stock items shall be given careful, accurate determination of order quantities and order points.
- 2.1.2 Category **“Non-Critical Stock”** items (low cost, lowest priority) receive simplest possible controls; such as periodic review of physical inventory with notations that replenishment stocks have been ordered which large inventory and order quantity are maintained to avoid stockouts. Ordering procedures shall consist of one year supply while there is abundance on hand.
- 2.1.3 Index number identification of material carried in Business units 32100-59900. (Reference Exhibit A & B)

CODES: * REVISED # ADDED

Standard Operating Procedure	No. SOP-025	Effective: 5/18/18	Page 2 of 9
-------------------------------------	--------------------	---------------------------	--------------------

- 2.1.4 Transformers held in supply are pre-positioned work in process 107 ledger accounts.
- 2.1.5 All transformers in supply shall have its own unique transformer data sheet, which contain all supply and test information. Upon issue, transformer data sheet shall be distributed accordingly
- 2.1.6 Dededo Supply Warehouse is responsible for physical control and storage of all transformer procured by the Authority.
- 2.2 Power Plants, Supply Warehouses, Tool Rooms, T&D Substation and Meter/Relay Storerooms generally represent insurance repair parts which are not considered to require critical or non-critical concept for stocking.
- 2.3 Inventory Management System generate reports as follows:
 - 2.3.1 **Daily:**
 - a. Stock items with zero balance/balance less than reorder point
 - 2.3.2 **Monthly:**
 - a. Month Issue Report
 - b. Stock Status Report
 - c. Inventory Average Usage (Manual Report)
 - d. Issuances>Returns
 - 2.3.3 **Generate upon request:**
 - a. Inventory Value Report
 - b. Inventory Master Report
- 2.4 The Item Master is the heart of the Inventory Management Data System. Each time a decision is made to carry an item stock in any of the Table A location. Standardization Committee shall review T&D recommendation and provide final disposition. (Reference Section 2.6)
 - 2.4.1 Stock number assignment vary with material application or plant equipment.
 - a. Stock number assignment for material carried in stock are as follows:
 - T&D Items (Reference Exhibit A)
 - Transformers (Reference Exhibit B)
 - Generation Plants (Reference Table A Section 2.6)

CODES:	* REVISED	# ADDED
---------------	------------------	----------------

- 2.5 Warehouse processing time standard for issue/receipt posting shall be 24 hours.
- 2.6 Inventory Management Officer shall be responsible for managing stock material in Table A. To accomplish this task the Inventory Management System shall be the official stock record for the Authority inventory, account 154 materials.

Table A locations is as follows:

BU	Plant Location	Index Code
32100	Transmission & Distribution	SS
55000	Cabras 1&2	C
55600	Piti	IS
55900	Dededo Diesel	N/A
56400	Manengon	N/A
57000	Tenjo Vista	N/A
57700	Cabras 3&4	CB3
58100	Dededo CT	DCT
58300	Macheche CT	MCT
58500	Water Systems Diesel	WSD
59100	Meters	N/A
59800	Marbo CT	M
59900	Transformers	E

#NOTE: Account Number 32200.154100, shall be referenced when generating Order Requisition for Meter Replenishment.

3.0 **RESPONSIBILITIES:**

3.1 **Inventory Control:** (Reference SOP-065)

- 3.1.1 Delivery must accompany an invoice for acceptance. Invoice, shall reflect purchase order number and all information. Deliveries are scheduled on a 24 hour notice.
- a. The Storekeeper shall be responsible to ensure purchase order requirement are met. Attention shall be given to delivery due date, receipt date, accompanying documents.
 - *b. At the time of receipt, item found damaged, or with other known discrepancy, shall be noted on invoice and outright rejected.

- 3.1.2 Storekeeper shall generate Report of Discrepancy (ROD) and shall submit (via-email) to Warehouse Supervisor. Upon, concurrence of (ROD) Warehouse Supervisor, shall forward to assigned Buyer, Buyer Supervisor, Inventory Management Officer and Supply Management Administrator.
(Reference Exhibit B)

