GPWA Regular Board Meeting

Presentation to:

Consolidated Commission on Utilities
March 26, 2024

ISSUES FOR DECISION

GPA Resolution No. FY2024-17

Relative to the Approval of the Energy Conversion Agreement (ECA) Amendment for Ukudu Power Plant

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

The ECA requires an amendment to address the cancellation of the Reserve Facility due to a significant increase in the cost of the diesel generators after the initial quote expired in 2022. A change in the GWA discharge permit after the ECA was signed triggered additional scope not initially included in the ECA, triggered a Change of Law event that requires GPA to compensate the additional construction and operation cost of a phosphate removal system. GUP is also seeking compensation for unanticipated permit conditions, additional scope and for the acceleration of the commercial operation of the Ukudu Power Plant after the site sustained significant damages due to Typhoon Mawar.

Where is the location?

Ukudu Power Plant

How much will it cost?

The costs to be adjusted in the Fixed Capacity Charge and Fixed and Variable O&M Charge include the following:

	ECA Adjustment	Fixed Capacity Charge Adjustment	Estimated O&M Adjustment (Annual)
1	Cancellation of Reserve Facility	$ (57,300,000)	NA
2	Cost Claims	$ 11,098,831	NA
3	Acceleration of Schedule	$ 5,000,000	NA
	Total	$ (41,201,169)	$ 100,000

Additionally, estimated 4-month early COD will result in net savings of $13,668,556.

When will it be completed?

The new commercial operation date (COD) is September 15, 2025

What is its funding source?

Ukudu Contract Capacity Charge thru 25-years

GPA Resolution No. FY2024-17

Relative to the Approval of the Energy Conversion Agreement (ECA) Amendment for Ukudu Power Plant

DESCRIPTION	AMOUNT
Original ECA Contract Amount (GUP-Financed)	**$ 571,000,000**
Phosphate Removal System	$ 2,732,123
41MW Reserve Facility Cancellation	($ 57,300,000)
Reserve Facility Cancellation Claims	$ 6,559,205
Backup Cooling Water Supply (Change Order)	$ 1,807,503
ECA Contract Sub-Total	**$ 524,798,831**
Accelerated Commercial Operation Date (COD) Compensation [September 15, 2025]	$ 5,000,000
New Energy Conversion Agreement Contract Total	**$ 529,798,831**
Percentage of Original Contract	*92.8%*

GPA Resolution No. FY2024-17

Relative to the Approval of the Energy Conversion Agreement (ECA) Amendment for Ukudu Power Plant

Ukudu Energy Conversion Agreement Amendment

Feb 16, 2024 Fuel Prices	
0.2LSRFO $/Bbl.	$139.05
ULSD $/Bbl.	$112.51

Fuel Cost Without Ukudu
Representative Period June 2022 to May 2023:

Plant:	kWh	% System Production	Barrels Consumed	kWh/Gal	Fuel Cost	$/kWh
Cabras 1&2	565,775,000	34.2%	1,003,239	13.4	$139,500,402	$0.247
Piti 8&9	536,099,400	32.4%	802,765	15.9	$90,319,044	$0.168
Dededo CT 1&2	70,576,330	4.3%	210,508	8.0	$23,684,218	$0.336
Piti 7	129,062,206	7.8%	336,582	9.1	$37,868,862	$0.293
Macheche	13,860,703	0.8%	27,975	11.8	$ 3,147,467	$0.227
Yigo	82,690,657	5.0%	169,287	11.6	$19,046,480	$0.230
MDI	2,035,999	0.1%	3,256	14.9	$ 366,333	$0.180
Tenjo	6,683,890	0.4%	11,301	14.1	$1,271,476	$0.190
Talofofo	2,445,830	0.1%	4,109	14.2	$462,304	$0.189
Yigo Diesels	71,356,737	4.3%	134,381	12.6	$15,119,206	$0.212
Total Conventional	**1,480,586,751**	**89.4%**	**2,703,403**	**13.0**	**$330,785,792**	**$0.223**
KEPCO Solar	131,137,749	7.9%			$11,258,176	$0.086
GlidePath Solar	43,819,937	2.6%			$9,421,286	$0.215
Total Renewables	**174,957,686**	**10.6%**			**$20,679,462**	**$0.118**
TOTAL PRODUCTION	**1,655,544,437**				**$ 351,465,254**	**$ 0.212**

GPA Resolution No. FY2024-17

Relative to the Approval of the Energy Conversion Agreement (ECA) Amendment for Ukudu Power Plant

Ukudu 4-Month Acceleration Savings

Projected Production Cost with Ukudu Online
By September 30, 2025:

Plant:	kWh	% System Production	Barrels	kWh/Gal	Fuel Cost	$/kWh
Ukudu Power Plant	1,300,000,000	78.5%	1,547,619	20.0	$174,122,619	
Piti 8&9	173,012,504	10.5%	259,072	15.9	$29,148,184	
Reserves (2% max)	7,574,247	0.5%	17,944	10.1	$2,018,902	
Renewables ($0.121/kWh)	174,957,686	10.6%			$21,169,880	
TOTAL:	**1,655,544,437**				**$226,459,585**	**$0.137**

Annual Fuel Cost Variance:	($125,005,669)
Average Monthly Fuel Cost of Ukudu Commissioning Delay:	($10,417,139)
Monthly Ukudu Contract Payment:	$5,750,000
Monthly Savings @ $112.51/Bbl.:	($4,667,139)
4-Month Acceleration Savings:	($18,668,556)
Acceleration Cost:	$5,000,000
NET FUEL SAVINGS:	**($13,668,556)**

NOTE: Does not include savings from Cabras retirement, tank lease, etc…

GPA Resolution No. FY2024-17

Relative to the Approval of the Energy Conversion Agreement (ECA) Amendment for Ukudu Power Plant

Savings of Accelerated ECA Amendment for Ukudu COD 4 months earlier

ANNUAL kWh PRODUCTION: 1,655,544,437

ULSD Price:	$ 112.51	$ 120.00	$ 150.00	$ 175.00
LSRFO (0.2%) Price:	$ 139.05	$ 146.54	$ 176.54	$ 201.54

Description	Annual Fuel Cost	$/kWh	Annual Fuel Cost	$/kWh	Annual Fuel Cost	$/kwh	Annual Fuel Cost	$/kWh
Fuel Cost without Ukudu	$ 351,465,254	0.212	$ 371,713,739	0.225	$ 452,815,817	0.274	$ 520,400,882	0.314
Fuel cost with Ukudu	$ 226,459,585	0.137	$ 240,126,103	0.145	$ 294,865,158	0.178	$ 340,481,038	0.206

Fuel Consumption Variance	$ (125,005,669)	$ (131,587,637)	$ (157,950,659)	$ (179,919,844)
Less Ukudu Contract	$ 69,000,000	$ 69,000,000	$ 69,000,000	$ 69,000,000
Savings	$ (56,005,669)	$ (62,587,637)	$ (88,950,659)	$ (110,919,844)
4-Month Cost Reduction	$ (18,668,556)	$ (20,862,546)	$ (29,650,220)	$ (36,973,281)
Acceleration Cost (ECA AMD)	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 5,000,000
Savings	**$ (13,668,556)**	**$ (15,862,546)**	**$ (24,650,220)**	**$ (31,973,281)**

Information as Requested from GPA Work Session

GPA Resolution No. FY2024-17

Piti 8&9 Cost Savings With Ukudu Commissioned:

	Annual	FY 2026	Annual Savings
Fixed O&M	$ 8,149,686	$ 8,149,686	
Variable O&M	$ 1,676,418	$ 497,912	$ 1,178,506
Cost	$ 9,826,104	$ 8,647,598	$ 1,178,506
		Cylinder oil and Emulsifier Reduction in LEAC	$ 2,200,000
		Total Savings:	$ 3,378,506

Savings from Reduced variable cost from reduced production to 173,012,504 kwh

GPA Resolution No. FY2024-17

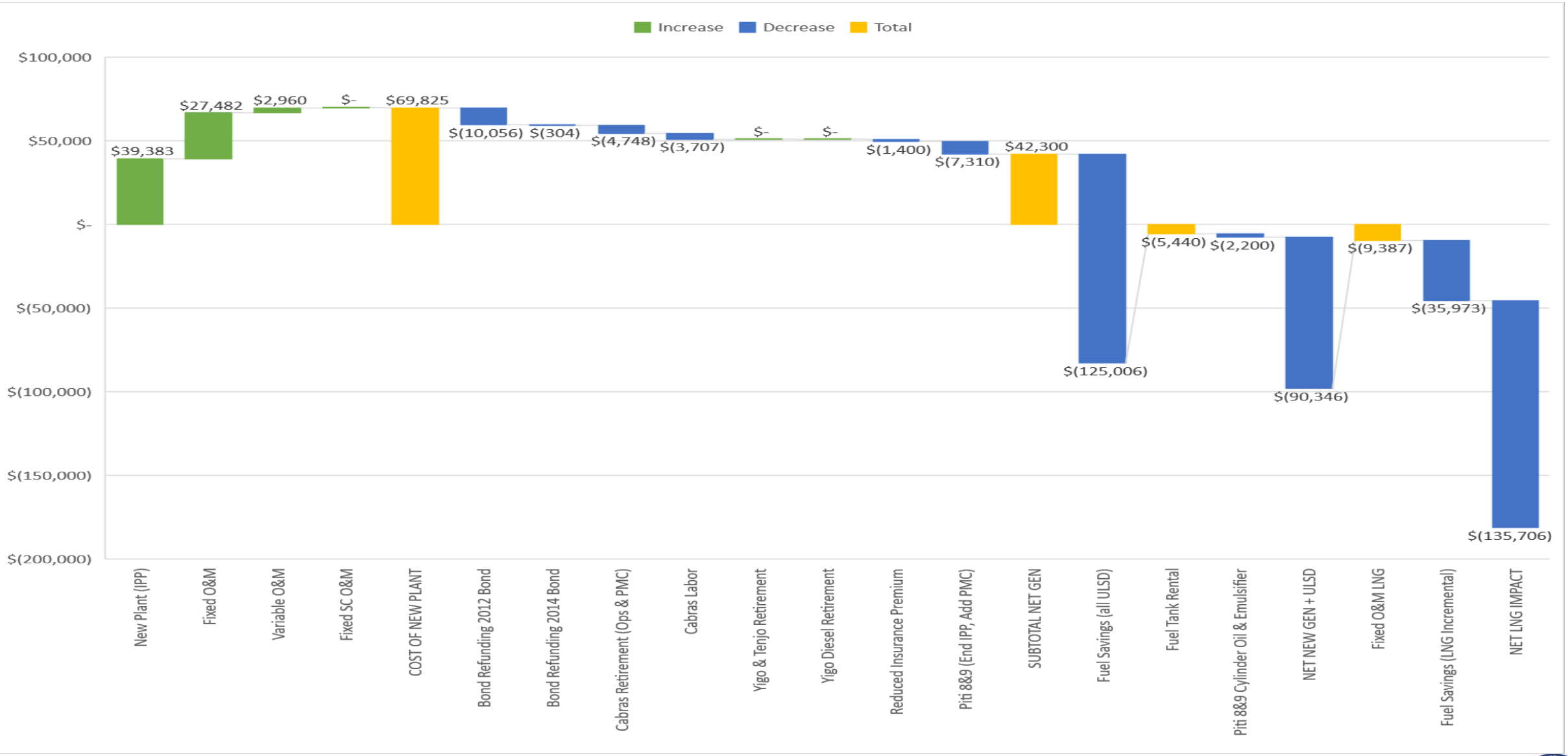
GPA New Gen Waterfall Chart (Jan. 2021 Estimates)

(in '000)	
New Plant (IPP) 2023	$ 39,810
Fixed O&M 2023	27,382
Variable O&M 2023	2,888
Fixed SC O&M 2023	2,000
Cost of New Plant	**72,080**
Bond Refunding (2022)	(19,421)
Retirement of Cabras (Ops & PMC) 2023	(4,748)
Cabras Labor 2023	(3,707)
Yigo & Tenjo (Retirement) 2023	(2,007)
Aggreko (Retirement) 2023	(3,230)
Reduced Insurance (Premium)	(4,000)
Piti 8&9 (End IPP, Add PMC) 2024	(7,310)
Subtotal Net Gen	**27,657**
Fuel Savings (all ULSD) 2024	(63,916)
NET NEW GEN + ULSD	**(36,259)**
Fixed O&M LNG 2026	(9,387)
Fuel Savings (LNG Incremental) 2027	(35,973)
Net LNG Impact	**(81,619)**

March 2024 Preliminary Estimates

(in '000)		
New Plant (IPP)	$ 39,383	
Fixed O&M	27,482	
Variable O&M	2,960	
Fixed SC O&M	-	
Cost of New Plant	**69,825**	
Bond Refunding 2012 Bond	(10,056)	
Bond Refunding 2014 Bond	(304)	**Completed**
Cabras Retirement (Ops & PMC)	(4,748)	**Estimate**
Cabras Labor	(3,707)	
Yigo & Tenjo Retirement	-	**Being Reviewed**
Yigo Diesel Retirement	-	**Being Reviewed**
Reduced Insurance Premium	(1,400)	
Piti 8&9 (End IPP, Add PMC)	(7,310)	**IPP Ended**
SUBTOTAL NET GEN	**42,300**	
Fuel Savings (all ULSD)	(125,006)	
Fuel Tank Rental	(5,440)	
Piti 8&9 Cylinder Oil & Emulsifier	(2,200)	
NET NEW GEN + ULSD	(90,346)	
Fixed O&M LNG	(9,387)	
Fuel Savings (LNG Incremental)	(35,973)	
NET LNG IMPACT	**(135,706)**	

GPA Resolution No. FY2024-17



GPA Resolution No. FY2024-19 / Resolution No. 16-FY2024 (GWA)

Relative to the Creation of Position: Information Security Supervisor, Infrastructure Support Supervisor, Application Support Supervisor *positions for GPA and GWA*

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

The Guam Power Authority (GPA) and Guam Waterworks Authority (GWA) Information Technology (IT) Divisions continue to modernize operations due the evolution of the cyber security landscape over the past few years. The pandemic has accelerated digitization, necessitating the creation of new processes to achieve the Authorities goals. These changes have heightened cyber security risks, including infrastructure and application vulnerabilities. The Geopolitical agendas also raise concerns about electronic warfare and cyber-attacks on Guam especially affecting the Authorities with targeted attacks increasing. Additionally, the demand for certified technical professionals has led to skill shortages, contributing to these challenges.

The Authorities are proposing to create the following positions:

- Information Security Supervisor
- Infrastructure Support Supervisor
- Application Support Supervisor

The creation of the aforementioned positions offers supervisory oversight to provide strategic direction and enhance workflow efficiency within GPA and GWA's IT departments.

Where is the location?

The Information Security Supervisor, Infrastructure Support Supervisor and Application Support Supervisor positions will be organizationally based with the IT Divisions of GPA and GWA.

GPA Resolution No. FY2024-19 / Resolution No. 16-FY2024 (GWA)

Relative to the Creation of Position: Information Security Supervisor, Infrastructure Support Supervisor, Application Support Supervisor *positions for GPA and GWA*

How much will it cost?

The proposed pay ranges and demonstration of compliance with §6301 of this Title: GWA & GPA's compensation plan was authorized by P.L. 28-159 and approved by the CCU in October 2007. The proposed compensation is in accordance with the Strategic Pay Plan Methodology. There is no cost in creating the series of positions, however, the proposed salary range to fill the positions are as follows:

Information Security Supervisor
Min: $94,606 per annum/$45.48 per hour
Max: $98,447 per annum/$47.33 per hour

Infrastructure Support Supervisor
Min: $91,823 per annum / $44.15 per hour
Max: $95,552 per annum / $45.94 per hour

Application Support Supervisor
Min: $91,823 per annum / $44.15 per hour
Max: $95,552 per annum / $45.94 per hour

When will it be completed?

