

CCU Regular Board Meeting

Presentation to:
Consolidated Commission on Utilities
January 28, 2025

GM REPORT

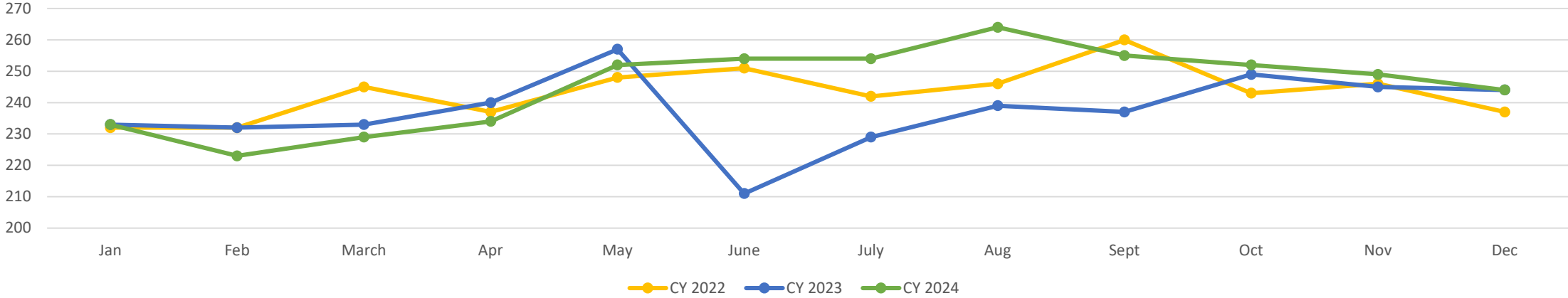
General Manager's Report

Reserve Margin Forecast for January 2025:

Targeted Available Capacity:	270 MW (Cabras 1 under maintenance)
Projected Demand:	230 MW
Anticipated Reserve Margin:	43 MW
Interruptible Load Availability:	16 MW
Navy Assistance (Orote)	12 MW
Total Reserves:	71 MW

System Peak Demand:

MONTHLY PEAK DEMAND
THRU December 31, 2024



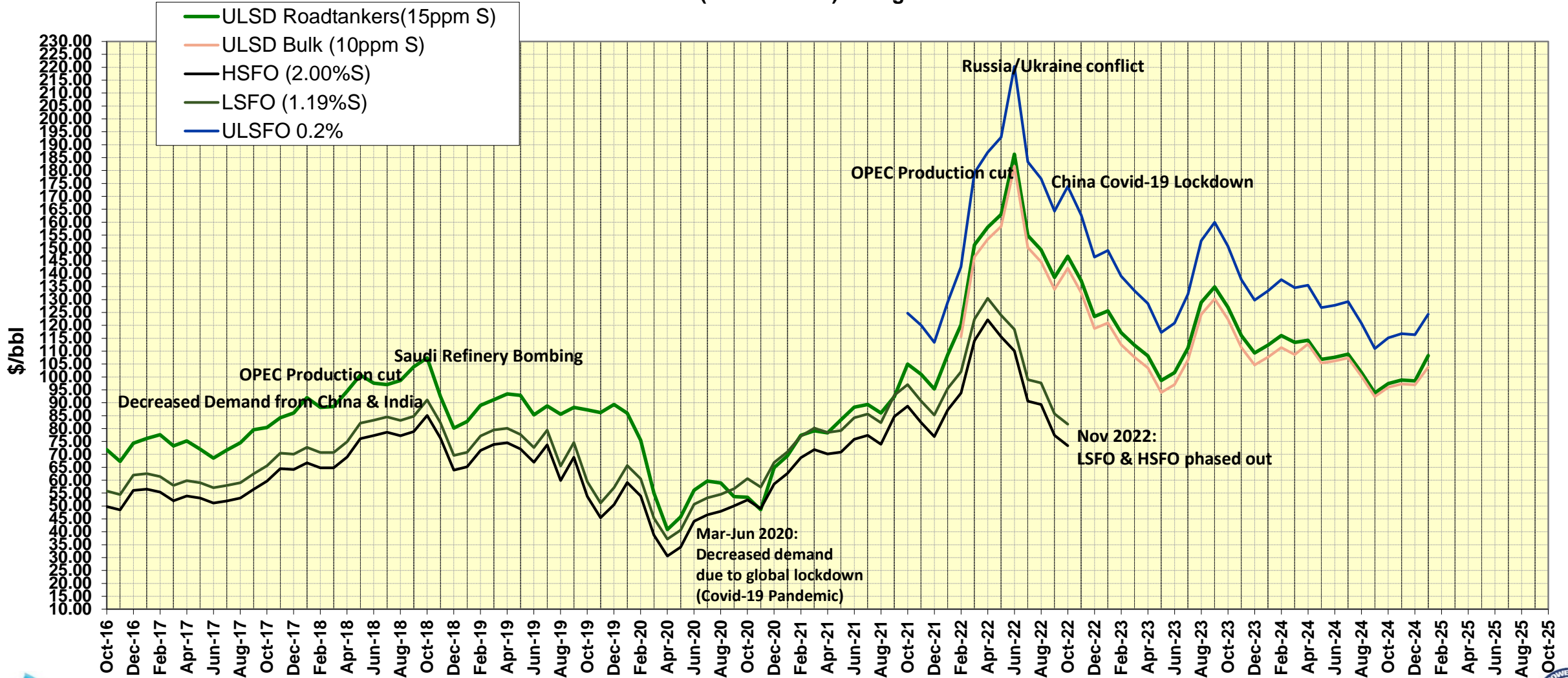
General Manager's Report

GPA Fuel Landed Cost (Per Barrel as of January 20, 2025)

ULSRFO 0.2% \$124.32

ULSD Bulk \$103.76

Fuel Prices (Landed Cost) - Progressive Chart



General Manager's Report

PUC Update:

- **Dockets heard and passed in the month of December 2024:**

- Docket No. 24-24: Petition of the Guam Power Authority to Approve the Purchase of the Water System Diesel (WSD) Generators;
- Docket No. 24-25: Petition of the Guam Power Authority to Approve Phase IV Renewable Energy Acquisition Award to KEPCO-EWP-Samsung C&T Consortium and Core Tech Solar Energy LLC, for up to 192 MW of Renewable Energy Capacity;
- Docket No. 25-01: Petition of the Guam Power Authority to Approve the Purchase of Water System Diesel Generators; and
- Docket No. 25-04: Petition for Approval and Authorization for GPA to Renew Property Insurance.

- **Dockets to be heard for the month of January 2025:**

- Docket No. 25-05: Petition of the Guam Power Authority to Reduce the Levelized Energy Adjustment Clause (LEAC) for the Period of February 1, 2025 through July 31, 2025; and
- Docket No. 25-06: Petition of the Guam Power Authority to Approve the Solicitation of a Performance Management Contract for GPA's Combustion Turbine Power Plants.

- **Pending Dockets:**

- Docket No. 24-03: Petition to Review 12 GCA § 8502(c)(2)(B) Relative to Net Metering - this docket will not be heard until further notice.

General Manager's Report

Customer Assistance

Prugrãman Ayuda Para I Taotao-Ta Energy Credit

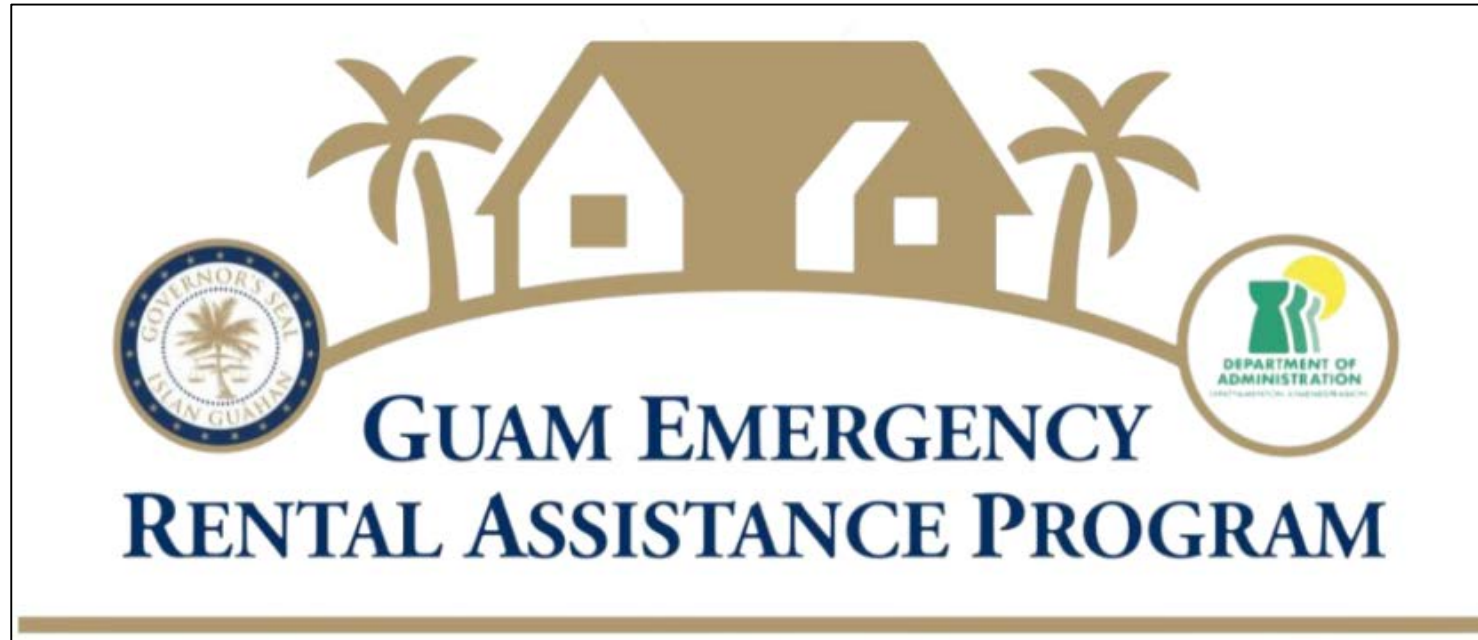
- On January 13, 2025, Senator William A. Parkinson introduced Bill No. 9-38 (COR), An Act to Appropriate \$15,828,000 from FY 2025 General Fund Revenues Collected in Excess of the Adopted Levels Enumerated in P.L. 37-125 to the Guam Power Authority for a 3-Month Extension to the Energy Credit Program.
- The three months identified for the extension are March, April, and May 2025.
- To date, ratepayers have received a total of \$2,700 in relief from the Energy Credit Program.