3.2 Dededo/Cabras & Transportation Facility Supply Warehouse:

- 3.2.1 Inventory material are received and staged for proper safeguarding upon receipt of official report. Storekeeper shall create a receiving report and attach invoice for proper distribution.
- a. Accounts Payable: Stamp "Receiving Report" and system generated batch number via JD Edwards.
 - b. Material stocked in designated bin location, stock tally card is posted within 24 hours at Cabras Supply Warehouse.
 - c. Material stocked in designated bin location at Dededo Supply Warehouse.
 - d. Dededo Supply Warehouse shall maintain serial number assigned project and account of transformer receipt and credit. All transformer shall be supported by a Transformer Data Sheet with physical storage location annotated. Upon delivery of transformers, acceptance testing shall be requested from T&D Sub-Station. (Reference 3.6.3)
 - e. Transformer Data Sheet shall be filed by kva size. Assigned Manual GPA Number is issued to facilitate Pole Mounted Transformer with the First In First Out System. (FIFO) Pad Mounted Transformer will utilize Purchase Order Number to facilitate the FIFO System.
 - f. Refurbished transformers shall accompany Transformer Data Sheet prior to being restocked.
 - g. Transformer Data Sheet shall be completed by T&D personnel upon issuance.(Reference Exhibit C Section to be completed by U/G or O/H)
- 3.2.2 All stocked material, are issued on a First In First Out basis except shelf dated items. Age dated items are issued by oldest date first.
- a. Control of age sensitive materials is accomplished as follows: When age sensitive material is received, the material shall be appropriately marked and stocked in applicable stockroom.

- b. Issue documents for transformers shall be accompanied by a copy of the Transformer Data Sheet; the transformer serial number and Assigned Manual GPA Number shall be annotated on the work order.

3.2.3 Immediately report any loss, damage, or destruction to Authority property to Safety Division. Report consists of a telephone call. Within five working days, a written report explaining details, description of items lost, damaged or destroyed and action taken to prevent similar incidents shall be made by the responsible Warehouse Supervisor, to the Safety Administrator, Division Manager and Supply Management Administrator.

3.2.4 Flammable material (paints, chemicals, fuels, compressed gases) are stored and handled in accordance with OSHA requirements.

3.2.5 When issued parts and/or materials are returned within warehouse grounds, a credit (turn-in) issue shall be processed immediately in the normal manner and material must be inspected and accepted prior to placing in stock.

3.3 **Safety Division:**

3.3.1 Upon receiving a preliminary report of loss, damage or destruction to Authority property has occurred, Safety Administrator, within twenty working days, shall conduct and provide written report to support inventory adjustment voucher and applicable insurance coverage, if any, and action required to prevent similar incidents.

3.4 **Accounting:**

3.4.1 Upon receipt of documents, Plant Accounting reviews documents for accuracy and completeness of accounting data and coordinates with IMO/Warehouse if there are corrections needed. Once corrected and verified, Plant Accounting will post journal entries into general ledger.

- a. Plant Accounting is responsible to reconcile the subsidizing ledgers of materials and supplies inventory of the different branch plants to the general ledger.
- b. Receipt and issue document batch controls supporting both Inventory Management System and general ledger entries are retained in accounting files by batch control number.

3.4.2 Purchased transformers are accounted for and booked in accordance with the procedures set for capitalizing transformers and meters.

- a. Listing of transformers are generated every month for monitoring and reconciliation purposes.

Standard Operating Procedure	No. SOP-025	Effective: 5/18/18	Page 6 of 9
-------------------------------------	--------------------	---------------------------	--------------------

- b. At the end of each fiscal year, a physical inventory of transformers is conducted to adjust the deferred installation cost recorded in books.

3.5 Using Division Manager:

- 3.5.1 Responsible for the proper preparation and certification of work order for material issue demands from warehouse.
- 3.5.2 Work order for line crew requirements shall be submitted to the warehouse one day in advance of job scheduling to allow timely breakouts and for expeditious dispatch of crews to job sites. (Reference SP-046 Section 7.1.2 & 7.1.6)

3.6 T&D Sub-Station Division:

Responsibility for testing of transformers are as follows:

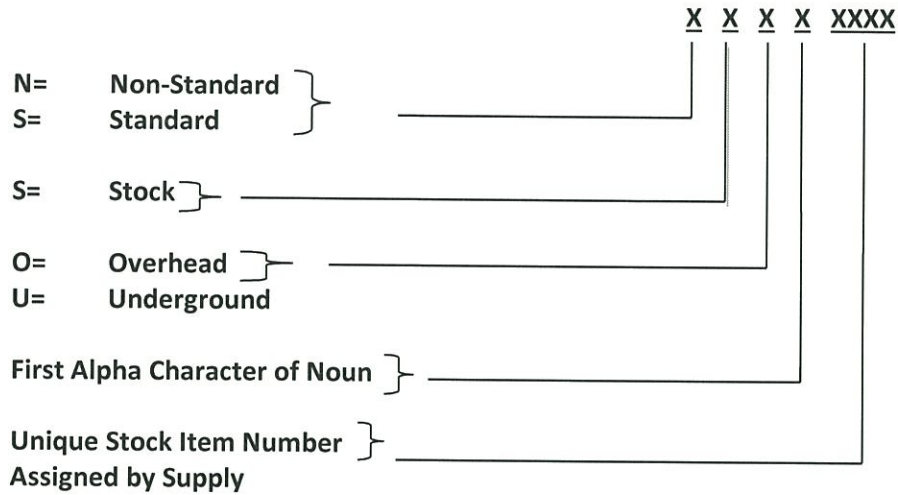
T&D Sub-Station: Pole and Pad Mounted

- 3.6.1 Maintain a record of field location for all transformers installed.
- 3.6.2 Upon change out, determine within thirty days the economic refurbishment cost and make every attempt to refurbish and turn-in to supply to fill other needs. Transformers turned in are accompanied by pertinent documents showing the necessary information.
 - a. Turned-in unserviceable transformers determined beyond economical repair should be retired; shall screen tested for PCB, oil drained and reported to Supply for disposal action to assure that beyond repair unserviceable transformer are not allowed to accumulate unnecessarily. Disposal reporting shall be completed once every quarter but not less than once every six months.(Reference SP-153)
- 3.6.3 Upon notification of acceptance, T&D Substation shall conduct testing of new transformer deliveries, perform required testing within five working days. Transformers found defective shall be identified to Supply Personnel. (Reference SP-065 section 4.3.2)

DISTRIBUTION: A, B, C & D

CODES:	* REVISED	# ADDED
---------------	------------------	----------------

(EXHIBIT A)
T&D Material
Index Number Identification



(EXHIBIT B)
PAD AND POLE MOUNTED TRANSFORMER
INDEX NUMBER IDENTIFICATION

	XXXX	XXXX	XXX	XXXX	X	XX
Engineering Spec } _____						
E003 = Pad Mounted, Single Phase						
E004 = Pad Mounted, Three Phase						
E012 = Pole Mounted						
KVA Size } _____						
0015 = 15KVA						
0025 = 25KVA						
0037 = 37.5KVA						
0045 = 45KVA						
0050 = 50KVA						
0075 = 75KVA						
0100 = 100KVA						
0150 = 150KVA						
0167 = 167KVA						
0225 = 225KVA						
0300 = 300KVA						
0500 = 500KVA						
0750 = 750KVA						
1000 = 1000KVA						
1500 = 1500KVA						
2000 = 2000KVA						
Primary Voltage } _____						
138 = 13800						
Secondary Voltage } _____						
2040 = 120/240						
2020 = 120/208						
4048 = 240/480						
7748 = 277/480						
7700 = 277						
S = Stainless Tank (Pole Mounted) } _____						
B = Primary Bushing (Pad Mounted) } _____						
B-1 = 1 Primary Bushing						
B-2 = 2 Primary Bushing						
B-3 = 3 Primary Bushing						
B-4 = 4 Primary Bushing						
B-6 = 6 Primary Bushing						

CODES:

* REVISED

ADDED

EXHIBIT C

TRANSFORMER DATA SHEET

(To be completed by Supply)

POLE MOUNT ☐

PAD MOUNT ☐

GPA# _____

MANUFACTURER _____

KVA RATING _____

SERIAL # _____

PRI VOLTAGE _____

OF PHASES 1 ☐ 3 ☐

SEC VOLTAGE _____

P.O. # _____

CYCLES _____

VENDOR _____

(To be completed by Substation)

MERGER TEST

VOLTS

CONTINUITY TEST

PRI-GRD _____ OHMS

H1-H2 _____ OHMS

SEC-GRD _____ OHMS

H2- _____ OHMS

PRI-SEC _____ OHMS

H3-H1 _____ OHMS

SWITCHED? YES ☐ NO ☐

X1-X2 _____ OHMS

X2-X3 _____ OHMS

X3-X1 _____ OHMS

IF YES, DOES SWITCHED OPERATE

CORRECTLY? YES ☐ NO ☐

ACCEPTED ☐

REJECTED ☐

COMMENTS _____

TESTED BY _____ DATE TEST _____

(To be completed by UG OR OH)

JOB ORDER # _____

CIRCUIT # _____

DATE INSTALLED _____

LOCATION _____

FOREMAN/LEADER _____

POLE # _____

SECTION _____

SIR # _____

White • Substation • Yellow • Supply

FORMS ARE LOCATED AT DEDEDO SUPPLY WAREHOUSE

CODES: * REVISED # ADDED