Public Law 28-159, Section 7.0.3 (c) requires GPA and GWA to post a petition on their respective websites for ten *(10) days (Saturdays, Sundays, and government of Guam holidays excepted).* GPA and GWA have met the posting requirements and the position creation can be acted upon by CCU at the March 26, 2024, Board meeting. Once adopted by the CCU, the creation of the Information Security Supervisor, Infrastructure Support Supervisor and Application Support Supervisor positions will not be filled, until the thirty (30) days have elapsed from the date of filing the petition and resolution with the Legislative Secretary.

What is the funding source?

GPA and GWA are responsible for the funding available for these positions and are in compliance with all applicable laws, rules, and regulations regarding the creation, filling and retention of positions in certified, technical, and professional positions. The funding of this position has no financial impact on the Government of Guam General Fund.

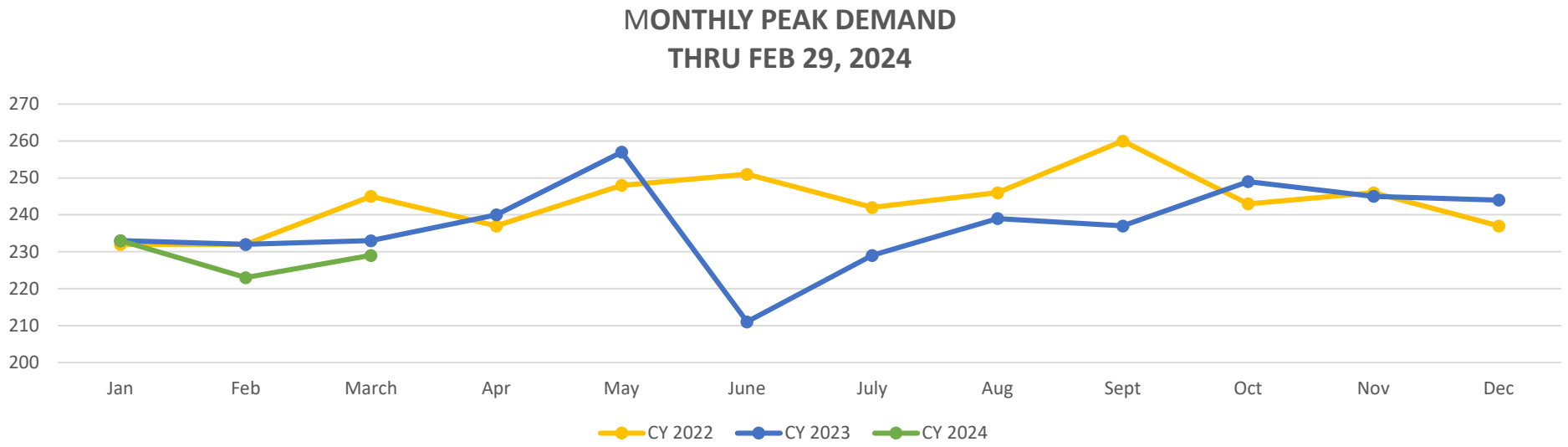
GM REPORT

General Manager's Report

1. Reserve Margin Forecast for April 2024:

Targeted Available Capacity:	272 MW (All Baseloads Available)
Projected Demand:	237 MW
Anticipated Reserve Margin:	35 MW
Interruptible Load Availability:	16 MW
Total Reserves:	51 MW

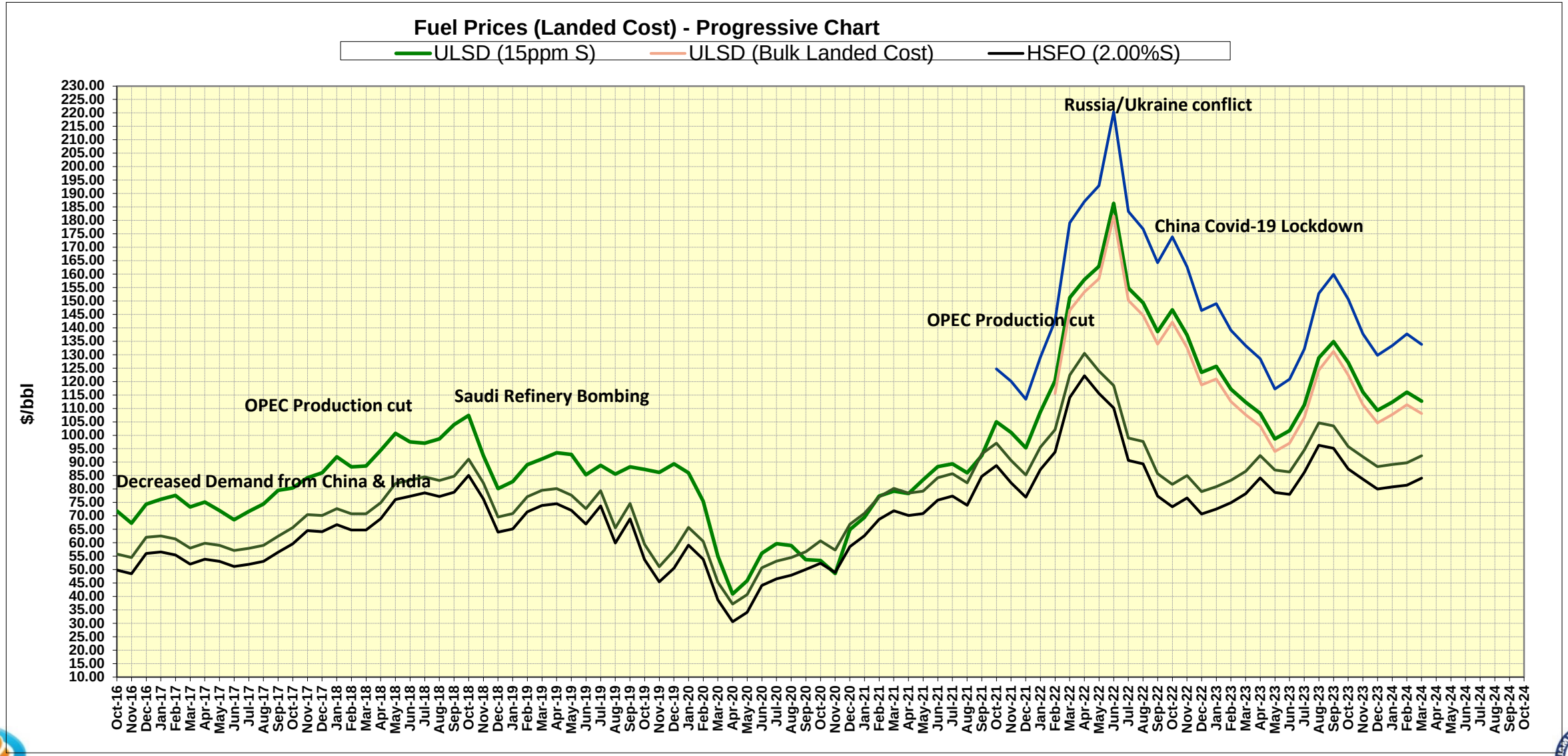
2. System Peak Demand:



General Manager's Report

3. GPA Fuel Landed Cost (Per Barrel thru 3/15/2024)

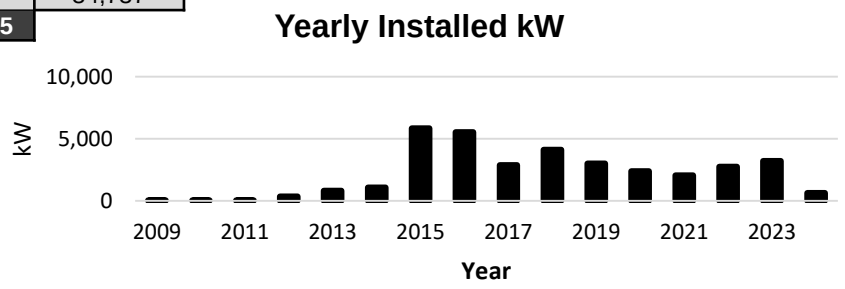
ULSRFO 0.2% **$133.84** **ULSD Bulk** **$108.08**

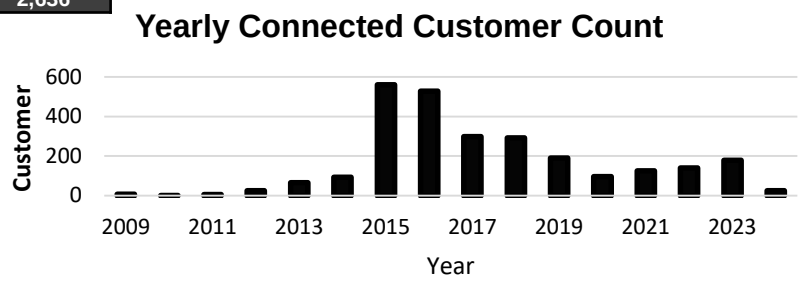


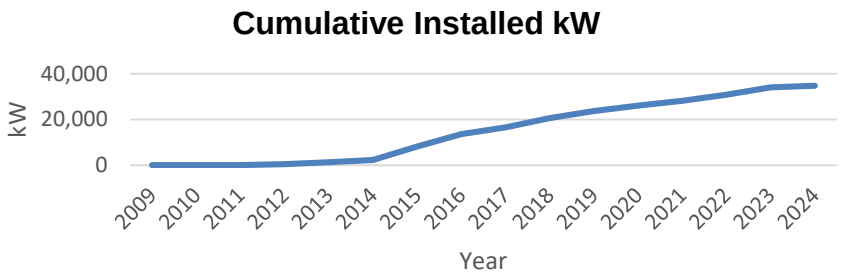
General Manager's Report

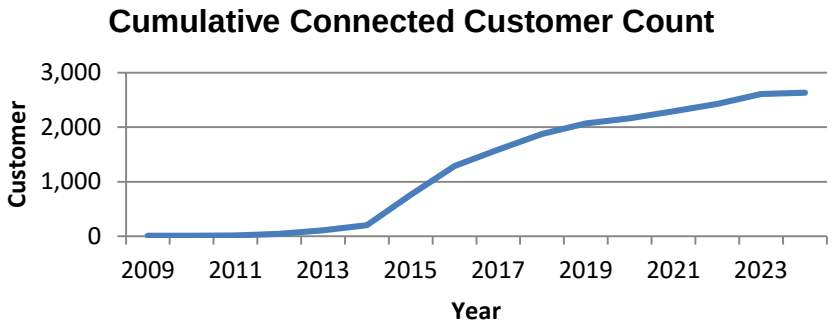
Installed kW by Year		
Year	Total	Cumulative
2009	39	39
2010	39	79
2011	42	120
2012	335	455
2013	808	1,263
2014	1,067	2,330
2015	5,843	8,173
2016	5,531	13,704
2017	2,887	16,591
2018	4,103	20,694
2019	3,002	23,697
2020	2,380	26,077
2021	2,059	28,135
2022	2,749	30,885
2023	3,218	34,103
2024	634	34,737
Grand Total	34,737.05	

Customer Count by Year		
Year	Total	Cumulative
2009	7	7
2010	2	9
2011	6	15
2012	26	41
2013	66	107
2014	93	200
2015	560	760
2016	528	1,288
2017	298	1,586
2018	292	1,878
2019	190	2,068
2020	97	2,165
2021	126	2,291
2022	140	2,431
2023	179	2,610
2024	26	2,636
Grand Total	2,636	









General Manager's Report

4. PUC Update:

GPA Docket – **Thursday, March 28, 2024** Regular Meeting

- GPA Docket No. 24-15: Petition of the Guam Power Authority to Approve the Award of 20 MW of Temporary Power
  - Passed by the Legislature and signed into law March 8, 2024, Public Law 37-81 - No official copy of public law available online at this time.

Approved Dockets on February 29, 2024:

- GPA Docket No. 24-11: Petition of the Guam Power Authority to Approve the Relocation of the Yigo Diesel Generators;
- GPA Docket No. 24-12: Petition of the Guam Power Authority to Approve One Consecutive Two-Year Extension of Residual Fuel Oil (RFO) No. 6 Supply Contract with Hyundai Corporation;
- GPA Docket No. 24-13: Petition of the Guam Power Authority to Approve Extension of Ultra-Low Sulfur Diesel (ULSD) Storage Lease Agreement with Tristar Terminals Guam, Inc.;
- GPA Docket No. 24-14: Petition of the Guam Power Authority to Approve Procurement of Supply of Ultra-Low Sulfur Diesel (ULSD) for Various Power Generating Plant Site Locations

Dockets Pending PUC Review:

- GPA Docket 24-03, Petition to Review 12 G.C.A. §8502 (c)(2)(B) relative to Net Metering

General Manager's Report

5. Customer Assistance

Prugråman Ayuda Para I Taotao-Ta Energy Credit

- P.L. 37-66, the fourth extension (January – March 2024) to the Energy Credit Program was signed on into law on February 26, 2024.
- GPA received $5.27 million on March 5, 2024 and $100 credit for January 2024 has been applied to all active accounts.

Guam Homeowner Assistance Fund Program (HAF)

- *The Department of Administration's Homeowner Assistance Fund, federally funded by the American Rescue Act (ARPA) to support homeowners experiencing hardship as a result of the COVID-19 pandemic, is now closed.*
- *All financial assistance provided by the U.S. Treasury for the program has been expended.*
- *Effective January 31, 2024, the application period ended, and the application portal permanently closed.*

Emergency Rental Assistance (ERA) Program

- $118,130.92 was applied to qualified ratepayer accounts in the month of February 2024, totaling $6,775,644.95 since program inception. [Batches 294 – 297]

General Manager's Report

6. Customer Engagement, Community Outreach & Notable Events

- Latest GPA news and updates on projects, energy-saving tips, assistance, Clean Energy Master Plan etc., is broadcasted through print and e-newsletters, social media, advertisements, post on GPA website, and outreach events.
- "GPA Requests $6 Billion from FEMA for Guam Infrastructure Resiliency Plan" release on February 19, 2024.
- February 19-25, 2024, Washington DC Re: Funding Support and Partnering Opportunities to Improve the IWPS Resiliency and Readiness. Met with Congressman Moylan along with representatives from the following offices:
  - Hon. Brendan Owens, Assistant Secretary of Defense – Energy, Installations, and Environment, Pentagon
  - Elise Krekorian, Counsel, House Committee on Energy & Commerce. Subcommittee on Energy & Environment
  - William (Will) Burns, Legislative Assistant, Congressman Jay Obernolte (CA 23rd Dist), Committee on Energy & Commerce; Subcommittees: Communications & Technology; Health; Environment, Manufacturing & Critical Materials
  - Arthur Speck III, Senior Legislative Assistant, Congressman Randy Weber (TX 14th Dist), Committees on Energy & Commerce; and Science, Space & Technology
  - Austin Bray, Legislative Assistant, Congressman Ryan Zinke (MT 1st Dist), Committee on Appropriations Subcommittees: Interior, Environment, and Related Agencies; Military Construction, Veterans Affairs and Related Agencies; and Transportation, Housing and Urban Development, and Related Agencies, US Joint Commission on China
- March 13 and 14, 2024 – GPA Employee Briefings, Authority-wide



GPA Requests $6 Billion from FEMA for Guam Infrastructure Resiliency Plan

Funds to support efforts to strengthen Guam's Island-Wide Power System and place power lines underground

General Manager's Report

6. Customer Engagement & Community Outreach (continued)

- School Outreach: **F.B. Leon Guerrero Middle School Science Expo (February 21, 2024)**.
  - GPA participated in the science expo by demonstrating its Renewable Energy STEM kits and illustrating and explaining safety and electricity with middle school students.
  - SPORD Engineer III Victor Torres discussed the different types of renewable energy and demonstrated how renewable energy works using the solar and wind STEM Kits.
  - T&D Lineman Electrician II Damon Hocog discussed the importance of personal protective devices (PPEs) when working with electricity. Students were reminded not to approach power lines, and to report down lines to GPA and always practice safety when handling their electronic devices. Equipped with his safety gear, Damon showcased a hot dog experiment and demonstrated the affects of electrical current on a person's skin.
  - Communications personnel discussed energy-efficiency, power conservation tips along with the "Beat the Peak" campaign.
  - A total of approximately 450 students consisting of grades 6th through 8th.