No.	Bill No.	Public Law No.	Date Signed	Amount	Start	End
1	325-36	36-106	07/27/2022	\$500	JUL 2022	NOV 2022
2	357-36	36-123	12/17/2022	\$500	DEC 2022	APR 2023
3	83-37	37-16	05/22/2023	\$500	MAY 2023	SEP 2023
4	173-37	37-49	11/10/2023	\$300	OCT 2023	DEC 2023
5	208-37	37-66	02/26/2024	\$300	JAN 2024	MAR 2024
6	277-37	37-104	06/05/2024	\$600	APR 2024	SEP 2024

\$2,700

General Manager's Report

Customer Assistance *(continued)*



Emergency Rental Assistance Program (ERA)

- On March 3, 2021, the Department of Administration (DOA) launched the ERA program to assist households affected by the COVID-19 pandemic that are unable to pay rent and utilities.
- Effective January 21, 2025, Cycle 6 will close. No new applications will be accepted.
- \$232,060.64 was applied to qualified ratepayer accounts [Batch 318 - 330] for August through December 2024, totaling \$7,396,528.67 since the program's inception.

General Manager's Report

Customer Engagement & Community Outreach – S.A.M.E. Guam Industry Forum

- GPA participated the S.A.M.E. Guam Industry Forum which was held on Thursday, November 14, 2024 and Friday, November 15, 2024 at the Dusit Thani.
- GPA Engineers were present to assist contractors by answering any inquiries they may have. GPA Communications Office was also present to assist the engineers at the GPA booth.
- A Checklist & Guidelines for Contractors handout was created for this event and given to contractors that visited the booth for additional information and reference.
- On Day 1, GPA's Chief Information Technology Officer, Melvyn Kwek delivered a presentation during the "BUILDING RESILIENCE TOGETHER: STRENGTHENING CRITICAL INFRASTRUCTURE THROUGH COLLABORATION BETWEEN LOCAL GOVERNMENT AND MILITARY PARTNERS" discussion.
- On Day 2, CCU Commissioner Simon A. Sanchez, II discussed "UTILITIES DEVELOPMENT" during his presentation.



General Manager's Report

Customer Engagement & Community Outreach – Mangilao Christmas Festival

- As a Mangilao-based government organization and as part of our Community Outreach program, GPA participated in the 2024 Mangilao Christmas Festival by hosting an Energy Awareness Table. The event was held on Sunday, December 15, 2024 at the Mangilao Night Market grounds.
- SPORD engineers explained how to access different GPA online tools such as the Energy Sense Online Rebates, My Energy Guam, and My Energy Xpert (MEX) Home Energy Audit.
- The Communications Office shared various ways to save energy and promoted the Beat-The-Peak campaign – encouraging children to conserve energy during the peak hours.
- The GPA Customer Service Directory and GPA Fact Sheet were given to everyone that visited the booth.



General Manager's Report

Ukudu Power Plant Construction Status

Plant construction progresses steadily. Major work includes: Installation of steam blowing pipe supports & silencer foundation, BESS cable pulling, and ground compaction/asphalt work.

Actual accumulated progress including Engineering, Procurement, and Construction: **92.90%**
(as of December 31, 2024)



General Manager's Report

Ukudu Power Plant Update:

GPA Activities

1. GPA is coordinating with GWA to facilitate acquisition of new NPDES permit.
2. The first of three initial fuel transfers from GPA ULSD Storage Tank 1935 to Ukudu was successfully completed on December 18th, 2024.

GUP Activities

1. Progress Summary – As of December 31, 2024

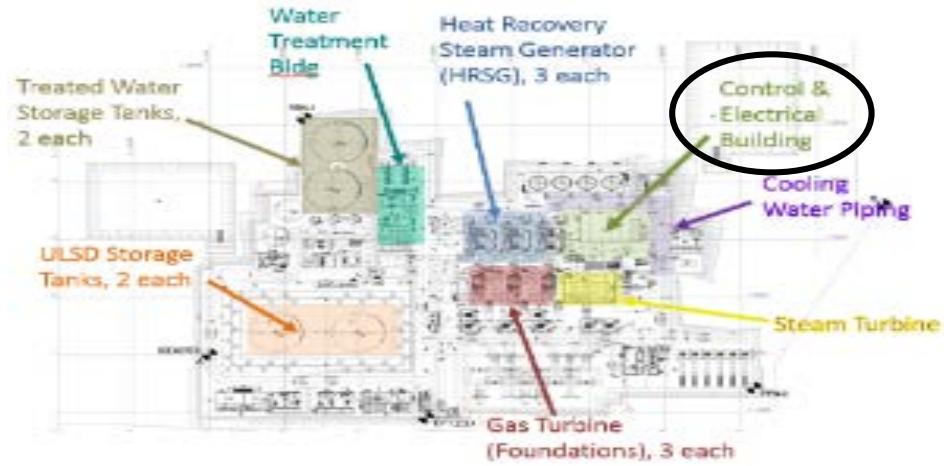
Work Area	Progress (%)
Engineering	89.97
Procurement	99.98
Construction	97.27
Overall	92.90

2. Gas Turbine #1 initial firing is scheduled for early February 2025.
3. Re-use water supply commenced on December 13th, 2024
4. Lube oil flushing for STG was completed on December 31st, 2024.

General Manager's Report

Ukudu Power Plant Construction Status

Control & Electrical Building



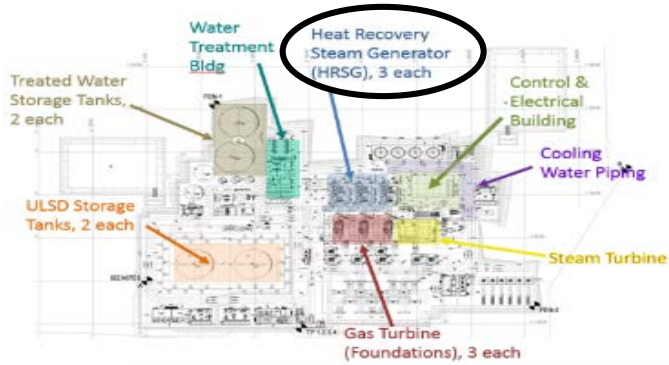
Cable pulling is ongoing



General Manager's Report

Ukudu Power Plant Construction Status Heat Recovery Steam Generator (HRSG)

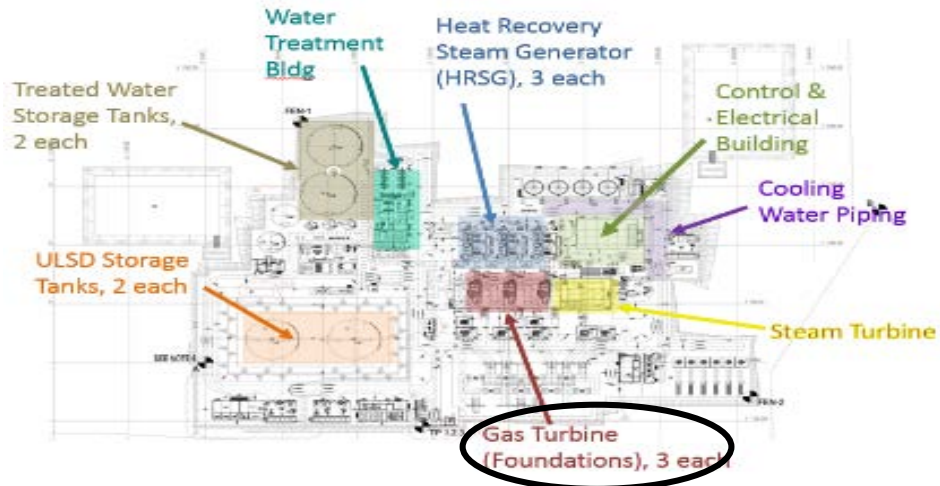
HRSG 1-3: Installation of piping & insulation is ongoing



