



Bringing Energy Solutions to You

Insights

A monthly newsletter for all GPA Customers • Issue No. 95 • February 2025



Brighter Days Ahead

8 MONTHS TO GO

Powering 2025: Lower Bills, Cleaner Energy Brighter Future

2025 is set to bring brighter days for our island. This long-awaited plant will deliver 198 MW of cleaner, more resilient energy, reducing annual fuel imports by 879,000 barrels and providing substantial savings for our customers. With a lower Fuel Recovery Charge (LEAC) already in motion, customers will see immediate relief on their bills. While a future base rate adjustment will help sustain long-term investments like the Ukudu Power Plant, it will ensure greater efficiency, fewer outages, and overall lower power bills for Guam's families. **Testing begins this month, February 2025.**

Stay tuned for more updates as we get closer to the finish line!

Customers to Save on their Power Bills Starting this Month

GPA customers can expect some relief on their power bills this month with a reduced Fuel Recovery Charge (Levelized Energy Adjustment Clause - LEAC) taking effect this month. Approved by the Guam Public Utilities Commission (PUC), the Fuel Recovery Charge (LEAC) rate has dropped by 20.3%, reducing from \$0.261995 to \$0.208802 per kilowatt-hour. For an average residential customer using 1,000 kilowatt-hours per month, this means a savings of approximately \$53.19 per month.

The LEAC fluctuates based on global oil prices and is adjusted every six months to reflect the true cost of fuel used in power generation. Customers will see the lower LEAC rate reflected in their power bills starting February 1, 2025, and the new rate will remain in effect through July 31, 2025.

According to the PUC's Administrative Law Judge's (ALJ) report, the reduction was justified by a decline in global fuel prices, which have dropped significantly since the previous LEAC period. During the last adjustment cycle (August 2024 - January 2025), fuel prices averaged \$116.11 per barrel. The new LEAC rate reflects an updated projected fuel price of \$100.01 per barrel - a key factor in lowering energy costs for customers.

Long-Term Cost Reductions on the Horizon

While the immediate LEAC reduction brings short-term savings, GPA is also implementing long-term solutions to reduce reliance on expensive imported fuel.

A major milestone in this effort is the Ukudu Power Plant, which is set to come online in September 2025. This state-of-the-art facility will deliver 198 MW of cleaner, more efficient energy, reducing fuel imports by 879,000 barrels annually. The shift to

The average monthly residential bill will be lowered by

\$53.19

20.3% LEAC reduction

Effective February 1, 2025

The PUC approved GPA's petition for a 20.3% LEAC reduction.

Based on average residential customer using 1,000 kWh per month.

more efficient power generation is expected to further stabilize and lower energy costs over time.

Additionally, GPA is advancing its Phase IV renewable energy projects, which will introduce 333 MW of solar power to Guam's grid. Once contracts are finalized, these projects will help the island reach 50% renewable energy by 2035, further protecting customers from fluctuating fuel prices.

GPA remains committed to keeping power bills as affordable as possible while investing in a more sustainable energy future for Guam. Customers can stay informed about future adjustments and cost-saving initiatives by visiting www.guampowerauthority.com.

Lowering Costs for Guam: How GPA is Reducing Your Power Bill

At GPA, our goal is to reduce overall costs and lower power bills to our customers. Today, fuel costs are going down, and GPA is planning ahead to ensure long-term stability for energy prices. The fact remains, the new 198-megawatt Ukudu power plant will lower power bills when commissioned in September of this year.

What's Changing & Why?

Your power bill consists of two key components:

LEAC (Fuel Charge) - A pass-through cost based on the price of oil. GPA does not profit from the LEAC, and recent adjustments mean customers will see lower fuel charges.

Base Rate (Operations & Infrastructure) - This covers fixed costs, including maintaining power plants, infrastructure, and debt service. The base rate has not changed since 2013 but may need to be adjusted later this year to support long-term investments like the Ukudu Power Plant.