General Manager's Report

Workforce Succession & Planning Updates



APPRENTICE

5th Cycle – Completed Oct 2023

6th Cycle – Completion Oct 2024

7th Cycle – Onboarding April 2024



INTERNSHIP

Extended Terms and Internship Areas
-Cybersecurity
-Human Resources
-Finance
-Engineering

UOG Partnership in progress



IN-HOUSE TRAINING

1st cycle – Trainees complete in year 2; Completion Mar 2025

2nd cycle – Recruitment in progress

General Manager's Report

7. DSM Online Report – February 2024

OVERALL COUNTS

Month	ALL			COMMERCIAL			RESIDENTIAL		
	Applications	Equipment	Rebates	Applications	Equipment	Rebates	Applications	Equipment	Rebates
FY-2022*	696	981	$ 195,675	7	12	$ 1,950	689	969	$ 193,725
FY-2023	5,721	7,990	$ 1,618,250	67	101	$ 19,350	5,654	7,889	$ 1,598,900
Oct-23	416	572	$ 115,125	7	12	$ 1,800	409	560	$ 113,325
Nov-23	450	654	$ 129,875	4	5	$ 700	446	649	$ 129,175
Dec-23	389	558	$ 112,050	7	10	$ 1,950	382	548	$ 110,100
Jan-24	442	607	$ 125,850	3	3	$ 2,000	439	604	$ 123,850
Feb-24	321	461	$ 102,200	6	8	$ 5,800	315	453	$ 96,400
Mar-24									
Apr-24									
May-24									
Jun-24									
Jul-24									
Aug-24									
Sep-24									
TOTAL	8,435	11,823	$ 2,399,025	101	151	$ 33,550	8,334	11,672	$ 2,365,475

AVERAGES

Month	ALL		COMMERCIAL		RESIDENTIAL	
	Applications	Equipment	Applications	Equipment	Applications	Equipment
As of Feb-24	$ 284	$ 203	$ 332	$ 222	$ 284	$ 203

** DSM Online went live on 8/17/22. FY2022 Figures are from 8/17/2022 to 9/30/2022 only.*
Large Commercial, Government, Prepaid, and Inactive accounts are still tracked and processed manually.
Paper applications are NOT INCLUDED with these counts.

General Manager's Report

8. New Power Plant Update: GPA Activities

Completed:

- ECA Amendment: Signed on March 17, 2021.
- Resolution on Section 106 process between Navy/SHPO/GPA (cultural process)
- Archaeological Inventory Survey of Ukudu Site
- Cultural Survey for boring scope fuel/water/power project areas (outside of plant)
- Baseline noise study for Piti 41 MW diesel generator plant site.
- Water Supply and Discharge Agreement signed.
- Approval of research design for boring of proposed site in Piti for diesel generator relocation
- Approval of Archaeological Monitoring & Discovery Plan for pipeline construction
- Public Law 36-91 was signed on 4/11/22 for exemption of construction of Reserve Facility in Piti.
- GHPO Concurrence of Section 106 of the bull cart trails
- Land Lease Agreement was signed by Governor, Lt. Governor and Attorney General on July 6, 2022
- Geotechnical boring test report at the Piti site completed.
- GPA approves remaining Phase 5 & 6 construction permits.
- GPA obtains MEC specialist for construction support at Nimitz allowing excavation to resume on Nov. 1, 2022
- GPA obtains easement to avoid Chaot river area near Route 4 in Sinajana for pipeline construction.
- GPA provides notice to Navy of work starting on the bullcart trails along the pipeline route after Navy NEPA process.
- GPA obtains signage requirements for bullcart trails from Navy.
- CCU officially approves cancellation of Reserve Facility.
- Governor visits plant site on Feb. 2, 2023
- GPA obtains GEPA approval for Land Use Control Work Plan.
- GPA met with Mayor Paco and Mayor Sarvares to coordinate bullcart excavation in Harmon and Mongmong-Toto-Maite.
- PUC officially approves cancellation of Reserve Facility.
- GPA reviewed GUP's proposed pipeline construction plan for the Nimitz Hill Steep Section and provided comments to contractor.
- GPA received overview of commissioning plan from GUP commissioning team on Apr. 12, 2023.
- GPA obtains CCU approval for LNG Phase I pending PUC approval
- GPA met with GUP/DUP on Jun 7th, 2023 to discuss the impact of Typhoon Mawar and the actions required to mitigate the damage.
- GPA restored power to Ukudu Power Plant on Jun. 8, 2023.
- Resolved fuel supply configuration issue with GUP on Oct. 24, 2023.
- GPA and GUP reached an agreement on Dec. 6th, 2023 to establish the new Required Commercial Operation Date (RCOD) for Sep. 30th, 2025.

General Manager's Report

8. New Power Plant Update: GPA Activities (continued)

Ongoing / Pending:

- Archaeological & Cultural Requirements:
  - ✓ Archaeological monitoring for pipeline construction work (Chaot & Nimitz areas).
  - ✓ Archaeological monitoring is nearly completed for all required areas.
  - ✓ Archaeological monitoring is completed for all pipeline work. GPA assessing if further monitoring is required in additional areas.
- Water & Wastewater Requirements:
  - ✓ Change of Law issues due to update GWA NPDES permit affecting discharge of wastewater from cooling system. Follow-up with GWA on the NPDES permit modification.
- Construction Permit & Drawing Reviews:
  - ✓ Interconnection and pipeline design documents are being reviewed for approval.
- Reserve Facility:
  - ✓ Reviewing draft ECA amendment provided by GUP
- Other:
  - ✓ Monthly project reviews including Project Schedule.
  - ✓ Weekly meetings on contract items and ongoing construction activities and pending issues
  - ✓ Coordination with Navy on excavation activities for pipeline construction
  - ✓ Coordination with GUP/DUP on construction activities within Harmon Substation
  - ✓ GPA preparing response to GUP force majeure claim.
  - ✓ GPA is reviewing GUP's proposal to change fuel pump configuration.
  - ✓ GPA is assisting DUP with work within Harmon Substation
    - ✓ GPA work includes installation of line guards, outage coordination, providing materials, stringing transmission lines, etc.
  - ✓ GPA T&D has begun weekend work to string transmission lines from Harmon Substation to the Ukudu AIS.
  - ✓ GPA reviewing draft ECA amendment submitted by GUP.

General Manager's Report

8. New Power Plant Update: GUP Activities (Contractor)

Typhoon Mawar Restoration:

- DUP structural engineer arrived on island Jun. 7th, 2023 to perform damage assessment.
- Switchgear and HRSG technical advisors arrived on island on Jun. 8th, 2023 to assess extent of the damage.
- GUP is requesting for a 14.5 month extension to the required Commercial Operation Date.
- GUP reviewing treated water tank demolition plan.
- Completed demolition of fire-water tank.
- GUP finalizing decision for MV switchgear repair/replacement.
- Demolition of all damaged ULSD and treated water tanks are completed. DUP has resumed vertical welding of tank walls.
- 3 levels of steel walls are in place for the treated water tanks. The 4th level of steel walls is currently being installed for both ULSD tanks.

Typhoon Bolaven:

- Site was not affected by the typhoon and equipment was well preserved.

Completed:

- EPC Contract – Doosan
- Height Variance for Ukudu Site
- Financing Contracts Signed – Equity Bridge Loan in place. Senior loan requires air permit and land lease legislation for funds drawdown.
- Down payment to Siemens to secure Turbine Order (long lead item)
- Survey Maps for land lease recorded at Dept. of Land Management
- Phase I for Ukudu Plant construction permit approved. Foundation work is ongoing.
- GUP issues Notice to Proceed to EPC on May 31, 2022.
- Land Lease Agreement was signed by Governor, Lt. Governor and Attorney General on July 6, 2022
- GEPA approves and issues Ukudu Air Permit on 7/20/22 during construction ground breaking ceremony.
- KEPCO/GUP achieves financial close on September 30, 2022.
- Obtained DPW heavy haul permit on Feb. 3, 2023
- Delivered letter to GPA for review requesting additional compensation for increased costs and delays.
- Completed all heavy haul transports on Apr. 24th, 2023.
- Obtained permit approval for reuse water pipeline installation from DPW and GEPA.
- Concrete work completed for median restoration.
- Conducted monthly cybersecurity meeting to discuss NERC compliance with GPA Oct. 6, 2023
- GUP/DUP presented Route 16 work plan to DPW on Nov. 2nd, 2023.
- GUP/DUP submitted complete package requested by DPW for the Route 16 permit on Dec. 13, 2023.
- GUP/DUP acquired encroachment permit from DPW to begin work along Route 16. Construction began on Jan. 26th, 2024
- GUP submitted draft ECA amendment on Feb. 8th, 2024 for lenders and GPA review

General Manager's Report

8. New Power Plant Update: GUP Activities (Contractor) continued

Ongoing / Pending: *(continued)*

Construction

- Power Plant – All 6 phases of plant building construction permits were issued by Oct. 2022.
- Pipeline –
  - Construction of above-ground pipeline pedestals is ongoing
  - Excavation has started on Route 34..
  - Began construction on Route 16 on Jan. 26,2024
  - Excavation began near the Barrigada Post Office on Feb. 12, 2024.
  - GUP/DUP is working with DPW to acquire encroachment permits for the remaining segments of Route 16.

Transmission Line

- Design and material specifications under review.
- Anticipating construction early 2023 pending permit approval.
- Cleared area between Harmon Substation and Ukudu Plant for new transmission lines.
- Pole foundation work is completed within Harmon Substation.
- Installation of transmission line between Harmon Substation and Ukudu Plant is ongoing.

Existing Pipeline Cleaning & Demolition

- GPA continues to work with GEPA on a Land Use Control document regarding Route 16 (Airport) to Route 34 abandonment plan.

Reserve Facility

- Provided draft ECA amendment to GPA.

Schedule Update

- GUP submitted updated schedule on Sep. 13, 2023 with a Jan, 2026 Commercial Operation Date
- GUP submitted "accelerated" schedule on Sep. 13, 2023 with a Sep, 2025 Commercial Operation Date
  - GPA is reviewing GUP's $12 million dollar request to accelerate schedule
  - The new COD has been determined by GPA and GUP. Pending ECA amendment and approvals from CCU & PUC.

Transportation Logistics

- EPC continues to work with DPW on transport plan from Port to Ukudu site.
- Bridge analysis dictating required transport equipment.
- Temporary bridge delivered as required by DPW as backup for any bridge damage due to limited alternate routes in some areas.
- Transportation will take several hours over several days to move HRSG modules and will affect traffic during movement.
- Weekly meetings being held to discuss plans and requirements.
- 25 heavy cargo movements expected thru April 2023
- Demonstration of the Self-Propelled Modular Transporter (SPMT) was provided to DPW, GUP, DUP and GPA representatives on Oct. 27 at the Port.
- First heavy cargo shipment arrived on Guam on Nov. 2 which contains the 12 HRSG modules. It is being stored at the Port.
- Doosan team has hired media group to provide public outreach.
- Heavy haul transportation ongoing. First transport began Feb 4th.
- Painting of newly constructed medians is completed.

General Manager's Report

Ukudu Power Plant Construction Status

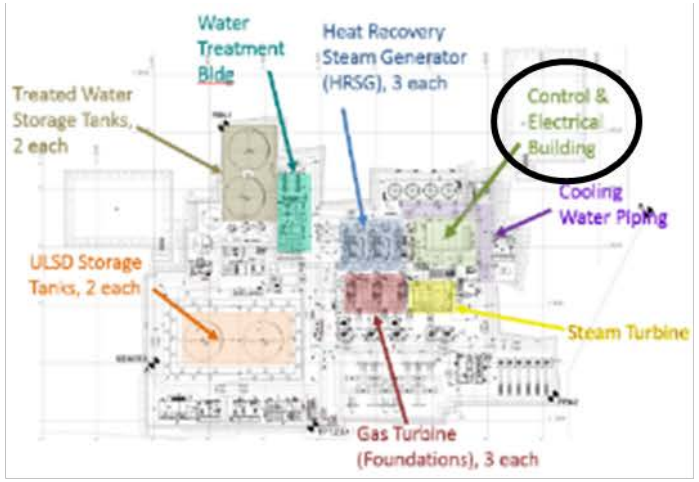
Plant construction progresses steadily. Major completed work includes: BESS civil work, HP & IP Feed Water Pump Foundation, and Painting Work in the Switchyard Control Building. Ongoing work includes: Main stack installation for HRSG 1-3, installation of main firefighting piping ring, and transmission line installation from the Harmon AIS to Ukudu.

Actual accumulated progress including Engineering, Procurement, and Construction: **82.61%**



General Manager's Report

Ukudu Power Plant Construction Status



Control & Electrical Building



Control Room – Workstations are in place



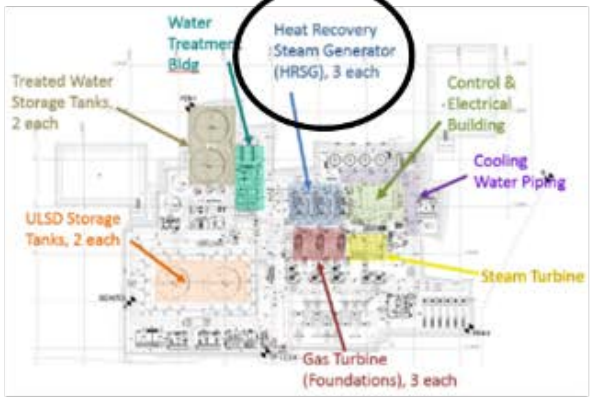
MV Switchgear Area



General Manager's Report

Ukudu Power Plant Construction Status

Heat Recovery Steam Generator (HRSG)



HP/IP Feedwater Pump Foundation work is ongoing between HRSG #1 and HRSG #2



HRSG 1-3: Steel Structure & Drum Installation Work is ongoing



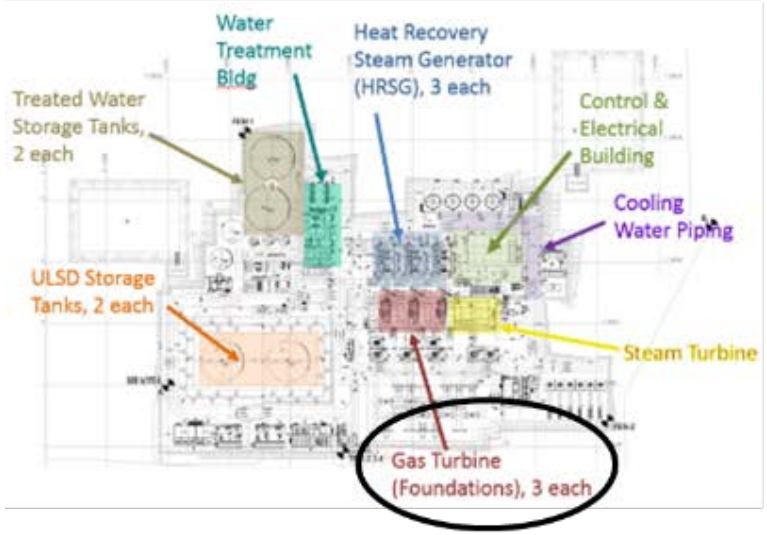
Piping installation is ongoing below HRSG #3