General Manager's Report

Ukudu Power Plant Construction Status

Gas Turbines & Generators

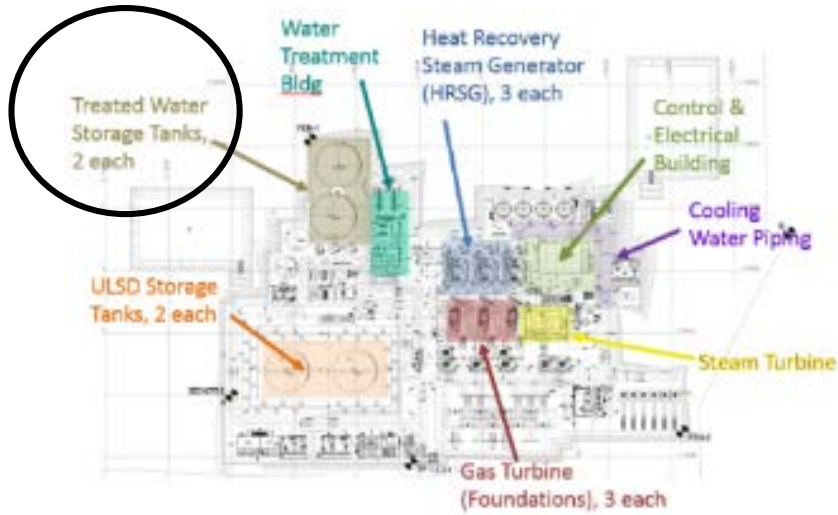


GTG Building – Lube oil flushing and commissioning work is ongoing.



General Manager's Report

Ukudu Power Plant Construction Status

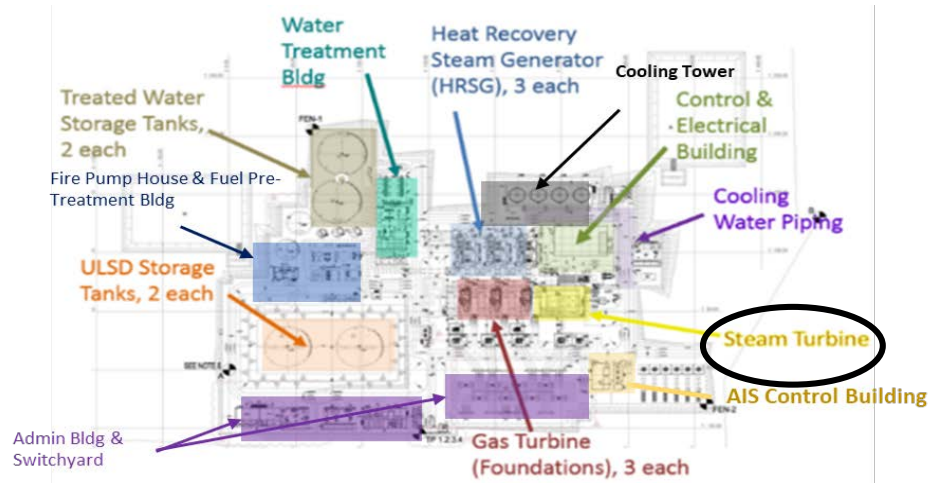


Treated Water Storage Tanks:
U-ditch work is ongoing.



General Manager's Report

Ukudu Power Plant Construction Status



Steam Turbine & Generator Building: STG piping and cable installation is ongoing.



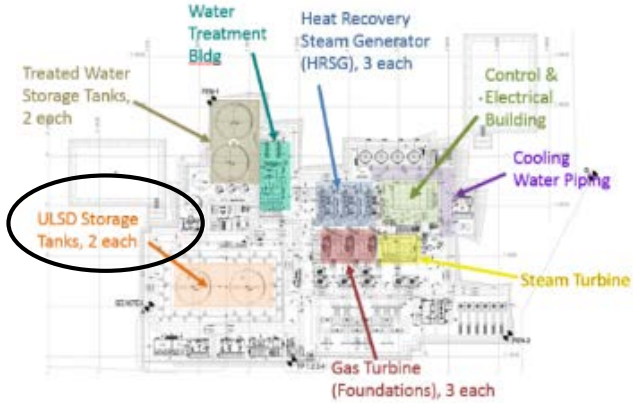
Installation of foundations for steam blowing piping is ongoing



General Manager's Report

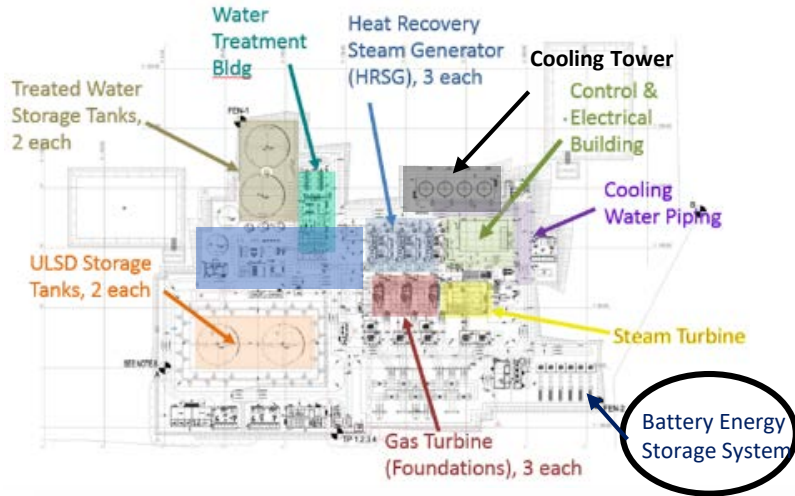
Ukudu Power Plant Construction Status

ULSD Storage Tanks – Completed
Both tanks now contain ULSD.



General Manager's Report

Ukudu Power Plant Construction Status

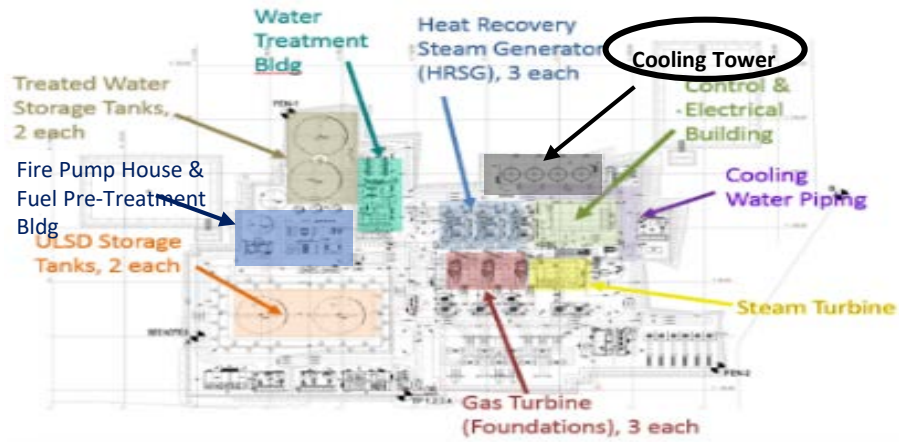


Battery Energy Storage System (BESS): Cable pulling is ongoing.