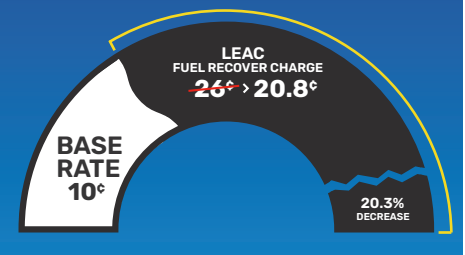
These two charges are completely separate—and while the LEAC reduction means customers will see immediate savings, GPA must also plan ahead to maintain a reliable and cost-effective energy future.

Why GPA is Planning a Base Rate Adjustment Later in 2025

In September, GPA will also have to begin paying for the power plant which is the debt service payment (similar to mortgage payment) and other operating and maintenance cost. The current Energy Conversion Agreement with GPA's partner KEPCO, allow for the Ukudu Power Plant to be turned over to GPA in 25 years once the contract is completed.

As a result of this infrastructure investment, GPA would have to adjust the base rate portion of your power bill which is fixed and can only be changed by the Guam Public Utilities Commission (PUC). GPA plans to begin the rate adjustment process

The LEAC is approximately 60% of your power bill.



this month to allow adequate time and stakeholder engagement as required by law.

Although there may be a nominal increase in the base rate portion of your power bill, the LEAC surcharge is anticipated to go down **resulting in the reduction of overall costs and lower power bills**. The base rate adjustment will help maintain reliable power and keep long-term rates lower.



GPA Secures \$995K Grant to Boost Cybersecurity



GPA has been awarded a \$995,335.84 grant under a subaward agreement facilitated by the American Public Power Association (APPA) in partnership with the U.S. Department of Energy (DOE). This grant will support GPA's efforts to deploy cutting-edge cybersecurity technologies and enhance connectivity across critical infrastructure.

The grant funding will enable GPA to implement a Software-Defined Networking (SDN) solution from Schweitzer Engineering Laboratories (SEL). This advanced technology will strengthen GPA's ability to detect, mitigate, and respond to cybersecurity threats in near real time, while improving overall system visibility and resilience. The network enhancements will provide secure and reliable communications between key GPA operational sites.

Advancing Guam's Energy Security

"This grant award demonstrates GPA's resourcefulness as we work to remain one step

ahead of cybersecurity threats, a priority since we implemented our DOE-approved cybersecurity plan in 2015. In partnership with federal authorities, we continue to adapt to increasingly sophisticated threats to safeguard Guam's critical infrastructure," said John M. Benavente, P.E., GPA General Manager. Benavente further stated, "Our mission is to provide efficient, reliable, and secure power to Guam's residents and partners and the integration of advanced networking solutions will strengthen our operational capabilities and ability to safeguard critical infrastructure against evolving cyber threats."

Since 2015, GPA has maintained a proactive cybersecurity program aligned with national standards adopting the NIST Cybersecurity Framework, NIST Special Publication (SP) 800 series guidelines, applicable NERC CIP standards, and others. GPA's cybersecurity program encompasses information technology (IT) and operations technology (OT) systems, and its core cybersecurity personnel have obtained specialized certifications such as Global Industrial Cyber Security Professional (GICSP).

Ongoing real-time monitoring and partnerships with federal agencies such as cybersecurity special entities and others, reinforce GPA's readiness and resilience. This grant further complements GPA's ongoing investments in infrastructure and cybersecurity, including its independent fiber-optic

network designed to reduce vulnerabilities and enhance control over critical systems. This includes an additional \$2.3 million in OT network cybersecurity grant projects. Congressman James Moylan states, "I continue efforts to strengthen federal and local government collaboration to defend and bolster the cyber resiliency of Guam's critical utility infrastructure."

Strengthening Collaboration & Innovation

DOE's partnership with APPA aims to accelerate the adoption of Industrial Control Systems (ICS) cybersecurity technologies for municipal utilities. By participating in this initiative, GPA continues to demonstrate its leadership in securing energy infrastructure and its dedication to innovation and operational excellence.

GPA has emphasized that cybersecurity is an integral part of its clean energy transition and renewable integration plan. As part of its mission, GPA remains committed to delivering efficient, reliable, and secure power to the people of Guam, ensuring that the island's energy future is both safe and sustainable.