General Manager's Report

Ukudu Power Plant Construction Status

Gas Turbines & Generators



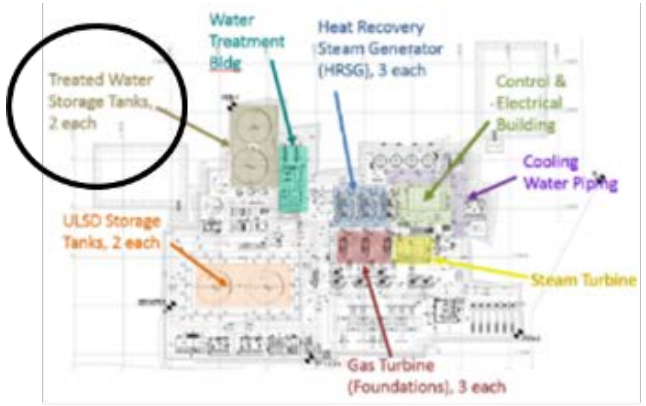


GTG Building – Air intake and piping installation is in progress



General Manager's Report

Ukudu Power Plant Construction Status



Treated Water Storage Tanks – 3 levels of steel walls are in place for both tanks

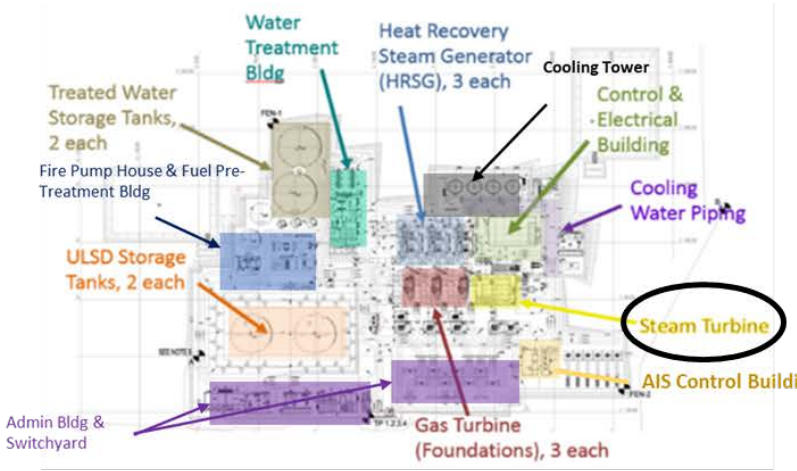


Fire Fighting Tanks – Internal work is ongoing. Preparing for roof installation.



General Manager's Report

Ukudu Power Plant Construction Status



Steam Turbine & Generator Building – Installation of exterior panels has been completed

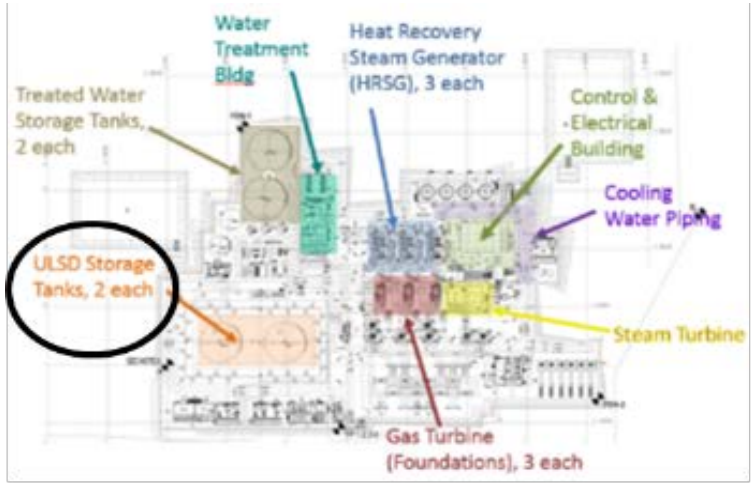


Installation of the ST Condenser, Circulating Water Risers, and Auxiliary Heat Exchangers is in progress



General Manager's Report

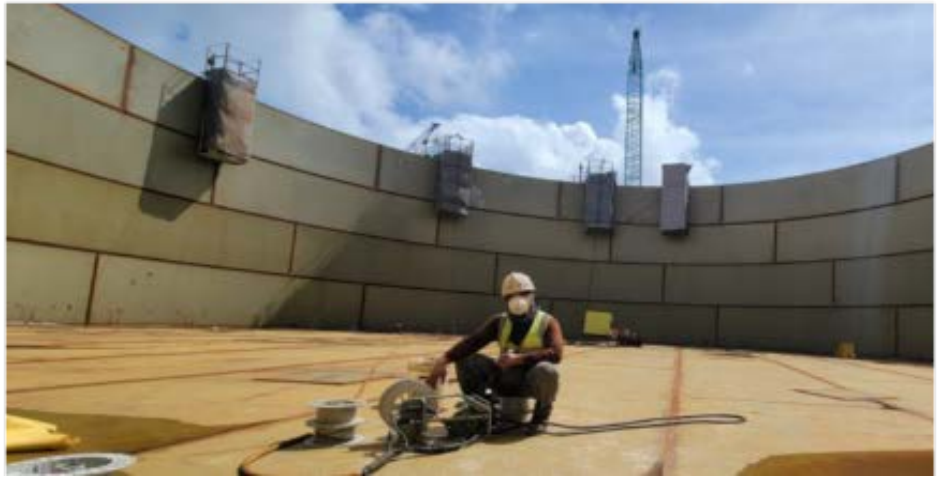
Ukudu Power Plant Construction Status



ULSD Storage Tanks – Installation is in progress for the 4th level of steel walls

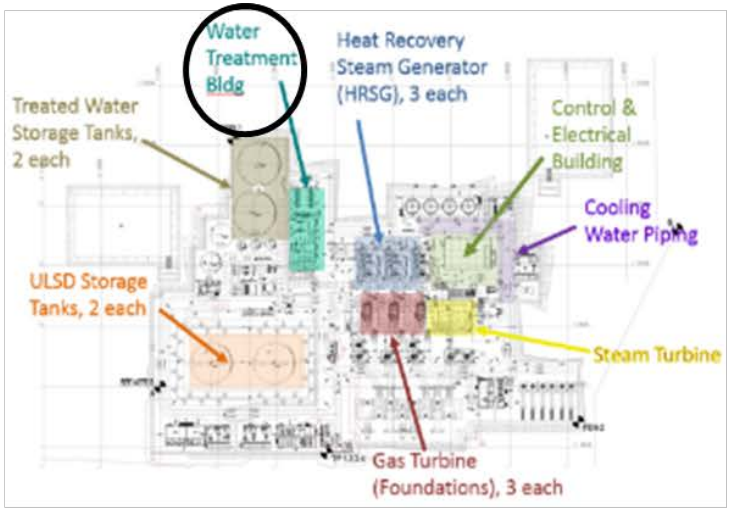


Inside view of ULSD Tank A



General Manager's Report

Ukudu Power Plant Construction Status



Water Treatment Building – Equipment installation and piping work is ongoing.

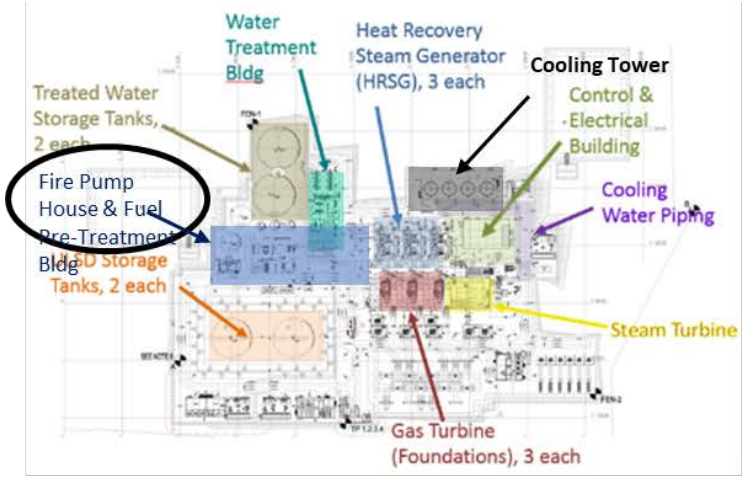


Water Pre-Treatment Area – Installation of pipe supports



General Manager's Report

Ukudu Power Plant Construction Status



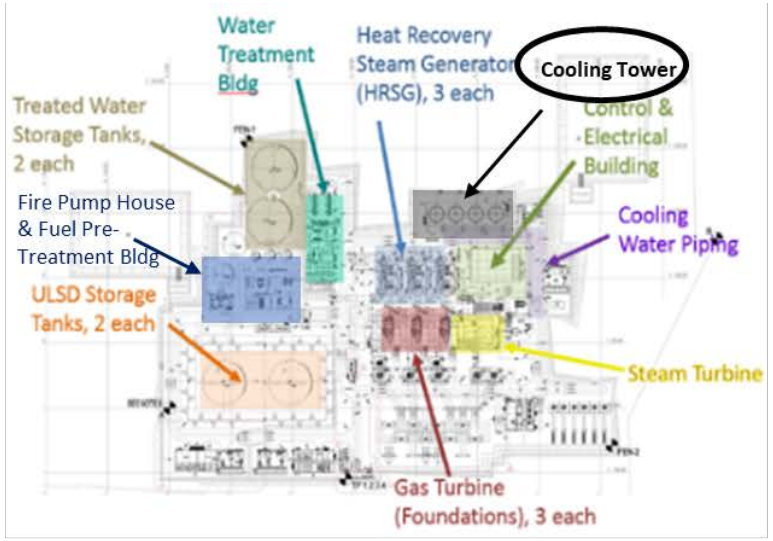


Fire Pump House– External piping towards Firefighting tank is being installed



General Manager's Report

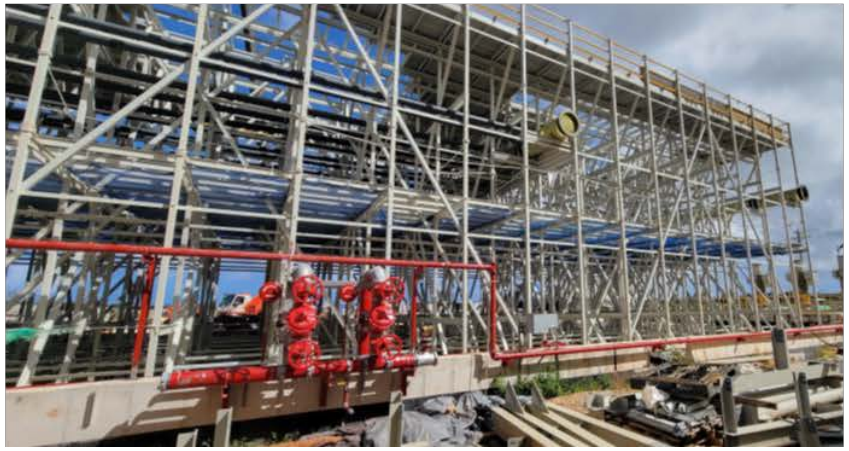
Ukudu Power Plant Construction Status



Cooling Tower & Basin – FRP structure assembly is in progress

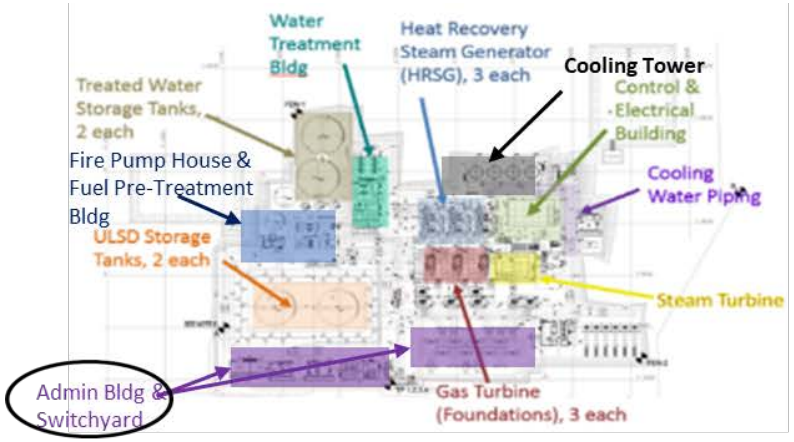


Fire Water Piping installation is ongoing



General Manager's Report

Ukudu Power Plant Construction Status



Switchyard – Gravel is being placed in the east side of the AIS yard

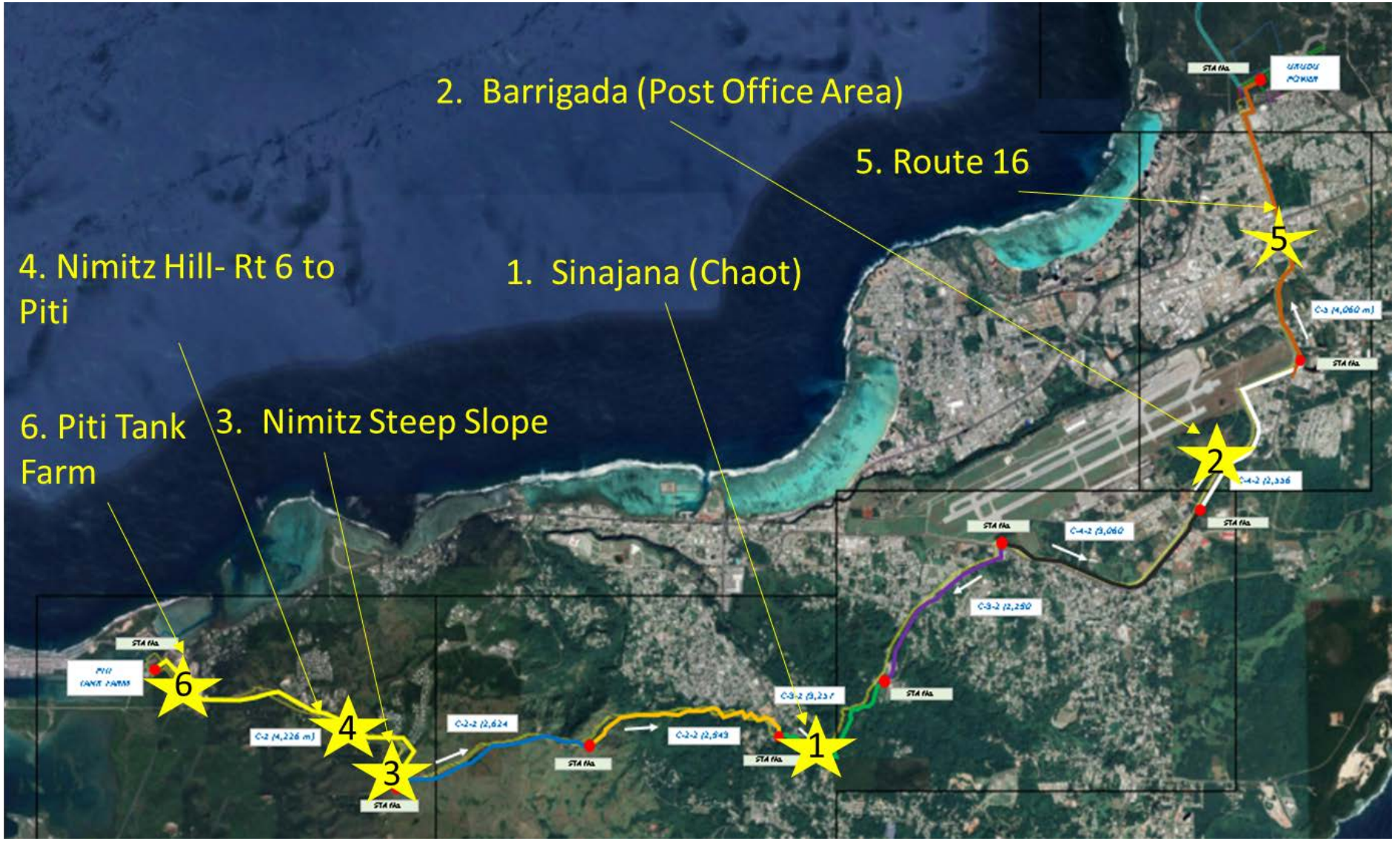


Switchyard Building – Performing Site Acceptance Tests for Control Panel



General Manager's Report

Fuel Pipeline Construction Status



General Manager's Report

Fuel Pipeline Construction Status

1. Sinajana/Chaot area

Pipeline installation east of Chaot Bridge is in progress.