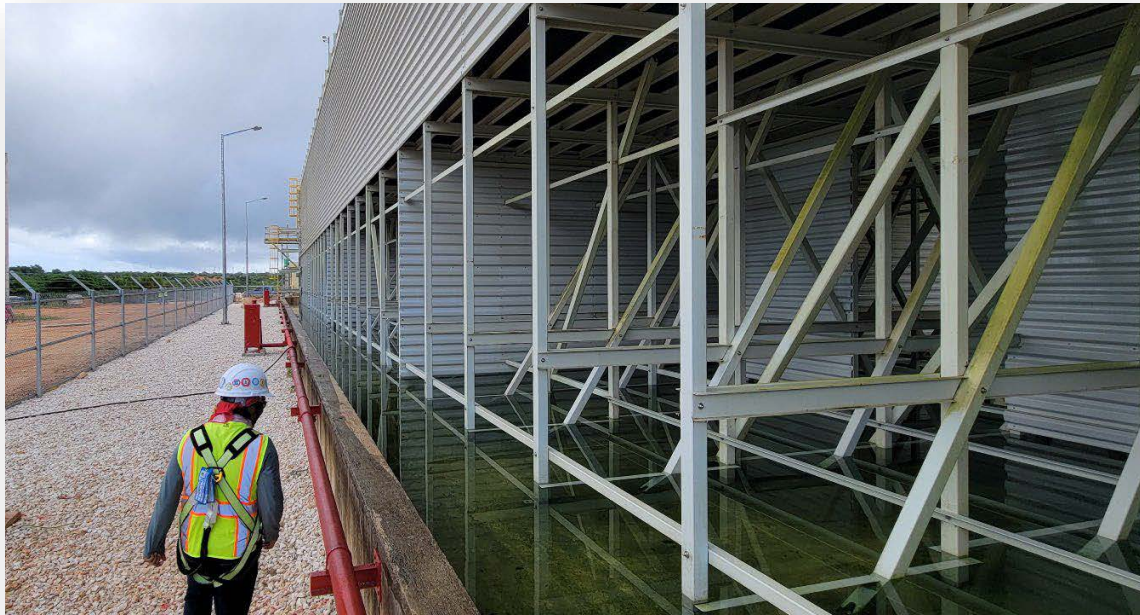


General Manager's Report

Ukudu Power Plant Construction Status



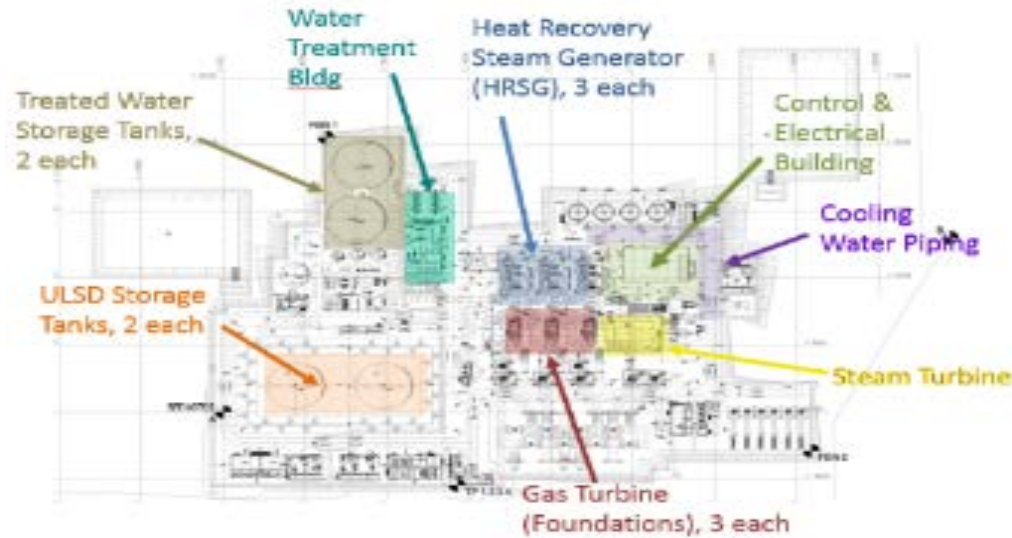
Cooling Tower & Basin – Commissioning work is ongoing.



General Manager's Report

Ukudu Power Plant Construction Status

Miscellaneous Ongoing Work



Parking area near Admin Building



Plant access road partially completed near GRMC



Road compaction throughout site is ongoing



General Manager's Report

Ukudu Power Plant Construction Status

Re-Use Water Facility (at GWA's Northern District Waste Water Treatment Facility)

GPA transformer has been installed and energized.



Seeding on slope near lift station is ongoing



Flowmeter installation is complete



General Manager's Report

Fuel Pipeline Construction Status



General Manager's Report

Fuel Pipeline Construction Status

All Pipeline Areas

1. First fuel transfer to Ukudu of approximately 74,000 barrels was completed on December 18th, 2024.
2. General pipeline site clean-up is ongoing.
3. Final Punchlist items are being addressed



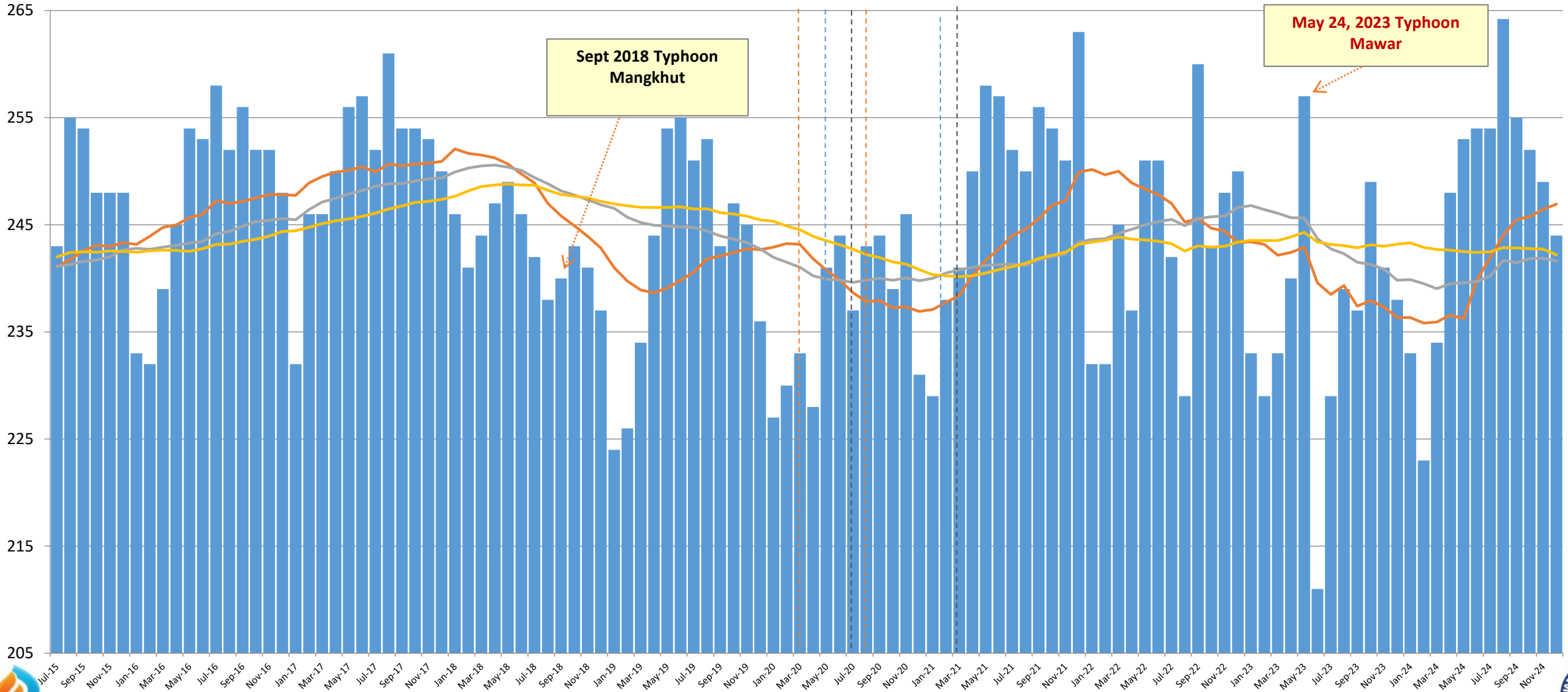
Generation KPIs December, 2024

Historical Monthly Peak Demand July 2015 - December 2024

- █ Peak Demand
- 12-month Rolling Average
- 2-year Rolling Average
- 3-year Rolling Average