Scan the QR code for Frequently Asked Questions on GPA's Cybersecurity Efforts

Did you know?



Brown Tree Snake-Induced Outage by Village in 2024

VILLAGE	NO. OF OUTAGES	VILLAGE	NO. OF OUTAGES
Agana Heights	1	Malessos'	1
Asan Mai'na	2	Mangilao	10
Barrigada	2	Mongmong - Toto - Maite	3
Chalan Pago - Ordot	1	Piti	19
Dededo - Macheche	14	Santa Rita - Sumai	3
Hagat	1	Talo'fo'fo	3
Hagåtña	6	Tamuning, Upper Tumon Tiyan, Harmon	10
Humatak	1	Yigo	3
Inaláhan	2	Yona	4

Brown Tree Snakes are a Major Cause of Power Outages on Guam

Brown tree snakes are a leading cause of power outages on Guam, with most incidents happening late at night or early morning, primarily in southern and central areas. These snakes, typically 2-4 feet long, climb overhead power lines, leading to disruptions.

To combat this, GPA is actively trimming trees, installing barriers and insulation covers at substations, and working with USDA to manage snake traps and captures.

How you can help?

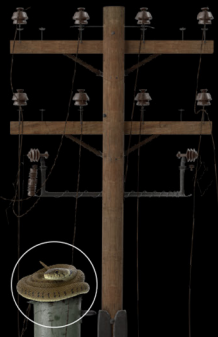
Trim trees and vines near power lines. 20-ft is a safe distance between tree branches and the power line. Contact GPA to trim or clear trees near power lines.

Remove debris and keep grass short.

Avoid creating snake hiding spots near your home.

86 Brown Tree Snake-Induced Outages by Month

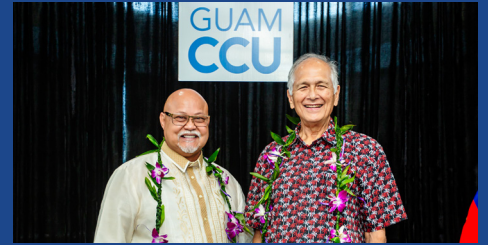
- January: 2
- February: 1
- March: 3
- April: 6
- May: 7
- June: 14
- July: 19
- August: 8
- September: 2
- October: 9
- November: 7
- December: 8



For power emergencies, please contact our Power Systems Control Center (PSCC) or Dispatch.

(671) 475-1472/3/4

GPA Gallery



On Jan. 13, 2025, the CCU held its 12th Oath of Office ceremony, welcoming returning Commissioner Pedro Roy Martinez and newly elected Commissioner Melvin F. Dueñas. The CCU also elected new officers: Francis E. Santos, Chairperson, Pedro Roy Martinez, Vice Chairperson, and Melvin F. Dueñas, Secretary. Congratulations to all commissioners, and thank you for serving our island community!

GPA GOVERNANCE & LEADERSHIP

Your elected Consolidated Commission on Utilities (CCU) holds two (2) working sessions and one (1) regular meeting monthly. Meeting location is the CCU Conference Room, Gloria B. Nelson Public Service Building in Fadian, Mangilao. For more information and agencies, call the CCU Board Secretary at (671) 648-3002 or visit www.guamccu.org.

- Francis E. Santos (Chairman)**
T (671) 482-9355 • E francis.santos@gpagwa.com
- Pedro Roy Martinez (Vice Chairman)**
T (671) 488-1957 • E prmg Guam@gmail.com
- Melvin F. Duenas (Secretary)**
T (671) 777-8400 • E melvinduenas@gmail.com
- Simon A. Sanchez II (Commissioner)**
T (671) 488-1010 • E gdcmgr@guamdrycleaners.com
- Michael Limtiaco (Commissioner)**
T (671) 888-6280 • E milimtiaco671@gmail.com
- John M. Benavente, P.E. (General Manager)**
T (671) 648-3225 • E jbenavente@gpagwa.com

View your energy usage at myenergyguam.com