2. Barrigada (Post Office)

Excavation is ongoing at the Barrigada Post Office





General Manager's Report

Fuel Pipeline Construction Status

3. Nimitz Hill

Above ground pipeline installation is in progress.





4. Nimtiz Hill- Rt 6 to Piti

Sand bedding and flowable fill pouring is in progress.





General Manager's Report

Fuel Pipeline Construction Status

5. Route 16

Excavation and pipeline installation is ongoing.





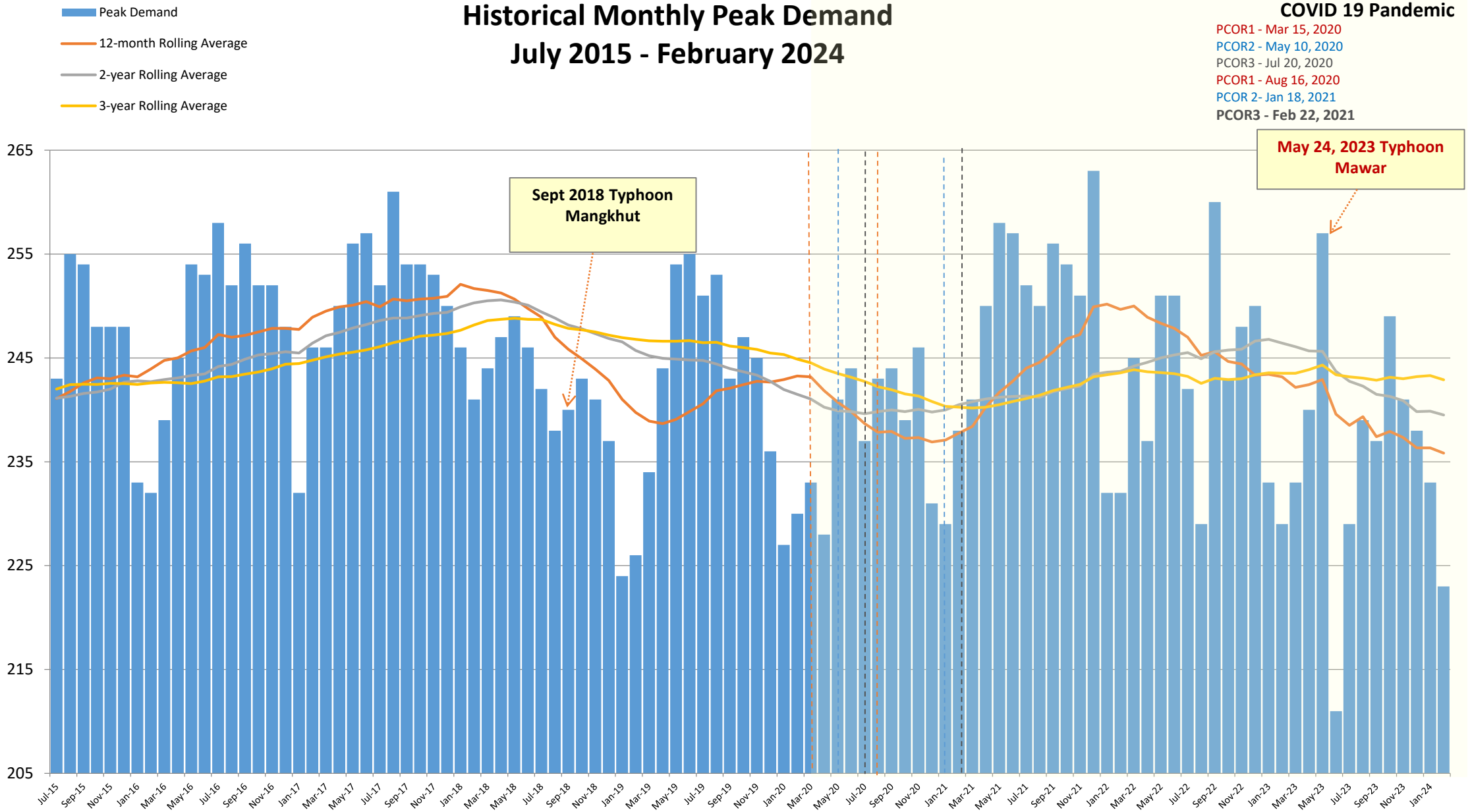
6. Piti Tank Farm

Pipeline installation within the Piti Tank Farm is in progress

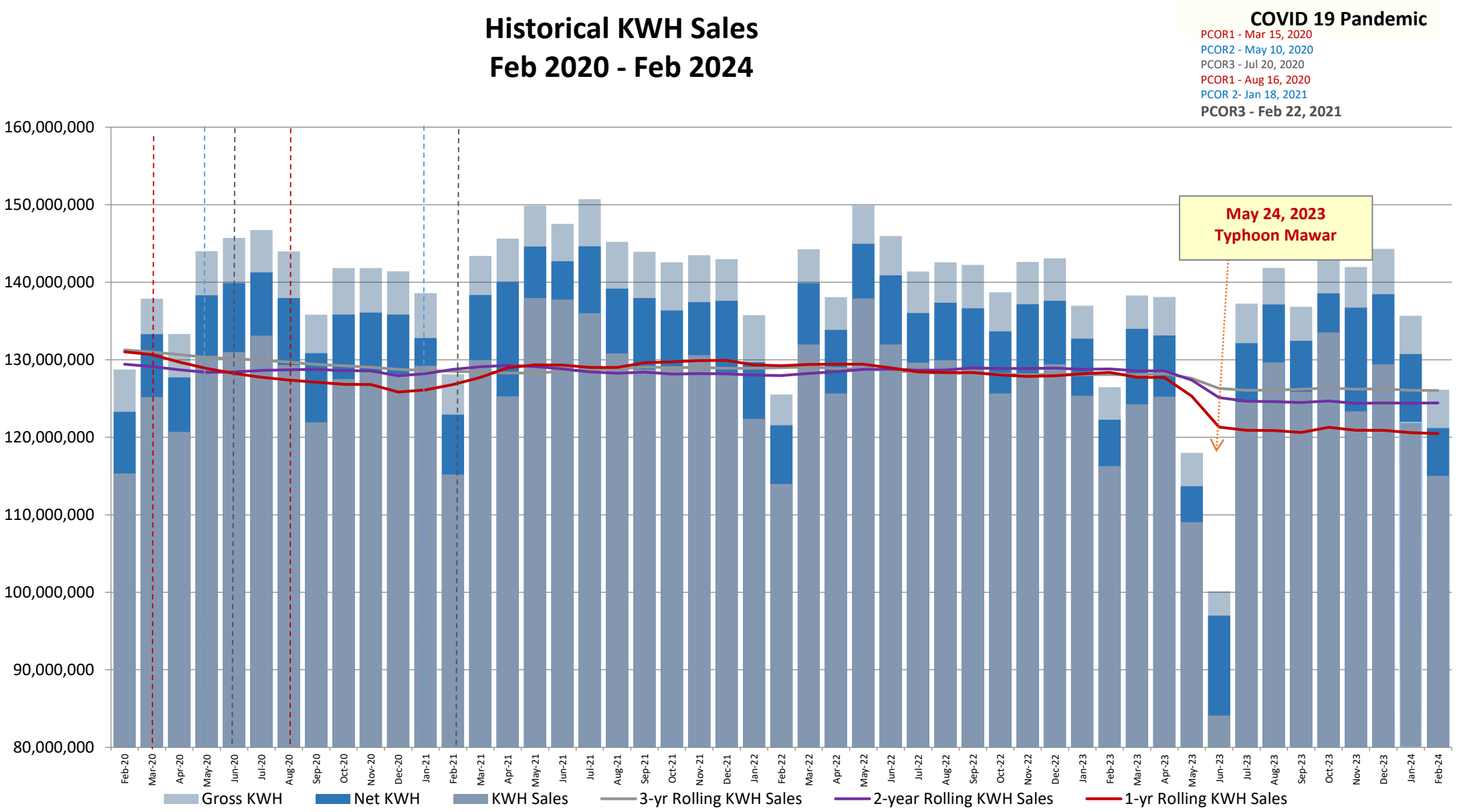


Generation KPIs
February 2024

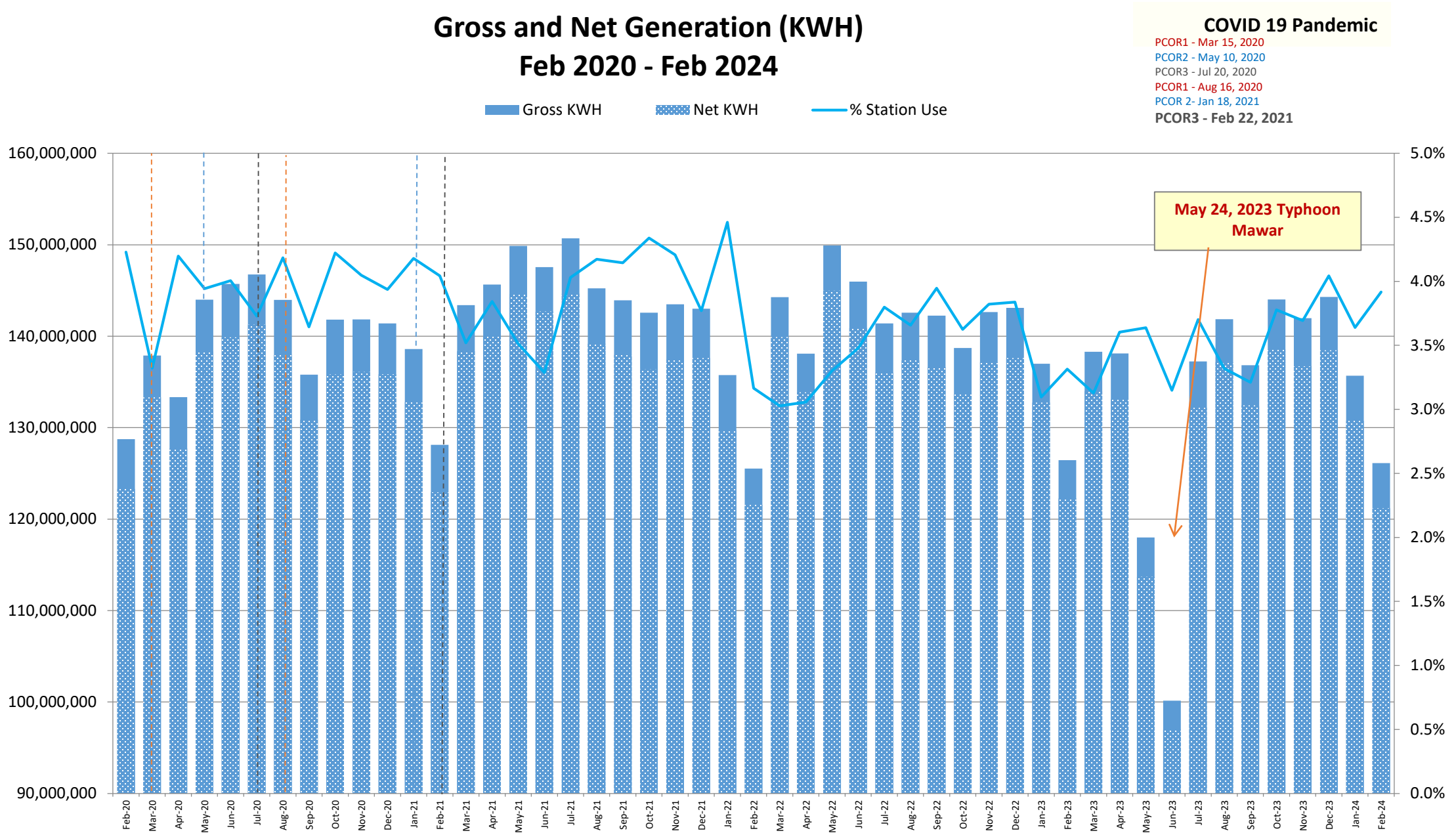
Historical Monthly Peak Demand
July 2015 - February 2024



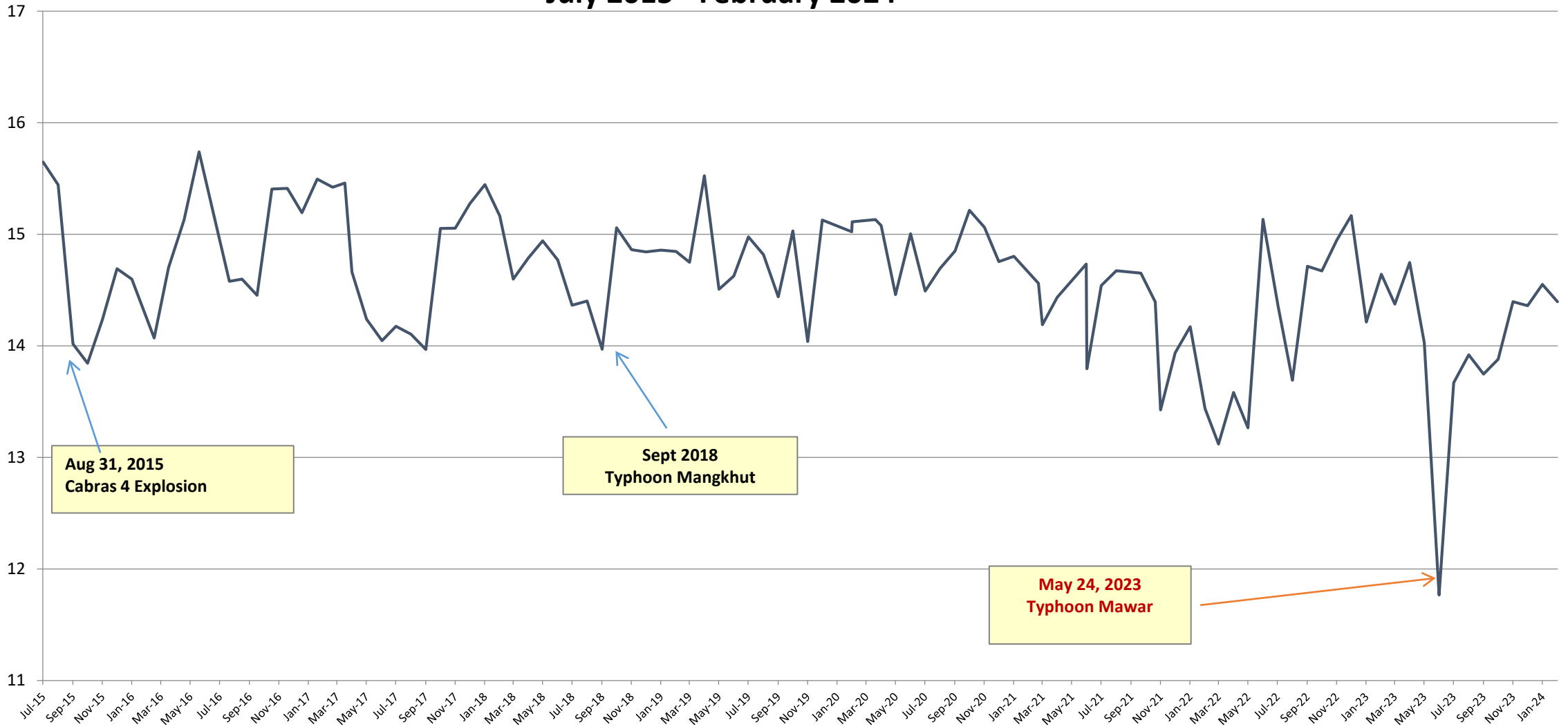
Historical KWH Sales
Feb 2020 - Feb 2024