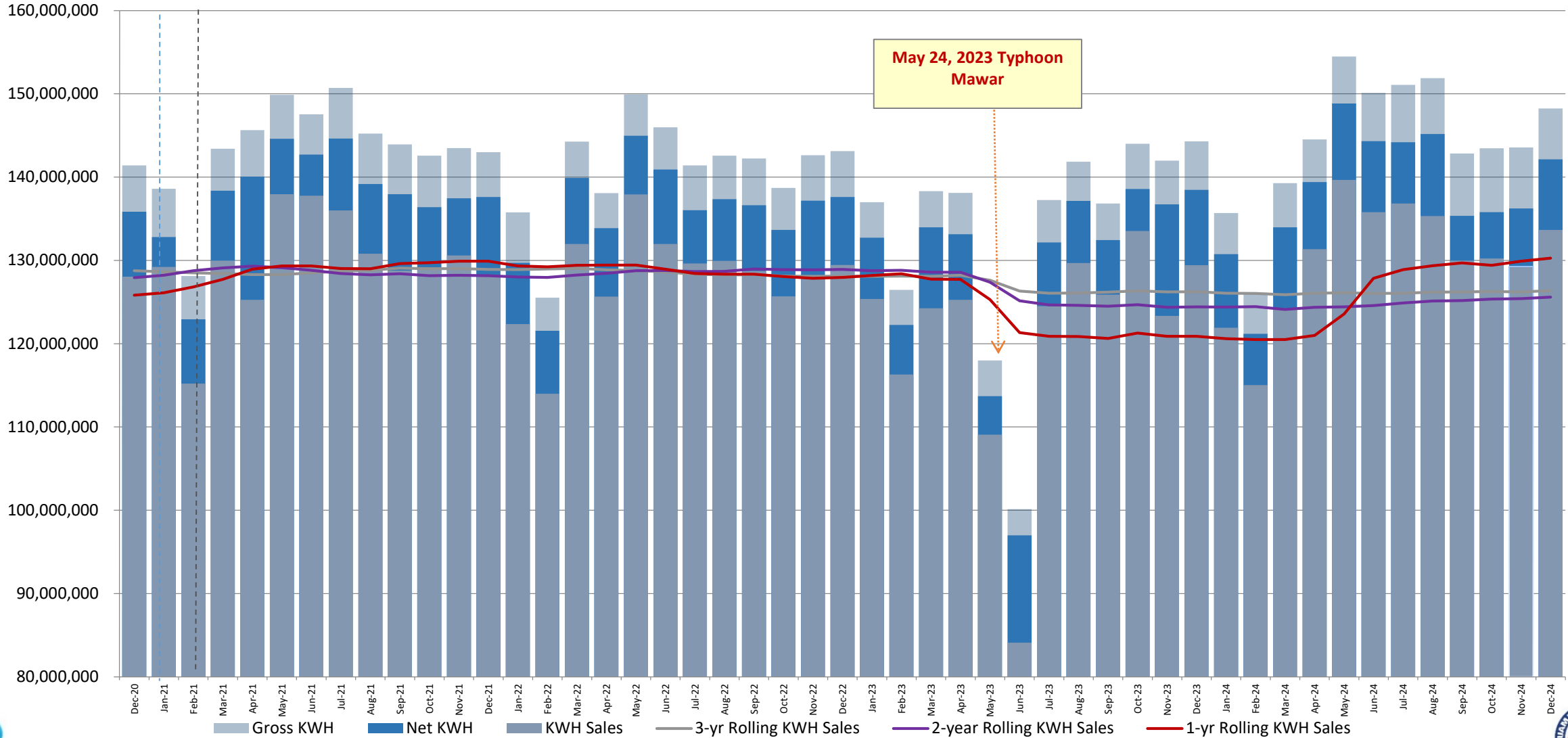
COVID 19 Pandemic

- PCOR1 - Mar 15, 2020
- PCOR2 - May 10, 2020
- PCOR3 - Jul 20, 2020
- PCOR1 - Aug 16, 2020
- PCOR 2- Jan 18, 2021
- PCOR3 - Feb 22, 2021



Historical KWH Sales Dec 2020 - Dec 2024

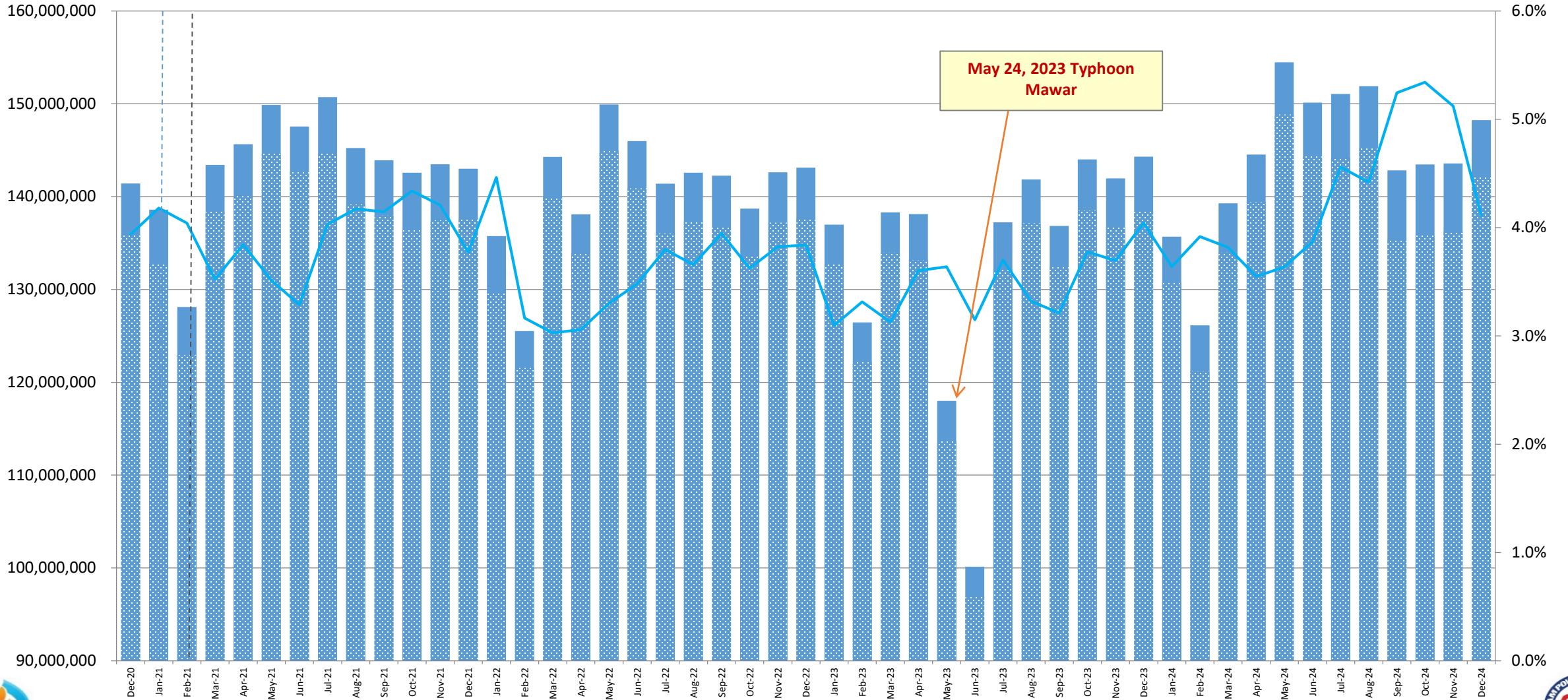
COVID 19 Pandemic
PCOR 2- Jan 18, 2021
PCOR3 - Feb 22, 2021



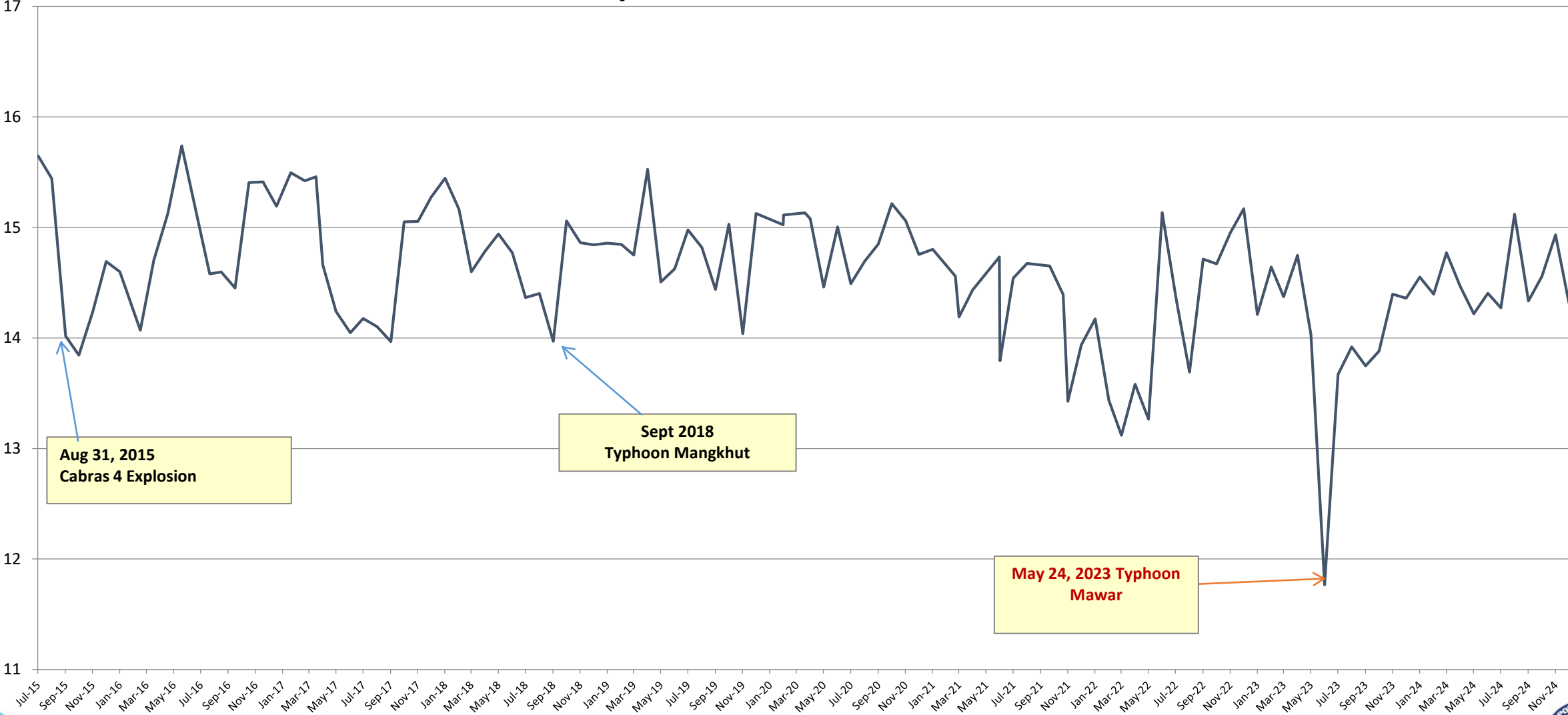
Gross and Net Generation (KWH) Dec 2020 - Dec 2024