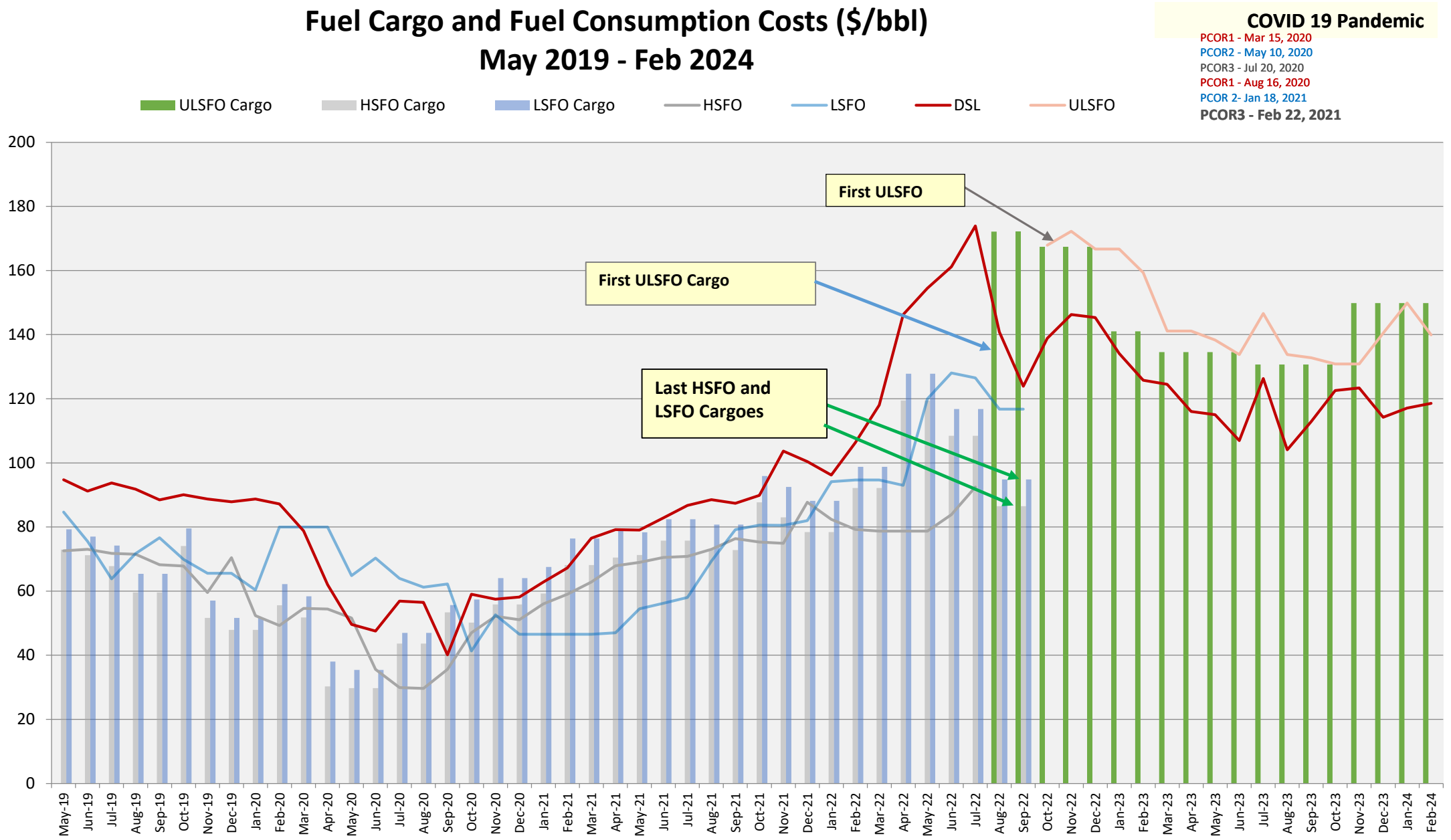
Gross and Net Generation (KWH)
Feb 2020 - Feb 2024



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



Fuel Cargo and Fuel Consumption Costs ($/bbl)
May 2019 - Feb 2024



CFO
FINANCIAL HIGHLIGHTS
February 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							

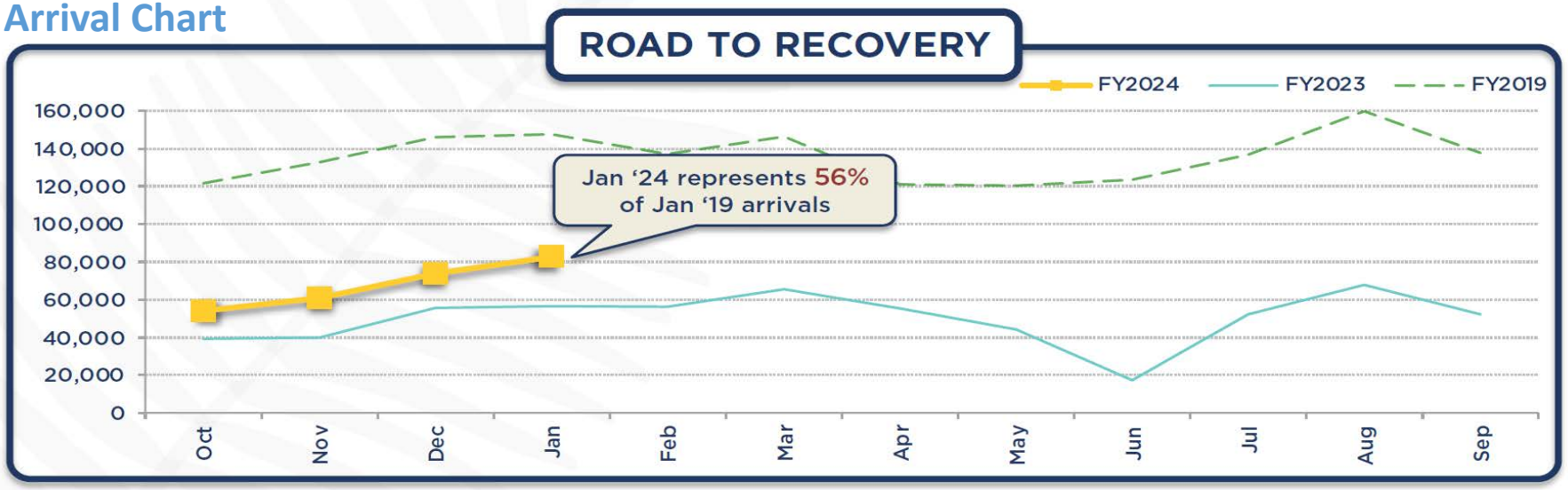
LEAC Rate	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY2019	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542
FY2020	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1542	$ 0.1345	$ 0.1345	$ 0.1100	$ 0.1100	$ 0.0868	$ 0.0868	$ 0.0868	$ 0.0868
FY2021	$ 0.0868	$ 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							

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	8,670	8,708	8,089
FY2024	8,404	8,454	8,521	8,266	7,527							

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									

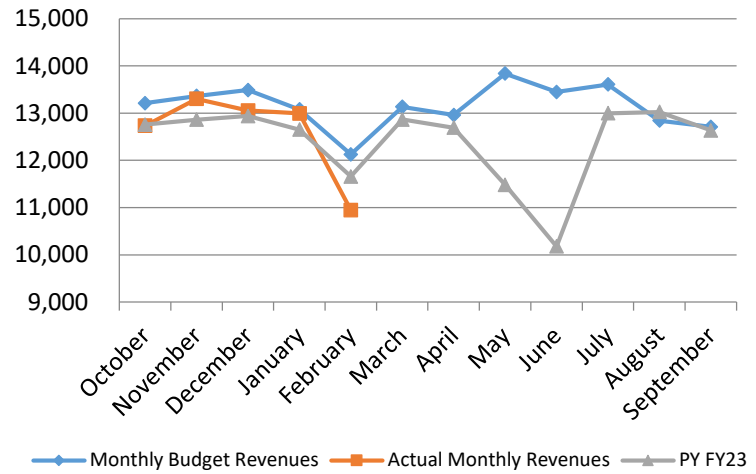
Arrival Chart



Note: Data from 22 hotels in schedule P. 1 hotel closed its doors on Oct. 2021. Occupancy rate and Road to Recovery is from GVB Visitor Arrival Statistic.

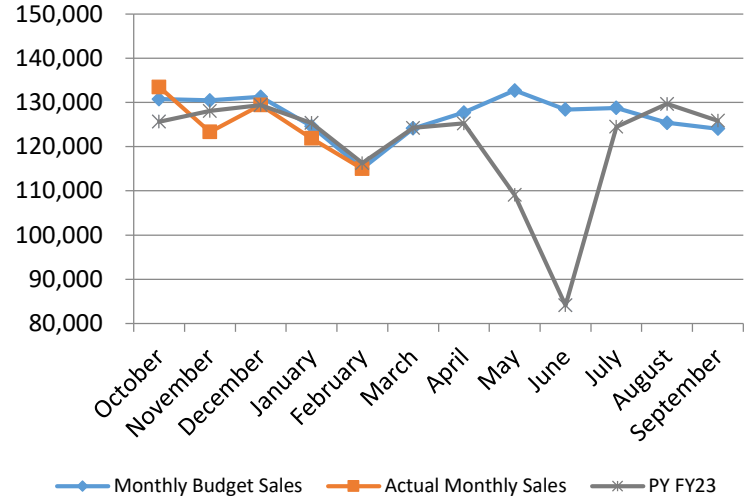
February 2024 Monthly Financial Highlights

Base Rate Revenue (in '000)



Through February 29, 2024								
$000	Monthly Budget Revenues	Actual Monthly Revenues	Variance		PY FY23	CY vs PY Variance	
October	13,209	$ 12,734	$ (475)	↓	$ 12,757	$ (22)	↓
November	13,363	13,301	$ (61)	↓	12,861	$ 440	↑
December	13,488	13,053	$ (435)	↓	12,940	$ 113	↑
January	13,078	12,995	$ (83)	↓	12,651	$ 344	↑
February	12,126	10,947	$ (1,178)	↓	11,660	$ (713)	↓
March	13,131				12,865		
April	12,961				12,691		
May	13,837				11,484		
June	13,449				10,178		
July	13,608				12,997		
August	12,840				13,023		
September	12,710				12,635		
Total	**$ 157,800**	**$ 63,031**	**$ (2,232)**		**$ 148,743**	**$ 162**	

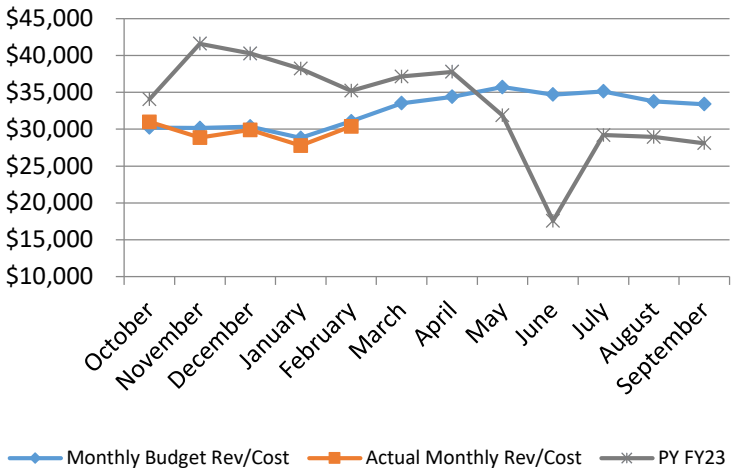
MWH Sales (in MWh)



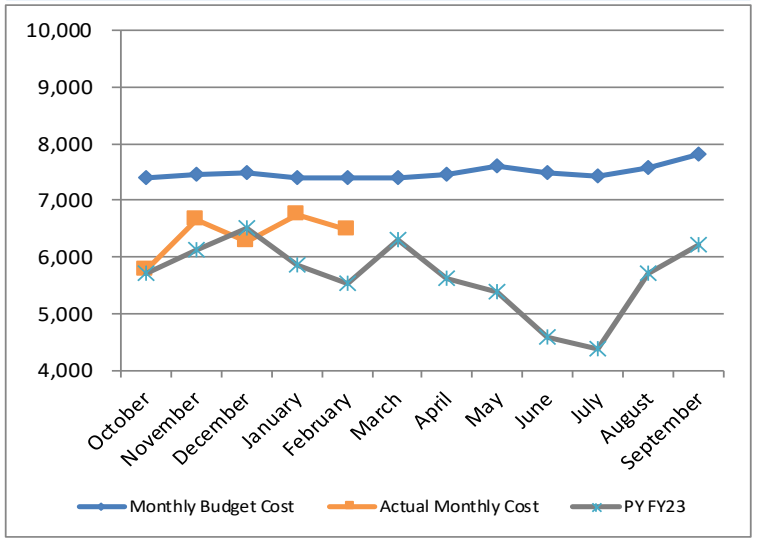
Through February 29, 2024							
mwh	Monthly Budget Sales	Actual Monthly Sales	Variance		PY FY23	CY vs PY Variance	
October	130,775	133,530	2,754	↑	125,672	7,858	↑
November	130,478	123,349	(7,129)	↓	128,077	(4,728)	↓
December	131,278	129,415	(1,863)	↓	129,439	(24)	↓
January	124,618	121,911	(2,707)	↓	125,368	(3,457)	↓
February	115,079	115,030	(49)	↓	116,289	(1,259)	↓
March	124,155				124,254		
April	127,713				125,257		
May	132,727				109,061		
June	128,415				84,097		
July	128,775				124,518		
August	125,406				129,673		
September	124,080				125,895		
Total	**1,523,500**	**623,235**	**(8,993)**		**1,447,602**	**(1,610)**	

February 2024 Monthly Financial Highlights (Continued)

Fuel Revenues (in '000)



O&M Costs (in '000)



Through February 29, 2024

$000	Monthly Budget Rev/Cost	Actual Monthly Rev/Cost	Variance		PY FY23	CY vs PY Variance	
October	$ 30,228	$ 30,992	764	↑	$ 34,062	(3,070)	↓
November	30,159	28,862	(1,297)	↓	41,593	(12,731)	↓
December	30,344	29,905	(439)	↓	40,281	(10,376)	↓
January	28,805	27,762	(1,043)	↓	38,205	(10,443)	↓
February	31,071	30,366	(705)	↓	35,217	(4,850)	↓
March	33,522				37,143		
April	34,390				37,773		
May	35,710				31,867		
June	34,703				17,560		
July	35,135				29,194		
August	33,760				28,940		
September	33,402				28,103		
Total	**$ 391,228**	**$ 147,887**	**$ (2,720)**		**$ 399,938**	**$ (41,471)**	

Through February 29, 2024

$000	Monthly Budget Cost	Actual Monthly Cost	Variance		PY FY23	CY vs PY Variance	
October	7,400	5,774	1,626	↑	5,712	(62)	↓
November	7,462	6,647	814	↑	6,120	(527)	↓
December	7,473	6,262	1,211	↑	6,518	255	↑
January	7,405	6,731	674	↑	5,846	(885)	↓
February	7,401	6,488	913	↑	5,537	(951)	↓
March	7,384				6,298		
April	7,443				5,610		
May	7,611				5,395		
June	7,477				4,585		
July	7,438				4,390		
August	7,588				5,718		
September	7,812				6,218		
Total	**$ 89,893**	**$ 31,903**	**$ 5,238**		**$ 67,946**	**$ (2,170)**	

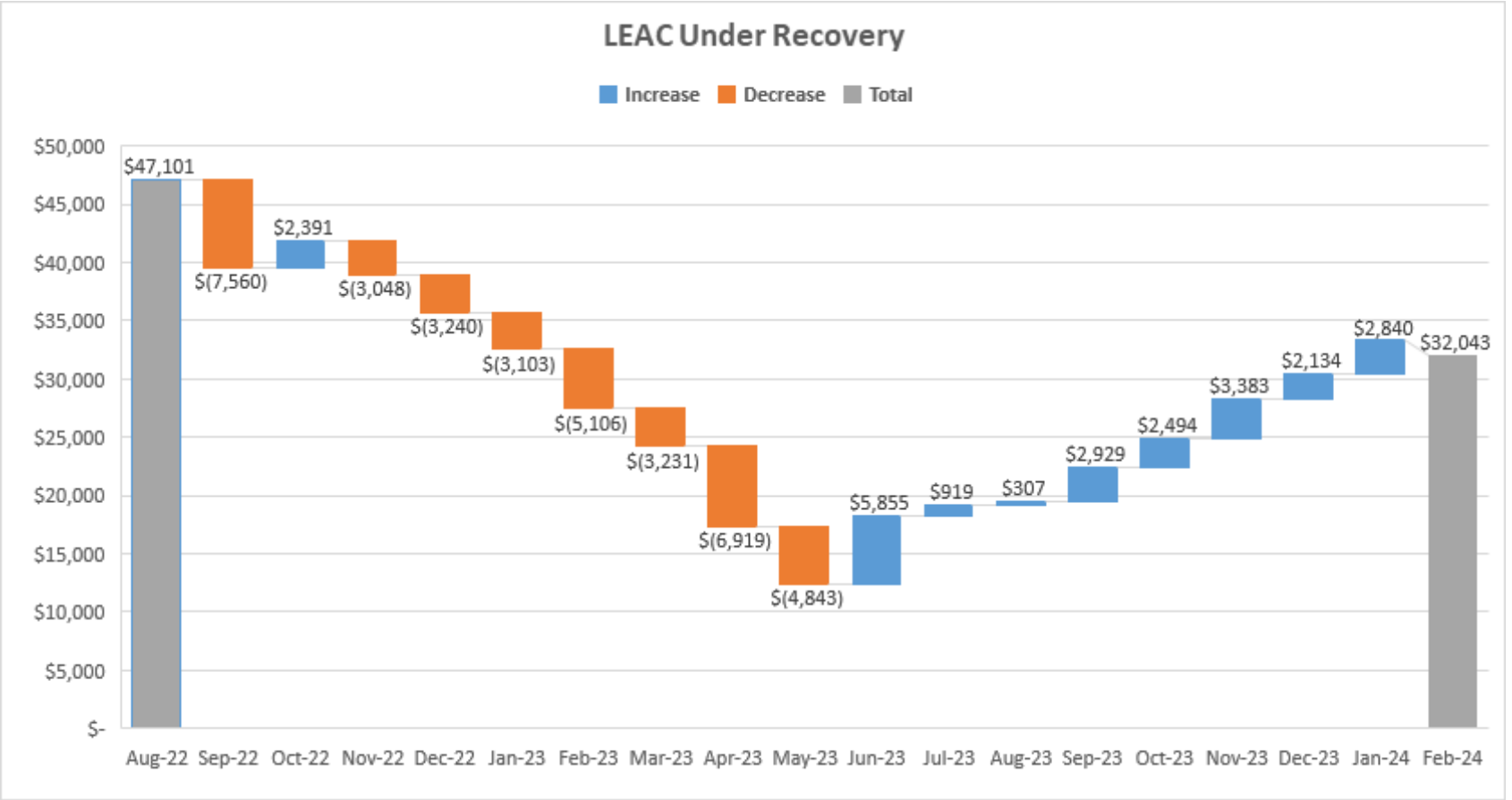
February 2024 Monthly Financial Highlights (Continued)

Through September 30, 2023													
	2Q2021	3Q2021	4Q2021	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023	2Q2023	3Q2023	4Q2023	1Q2024	2Q2024
Residential	44,575	45,247	45,229	45,224	45,283	45,261	45,315	45,370	45,417	45,453	44,968	45,642	45,760
Commercial	5,307	5,330	5,336	5,349	5,367	5,368	5,373	5,425	5,473	5,436	5,421	5,447	5,477
Government	1,060	1,049	1,056	1,069	1,077	1,079	1,087	1,088	1,108	1,112	1,106	1,105	1,102
Streetlights	1,132	1,132	1,131	1,160	1,158	1,156	1,163	1,167	1,167	1,165	1,159	1,149	1,145
Navy	1	1	1	1	1	1	1	1	1	1	1	1	1
Total	**52,075**	**52,759**	**52,753**	**52,803**	**52,886**	**52,865**	**52,939**	**53,051**	**53,166**	**53,167**	**52,655**	**53,344**	**53,485**

Debt service coverage (DSC) calculation-indenture	2018	2019	2020	2021	2022	2023	2024
Senior lien coverage	2.53	1.78	1.42	1.54	1.71	1.71	2.26
Debt service coverage (DSC) calculation-IPP as O&M							
Senior lien coverage	1.65	1.46	1.23	1.49	1.71	1.71	2.26

February 2024 Monthly Financial Highlights (Continued)

(in '000)



Through February 29, 2024				
$000	LEAC Revenue	Fuel Cost	(Over)/Under Recover	Under Recovery Balance
October	$ 30,992	$ 33,486	$ 2,494	$ 24,945
November	28,862	$ 32,245	$ 3,383	$ 28,328
December	29,905	$ 32,039	2,134	$ 30,463
January	27,762	$ 30,602	2,840	$ 33,303
February	30,366	$ 29,106	(1,260)	$ 32,043

February 2024 Credit Summary

Credit Summary		
Long-Term Senior Debt	**Rating**	**Long-Term Outlook**
Standard & Poor's	BBB	Stable
Moody's Rating	Baa2	Stable
Fitch Rating	BBB	Stable

2024 CTP Market Transition Strategy

CTP Market Transition Strategies & Efforts

2006

Market-Based Compensation Model

PL 28-113 & PL 28-159 mandate new market-based compensation model for certified, technical, and professional (CTP) personnel to address GPA's inability to attract and retain highly-skilled personnel due to insufficient salaries and compensation.

2007

2008 Market Study Completed

GPA below 5th percentile (2008 market)

CCU Resolution 01-FY2008 to migrate all CTP positions to a more competitive market position, approving a 5-year phased-in approach to reach the 50th market percentile.

2017

2017 Market Study Completed

GPA at 10th market percentile (2017 market); nearly ½ employees below 5th percentile

Transitioned all positions to CTP, resulting in single compensation model

2018

Progression within 2017 Market

Transitioned to 15th percentile of 2017 market

2019

Progression within 2017 Market

Transitioned to 20th percentile of 2017 market

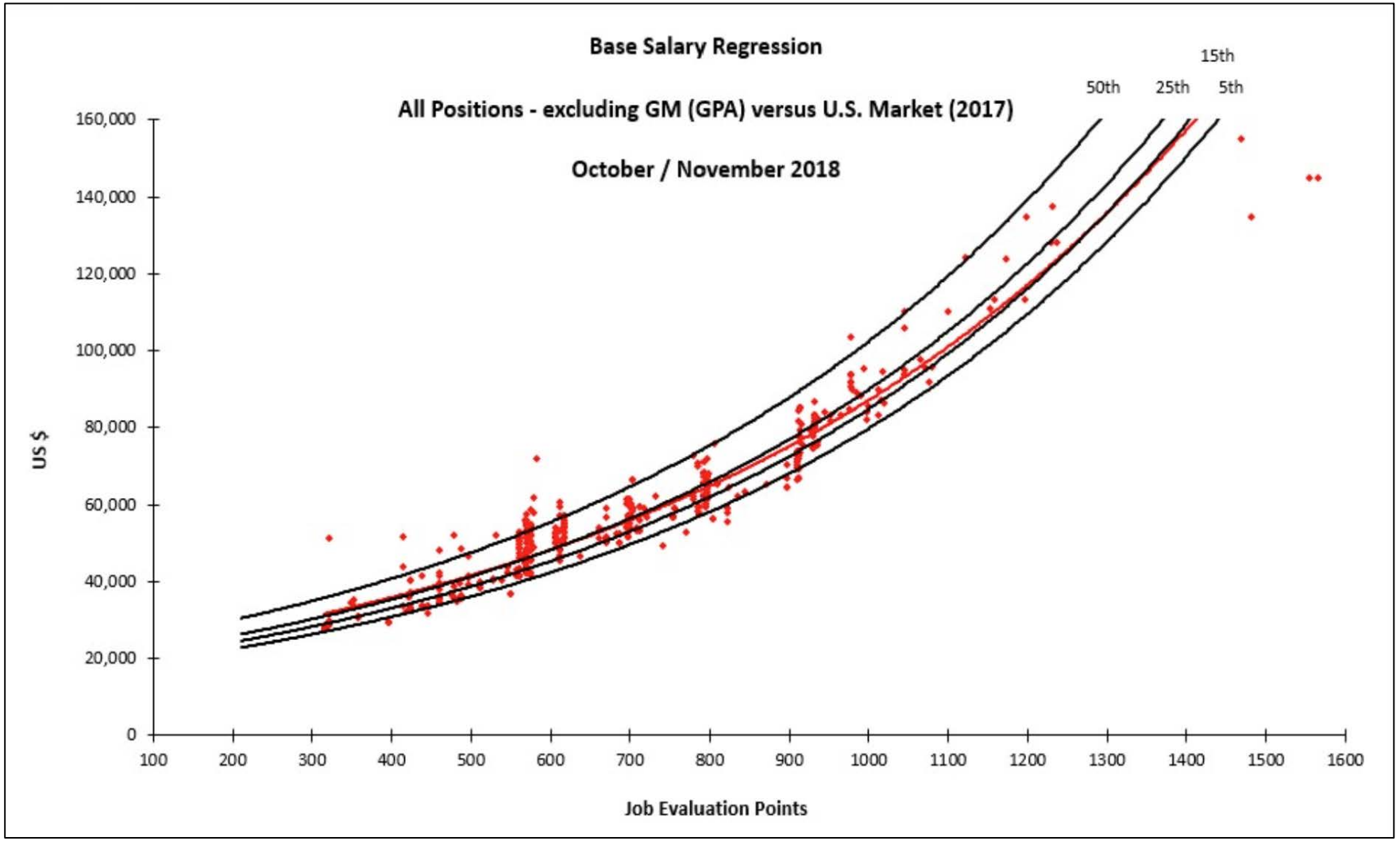
2023

Progression & New Market Study

Transitioned to 25th percentile of 2017 market

2022 Market update completed by Alan Searle & Associates. Market update concluded GPA salaries were not competitive, showing nearly half are at or below the 5th market percentile

2017 Regression



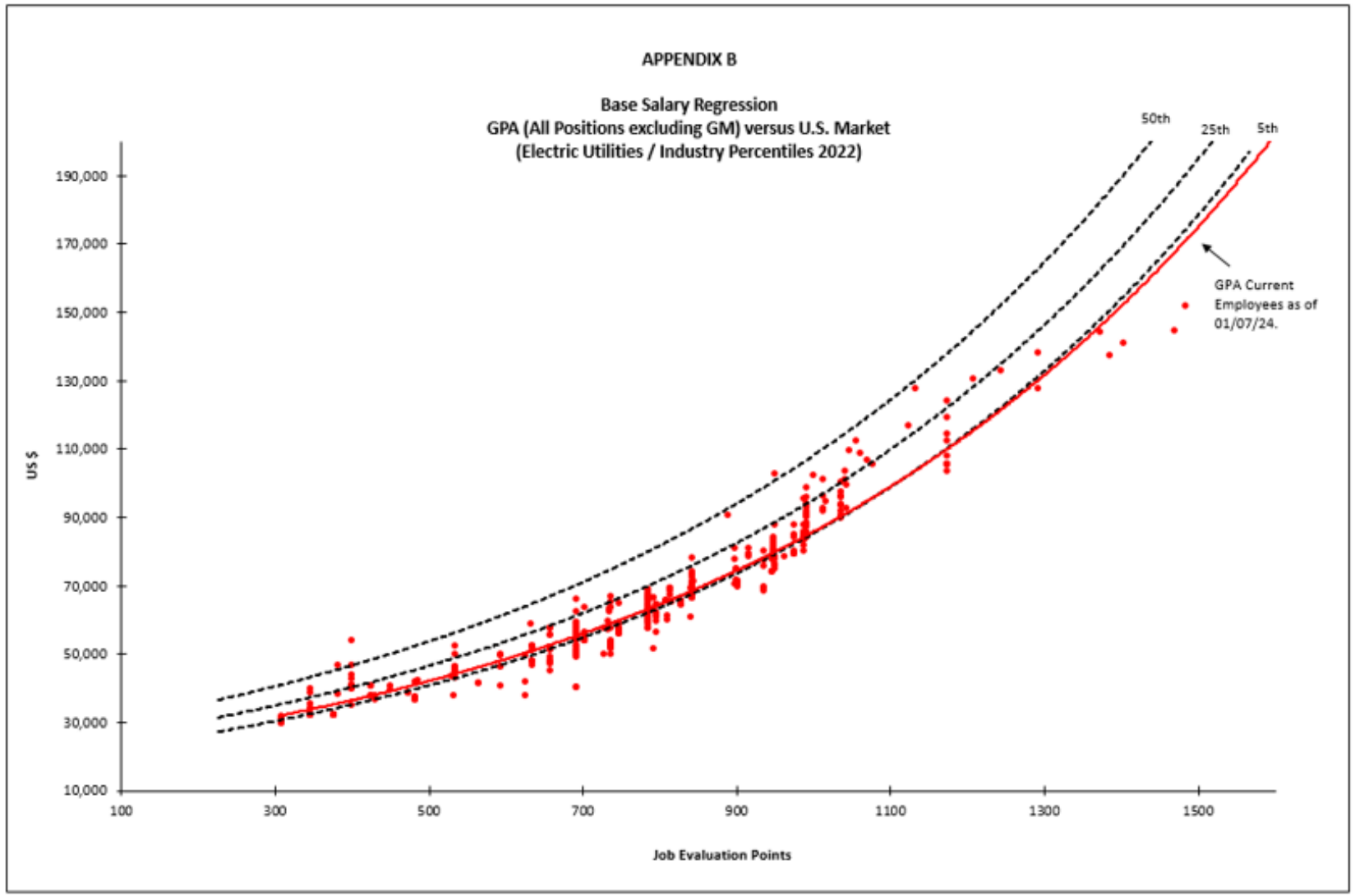
2017 Market Transition Actions:

- 15th
  - Jan 6, 2018
- 20th
  - Jan 6, 2020
- 25th
  - Jun 4, 2023

Guam Power Authority (GPA) - solid red line & red spots for individual employees

U.S. Market (5th, 25th and 50th electric utilities / industry percentiles - dashed black lines)

2023 Regression



Guam Power Authority (GPA) - solid red line & red spots for individual employees

U.S. Market (5th, 25th and 50th electric utilities / industry percentiles - dashed black lines)

2022 Market Transition Efforts:

Jan 2024
- Petition Posted

Mar 2024
- Resolution to CCU

Human Resource Challenges

Current Market Assessment:

ISSUE:

GPA's competitive market position has eroded. The Authority is encountering difficulty attracting and retaining CTP employees, specifically for high-demand positions and job groupings.