COVID 19 Pandemic
PCOR 2 - Jan 18, 2021
PCOR3 - Feb 22, 2021

Gross KWH Net KWH % Station Use



SYSTEM GROSS HEAT RATE (KWH/Gal) July 2015 - Dec 2024



CFO

FINANCIAL HIGHLIGHTS

December 2024

Residential average kWh & LEAC Rate

Avg kWh	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY2019	957	938	940	831	761	915	951	1,028	1,048	1,025	940	896
FY2020	942	938	931	867	785	979	1,046	1,140	1,114	1,103	1,081	1,062
FY2021	1,064	1,083	1,062	1,117	939	1,094	1,046	1,186	1,215	1,114	1,032	1,038
FY2022	1,021	1,063	1,030	942	883	1,053	991	1,128	1,050	977	992	972
FY2023	928	979	956	882	818	917	946	805	661	958	960	985
FY2024	997	956	955	877	786	913	986	1,070	1,041	1,054	1,023	968
FY2025	934	952	989									

LEAC Rate	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY2019	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1542
FY2020	\$0.1542	\$0.1542	\$0.1542	\$0.1542	\$0.1345	\$0.1345	\$0.1100	\$0.1100	\$0.0868	\$0.0868	\$0.0868	\$0.0868
FY2021	\$0.0868	\$0.0868	\$0.0868	\$0.0868	\$0.1100	\$0.1100	\$0.1100	\$0.1100	\$0.1100	\$0.1100	\$0.1304	\$0.1304
FY2022	\$0.1508	\$0.1508	\$0.1715	\$0.1715	\$0.1808	\$0.1808	\$0.2095	\$0.2095	\$0.2095	\$0.2516	\$0.2516	\$0.2960
FY2023	\$0.2960	\$0.3186	\$0.3186	\$0.3186	\$0.3186	\$0.3186	\$0.3186	\$0.3186	\$0.2311	\$0.2311	\$0.2311	\$0.2311
FY2024	\$0.2311	\$0.2311	\$0.2311	\$0.2311	\$0.2620	\$0.2620	\$0.2620	\$0.2620	\$0.2620	\$0.2620	\$0.2620	\$0.2620
FY2025	\$0.2620	\$0.2620	\$0.2620									

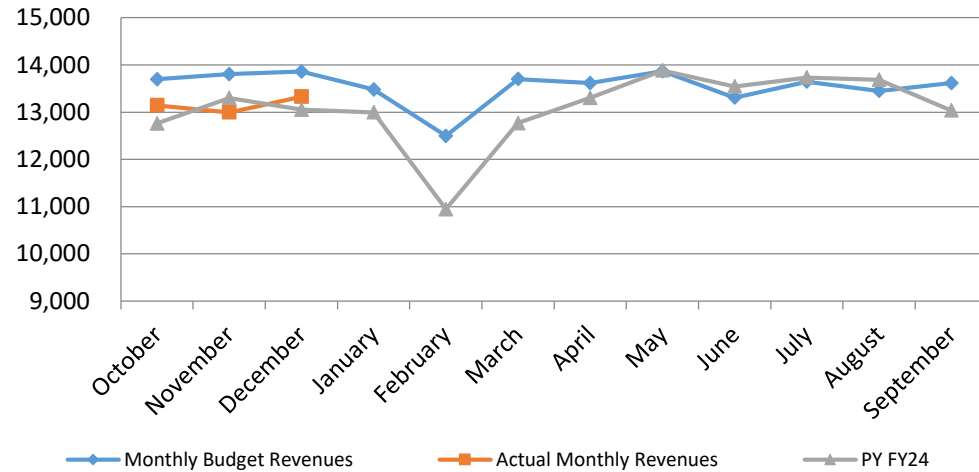
Hotel kWh & Occupancy Rate

MWh Hotels	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY2019	11,009	10,812	10,665	10,372	9,151	9,625	10,743	10,945	10,278	11,670	10,356	10,569
FY2020	10,510	9,983	10,691	10,053	9,831	8,494	7,195	6,983	7,463	7,798	7,678	7,220
FY2021	7,194	7,535	7,754	7,129	6,427	7,014	7,474	7,293	7,669	7,989	8,064	7,712
FY2022	7,119	7,495	7,184	7,055	6,563	7,083	6,988	7,652	7,883	8,097	8,202	7,953
FY2023	7,926	8,048	8,385	8,164	7,669	8,075	7,985	7,300	6,225	8,692	8,758	8,133
FY2024	8,422	8,467	8,533	8,278	7,538	8,163	8,370	8,726	8,802	8,976	8,731	8,188
FY2025	8,525	8,596	8,916									

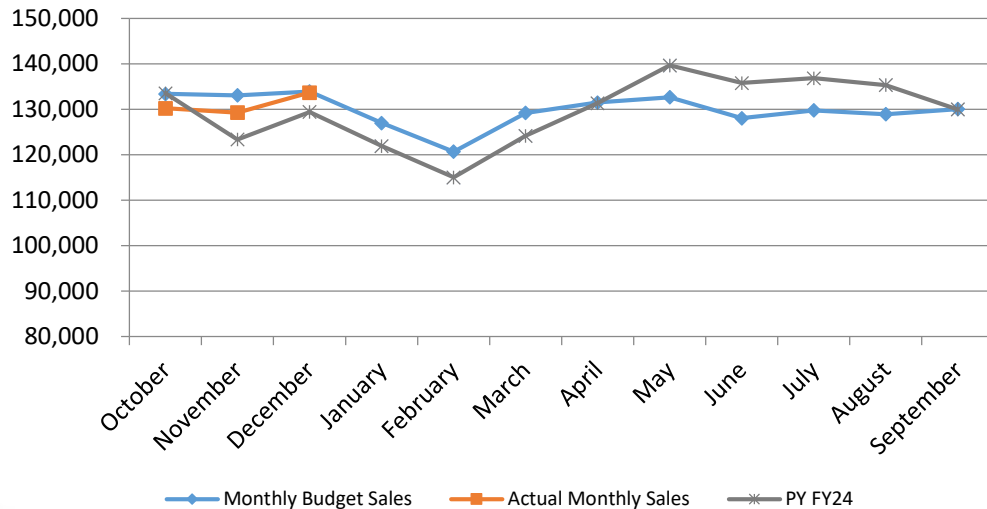
Occupancy	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY2019	85.9	85.9	85.9	91.4	91.4	91.4	84.8	84.8	84.8	92.0	92.0	92.0
FY2020	89.9	89.9	89.9	73.7	73.7	73.7	34.7	34.7	34.7	27.1	27.1	27.1
FY2021	38.7	38.7	38.7	51.4	51.4	51.4	41.3	41.3	41.3	52.4	52.4	52.4
FY2022	45.9	45.9	45.9	56.0	56.0	56.0	54.0	54.0	54.0	66.8	66.8	66.8
FY2023	59.7	59.7	59.7	67.4	67.4	67.4	60.0	60.0	60.0	73.4	73.4	73.4
FY2024	62.3	62.3	62.3	62.3	62.3	62.3	72.3	72.3	72.3			

December 2024 Monthly Financial Highlights

Base Rate Revenue (in '000)



MWH Sales (in MWh)



Through December 31, 2024

	Monthly Budget Revenues	Actual Monthly Revenues	Variance		PY FY24	CY vs PY Variance	
	\$000	\$	\$				
October	13,696	\$ 13,145	\$ (551)	↓	\$ 12,763	\$ 382	↑
November	13,804	\$ 12,996	\$ (808)	↓	13,301	\$ (305)	↓
December	13,858	\$ 13,328	\$ (530)	↓	13,053	\$ 275	↑
January	13,478				12,995		
February	12,499				10,947		
March	13,700				12,770		
April	13,614				13,303		
May	13,867				13,882		
June	13,307				13,544		
July	13,645				13,735		
August	13,449				13,685		
September	13,616				13,037		
Total	\$ 162,534	\$ 39,468	\$ (1,889)		\$ 157,016	\$ 351	

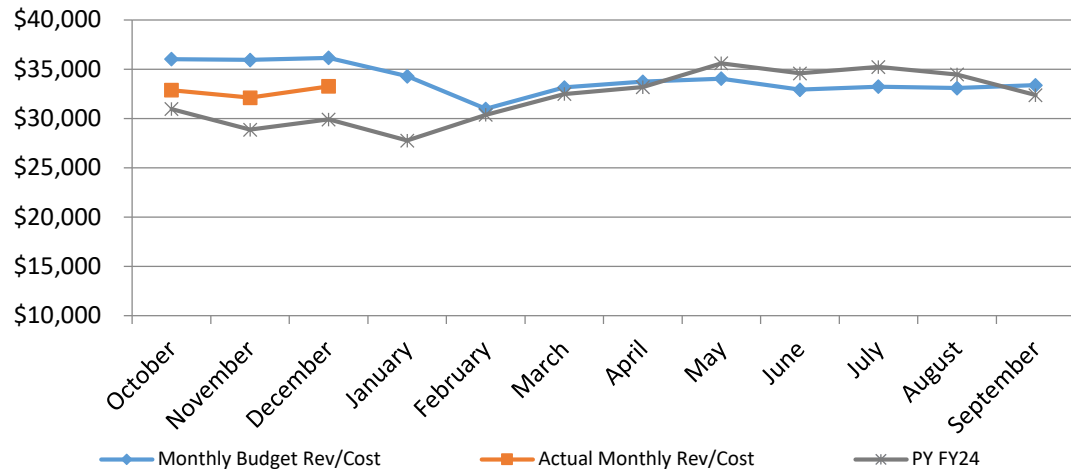
Through December 31, 2024

	Monthly Budget Sales	Actual Monthly Sales	Variance		PY FY24	CY vs PY Variance	
	mwh						
October	133,391	130,233	(3,158)	↓	133,530	(3,296)	↓
November	133,087	129,256	(3,832)	↓	123,349	5,906	↑
December	133,903	133,670	(234)	↓	129,415	4,255	↑
January	126,987				121,911		
February	120,684				115,030		
March	129,205				124,174		
April	131,485				131,353		
May	132,646				139,665		
June	128,028				135,787		
July	129,768				136,838		
August	128,906				135,325		
September	130,051				129,974		
Total	1,558,142	393,158	(7,223)		1,556,351	6,865	

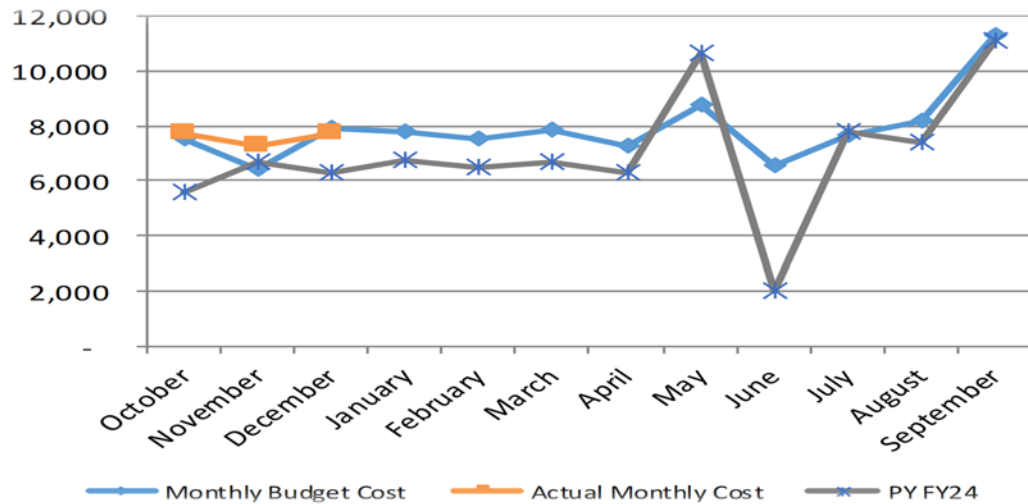


December 2024 Monthly Financial Highlights (Continued)

Fuel Revenues (in '000)



O&M Costs (in '000)



Through December 31, 2024

	Monthly Budget \$000	Actual Monthly Rev/Cost	Variance		PY FY24	CY vs PY Variance	
October	\$ 36,016	\$ 32,867	(3,149)	↓	\$ 30,964	1,903	↑
November	35,934	\$ 32,112	(3,822)	↓	28,862	3,250	↑
December	36,154	33,265	(2,889)	↓	29,905	3,361	↑
January	34,287				27,762		
February	30,966				30,366		
March	33,153				32,485		
April	33,738				33,184		
May	34,036				35,601		
June	32,920				34,575		
July	33,228				35,225		
August	33,076				34,460		
September	33,370				32,374		
Total	\$ 406,877	\$ 98,244	\$ (9,859)		\$ 385,762	\$ 8,514	

Through December 31, 2024

	Monthly Budget \$000	Actual Monthly Cost	Variance		PY FY24	CY vs PY Variance	
October	7,529	7,742	(213)	↓	5,576	(2,166)	↓
November	6,440	7,241	(801)	↓	6,647	(594)	↓
December	7,931	7,727	204	↑	6,262	(1,465)	↓
January	7,769		7,769		6,731		
February	7,516		7,516		6,488		
March	7,871		7,871		6,690		
April	7,277		7,277		6,310		
May	8,781		8,781		10,634		
June	6,514		6,514		2,008		
July	7,664		7,664		7,755		
August	8,174		8,174		7,361		
September	11,292		11,292		11,110		
Total	\$ 94,758	\$ 22,710	\$ 72,048		\$ 83,572	\$ (4,224)	



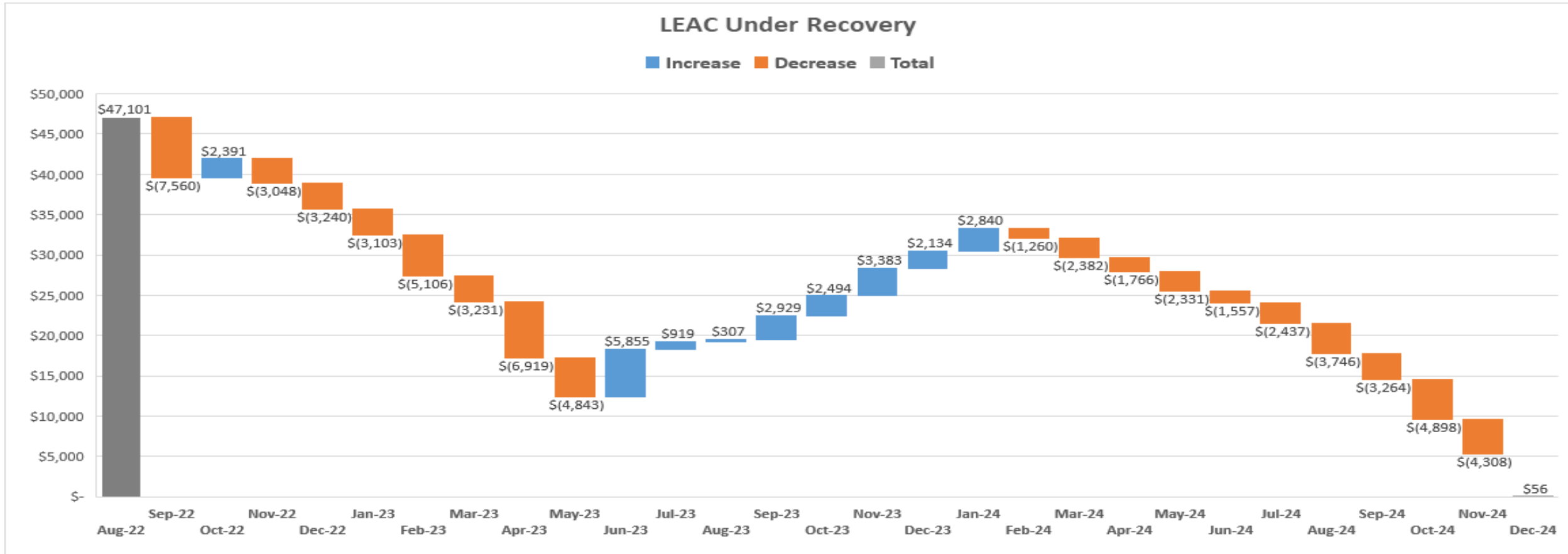
December 2024 Monthly Financial Highlights (Continued)

Through December 31, 2024

	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023	2Q2023	3Q2023	4Q2023	1Q2024	2Q2024	3Q2024	4Q2024	1Q2025
Residential	45,224	45,283	45,261	45,315	45,370	45,417	45,453	44,968	45,642	45,759	45,879	45,953	45,924
Commercial	5,349	5,367	5,368	5,373	5,425	5,473	5,436	5,421	5,447	5,476	5,522	5,547	5,558
Government	1,069	1,077	1,079	1,087	1,088	1,108	1,112	1,106	1,105	1,102	1,109	1,120	1,136
Streetlights	1,160	1,158	1,156	1,163	1,167	1,167	1,165	1,159	1,149	1,145	1,144	1,135	1,126
Navy	1	1	1	1	1	1	1	1	1	1	1	1	1
Total	52,803	52,886	52,865	52,939	53,051	53,166	53,167	52,655	53,344	53,483	53,655	53,756	53,745

Debt service coverage (DSC) calculation-indenture	2019	2020	2021	2022	2023	2024	2025
Senior lien coverage	1.78	1.42	1.54	1.71	1.29	1.69	1.49
Debt service coverage (DSC) calculation-IPP as O&M							
Senior lien coverage	1.46	1.23	1.49	1.71	1.29	1.69	1.49

December 2024 Monthly Financial Highlights (Continued)



Through December 31, 2024				
	LEAC		(Over)/Under	Under
	\$000	Revenue	Fuel Cost	Recover
				Balance
October	\$	32,867	\$ 27,969	\$ (4,898) \$ 9,661
November	\$	32,112	\$ 27,804	\$ (4,308) \$ 5,353
December	\$	33,265	\$ 27,968	\$ (5,297) \$ 56



December 2024 Credit Summary

Investment Grade Rating

	S&P Global	MOODY'S	FitchRatings
Rating	BBB	Baa2	BBB
Long-Term Outlook	Stable	Stable	Stable

ISSUES FOR DECISION

GPA Resolution FY2025-06

Relative to Approval for the Harmon T501 Repair and Rehabilitation Service

What is the project's objective? Is it necessary and urgent?

The project's objective is for the Harmon Substation T-501 transformer to be repaired and returned to service as it serves a critical path for the transmission of power from the generation units to the more concentrated load in the northern parts of the islandwide power grid. It also now serves as an interconnection point for the new Ukudu Power Plant.

Is it necessary and urgent?

This project is necessary and urgent to meet the testing and commissioning schedule of the new Ukudu Power Plant. The repairs must be completed to ensure that the islandwide power grid is able to support the generation output of the new power plant.

How much will it cost?

\$1,018,000.00

When will it be completed?

GPA anticipates the completion of the project 180 days after the issuance of the Notice to Proceed (NTP).

What is its funding source?

Revenue funds

GPA Resolution FY2025-07

Relative to Authorizing an Increase of Obligating Authority for the General Manager of the Guam Power Authority

What is the project's objective? Is it necessary and urgent?

This resolution seeks to increase the obligating authority for the General Manager of the Guam Power Authority from \$1,000,000 to \$1,500,000.

The current period of inflation, which began in mid-2021, following the COVID-19 pandemic, driven by supply chain disruptions, pandemic-related economic dislocation, climate impacts, housing shortages, and other factors caused a significant rise in the cost of goods and services.

Prices, cumulatively speaking, are 22% more expensive today than they were before the coronavirus pandemic recession began in February 2020.

The current threshold of \$1,000,000 does not hold the same buying power for goods and services as it once did prior to the COVID-19 pandemic. To help streamline the approval process, a \$500,000 increase in obligating authority to \$1,500,000 will minimize the need for the GM having to come back to the CCU to request further approval should a procurement exceed the threshold.

This resolution is necessary and urgent because garnering CCU approval, and most likely the Public Utilities Commission (PUC) and Office of the Attorney General approval, will at a minimum, add about 2 months to the timeline of the procurement.

How much will it cost?

For expenditures costing up to \$1,500,000 dollars.

When will it be completed?

Increase to take effect once resolution is approved (signed).

What is its funding source?

All funding sources.

GPA Resolution FY2025-08

Relative to the Approval of Solicitation for Strategic Project Management Office (SPMO) Contract

What is the project's objective? Is it necessary and urgent?

GPA Engineering & Technical Services Divisions lack the manpower to manage and construct expected potential future grant, revenue and bond-funded projects. This procurement is required to ensure critical and time sensitive projects are successfully completed.

How much will it cost?

The estimated cost to implement a Strategic Program Management Office is expected to represent a portion of the project's total budget estimated up to 15%, with costs allocated to architectural, engineering, and project management services. The PMO will be funded through the grant allocation for each project.

The estimated SPMO cost for current projects is estimated to be \$10,519,542.

When will it be completed?

GPA anticipates an initial 5-year base contract with an option to extend for an additional 5-year period.

What is its funding source?

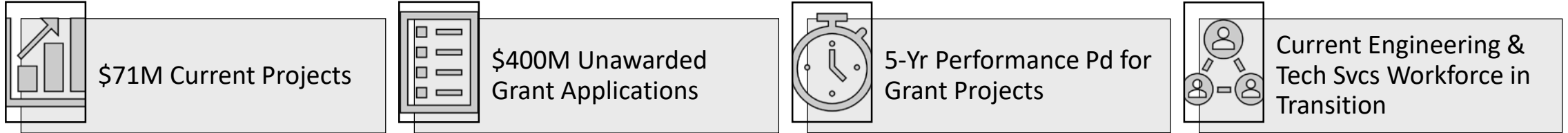
Revenue and Grant Funds. The PMO will be funded through revenue funds or the grant allocation budget for each project.

The RFP/BID responses:

RFP documents are currently being drafted.

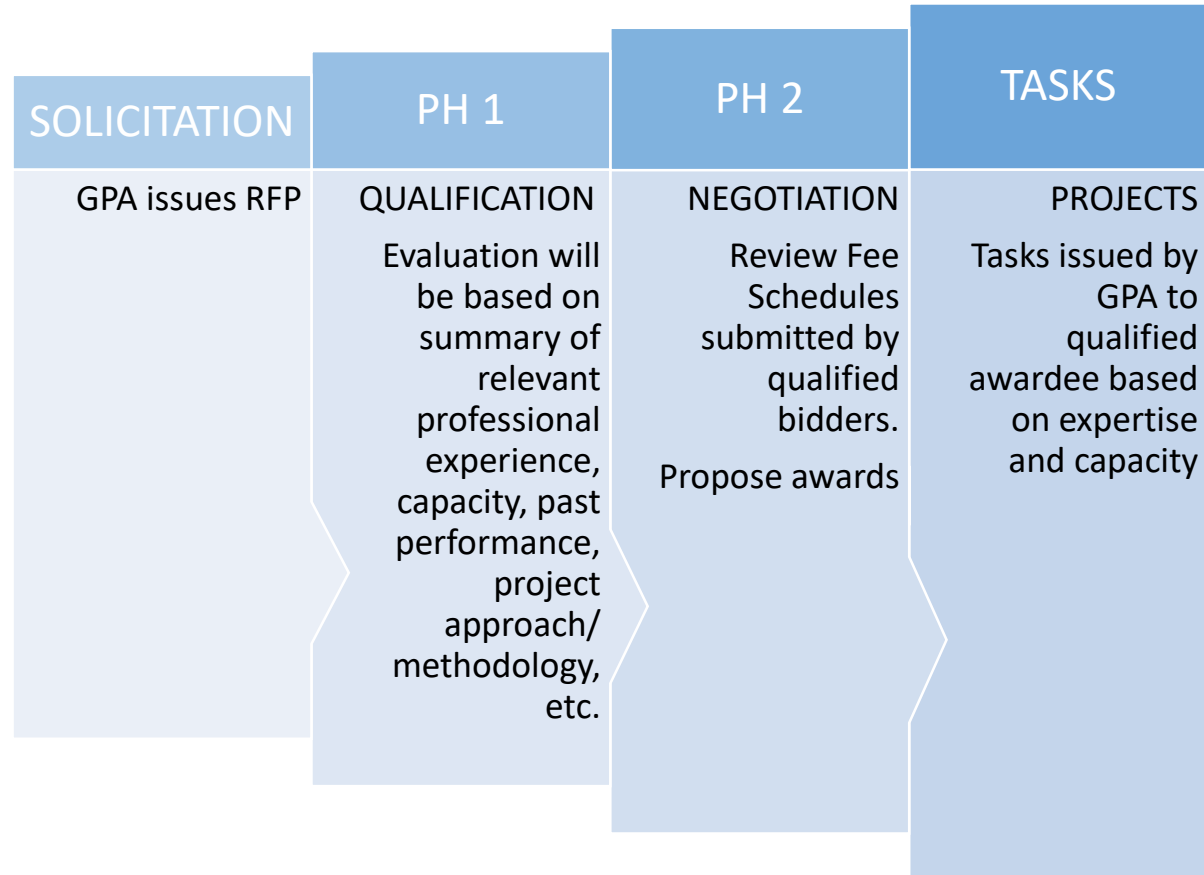
GPA Resolution FY2025-08

FY2025-08 RFP for Strategic Project Management Office Services



Request for Proposal for Professional Services

- For purposes of procuring the **services of** [...] and other **professionals**, any governmental body of Guam may act as a purchasing agency and contract on its own behalf for such services. *5 GCA §5121*
- Adequate notice of the need for such services shall be given by the purchasing agency through a **Request for Proposals**. The RFP shall describe the services required, list the type of information and data required of each offeror, and state the relative importance of particular qualifications. *5 GCA §5121*
- Award shall be made to the **offeror determined** [...] **to be best qualified** based on evaluation factors set forth in the RFP, and based on the **negotiation of compensation determined to be fair and reasonable**. *5 GCA §5121*



GPA Resolution FY2025-10

Relative to Authorizing GPA to Increase the Urea Supply Contract

What is the project's objective? Is it necessary and urgent?

The diesel exhaust fluid/UREA (“UREA”) is required to support the emissions controls for the Yigo Diesel and Aggreko units during operations. Due to the 12-18 hour operations of the Aggreko units to support the grid during solar production periods, planned and forced outages and peak demand, the consumption of UREA has increased and requires the CCU and PUC approvals to increase the contract costs through May 2027.

The current contract is on the third year of the three-year base term and is to be extended for two one-year extensions through May 1, 2027. GPA anticipates 12-18 hour operations of the Aggreko plant through end of its contract term in July 2026.

Where is the location?

Yigo Diesels/Aggreko Power Plant in Yigo, Guam

How much will it cost?

The projected additional costs are \$ 3,342,501 for approximately 2,755,000 liters of UREA from January 2025 through July 2026 for total contract costs of \$4,842,501.

When will it be completed?

Extension years of contract term will end on May 1, 2027.

What is its funding source?

LEAC

The RFP/BID responses:

Pacific Petroleum Trading Corporation was the sole bidder for the Invitation for Bid No. GPA-022-22 announced on February 10, 2022. The contract was awarded in April 2022 for a three-year base term and with two optional one-year extensions.