Current Contributing Factors:

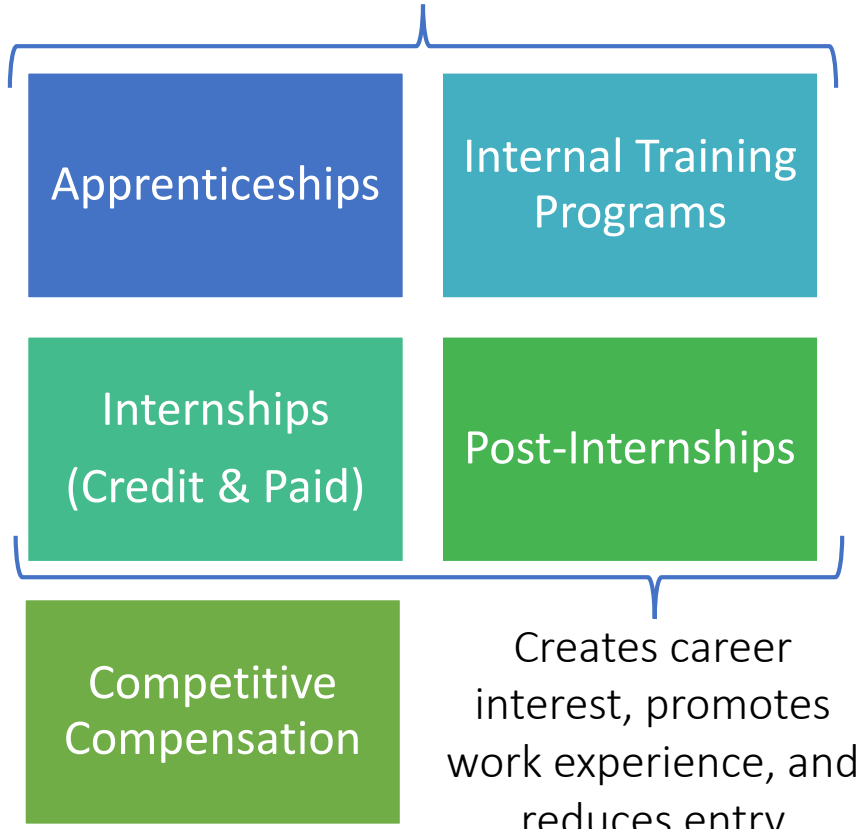
- High retirement eligibility (30-40% of workforce inevitably will retire) through 2028
- Attrition due to competitive compensation

Recurring Contributing Factors:

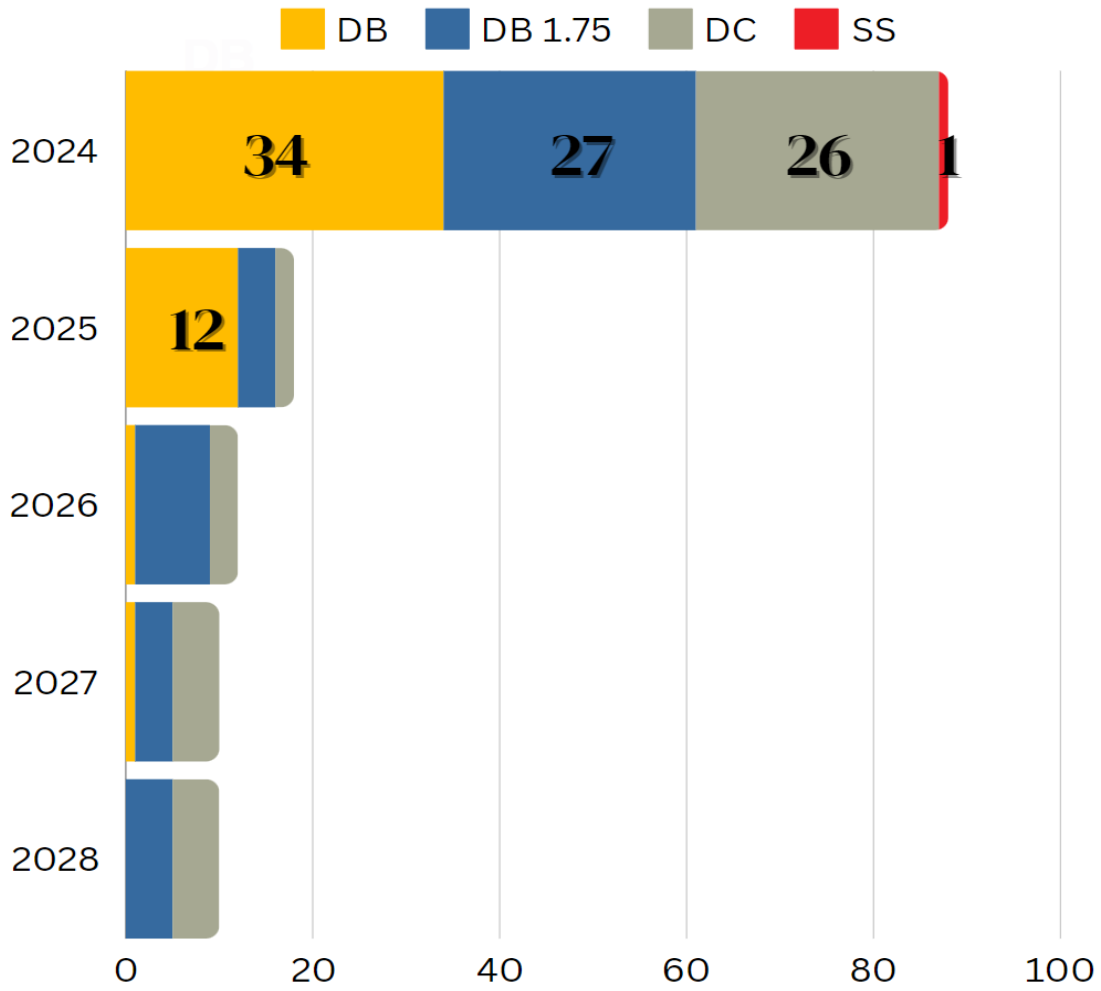
- Structural migration every 4-6 years is insufficient to meet 50th percentile goal (CCU Resolution 01-FY2008)
- Market continues to trend upwards
- Market Offerings of Benefit Package Option & Flexibility (i.e. COLA, retirement & insurance options, higher incremental adjustments)

Current Solutions:

Addresses applicant void by creating potential skilled, experienced applicant pool

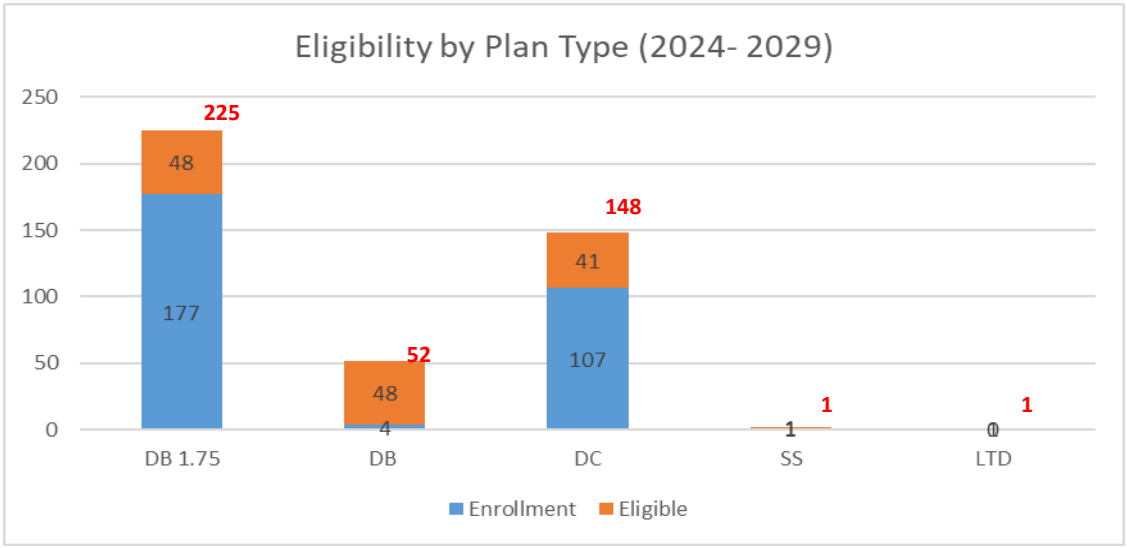


Retirement Eligibility

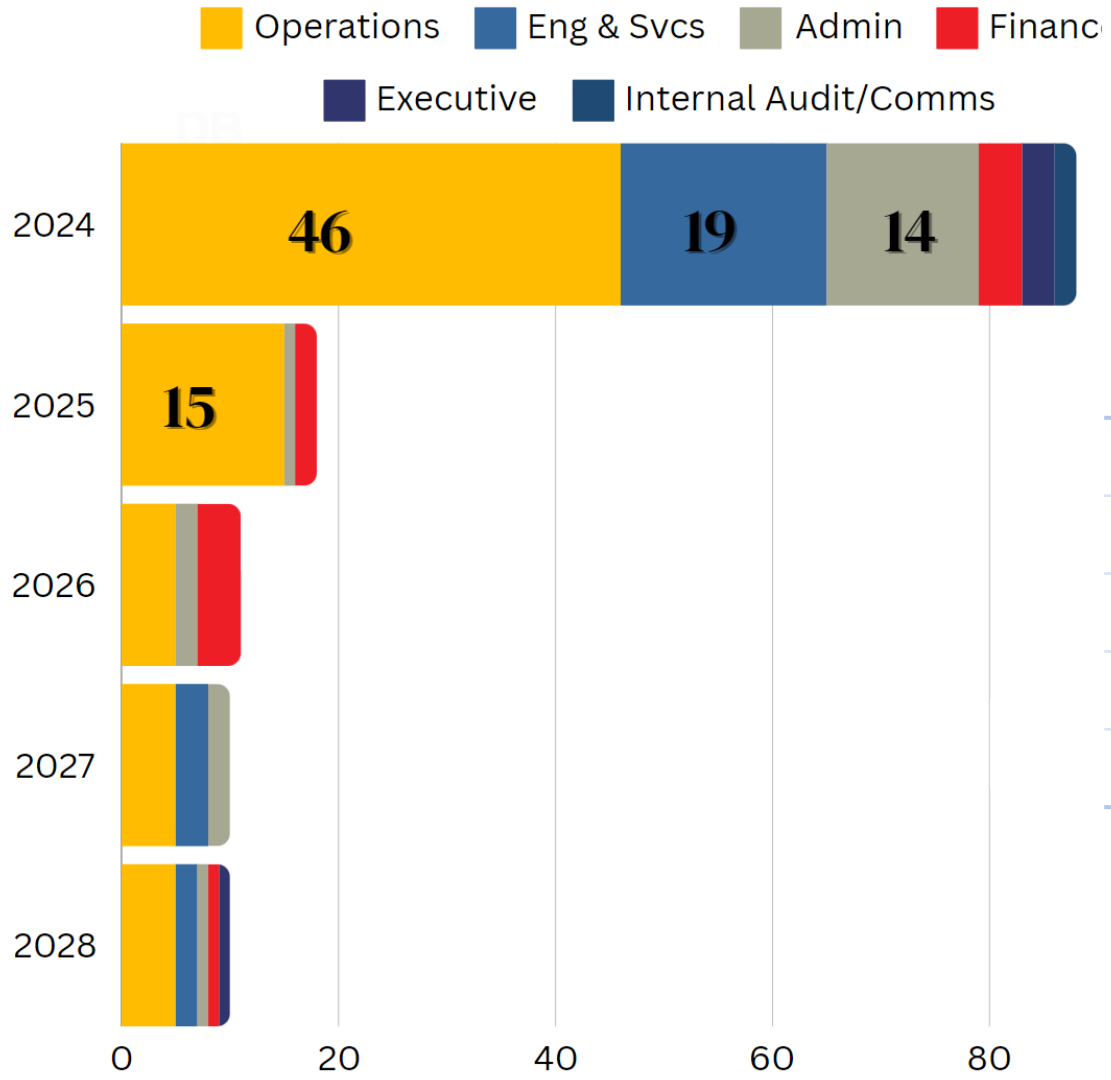


5 Year forecast:

CY	DB	DB 1.75	DC	SS	*Total*
2024	34	27	26	1	*88*
2025	12	4	2	-	*18*
2026	1	8	3	-	*12*
2027	1	4	5	-	*10*
2028	-	5	5	-	*10*
Total	*48*	*48*	*41*	*1*	*138*



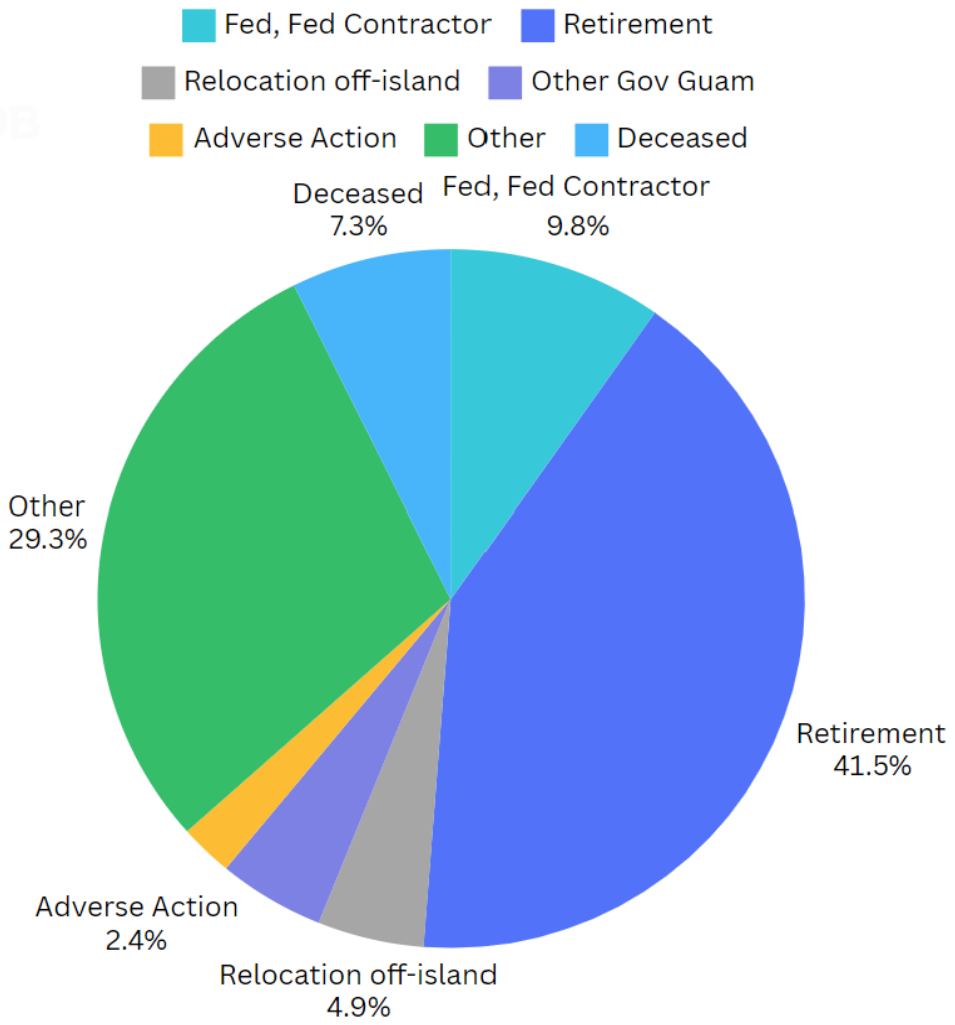
Retirement Eligibility



5 Year forecast:

CY	Ops	Eng & Svcs	Admin	Finance	Exec	Audit & Comms	*Total*
2024	46	19	14	4	3	2	*88*
2025	15	-	1	2	-	-	*18*
2026	5	-	2	4	1	-	*12*
2027	5	3	2	-	-	-	*10*
2028	5	2	1	1	1	-	*10*
Total	*76*	*24*	*20*	*11*	*5*	*2*	*138*

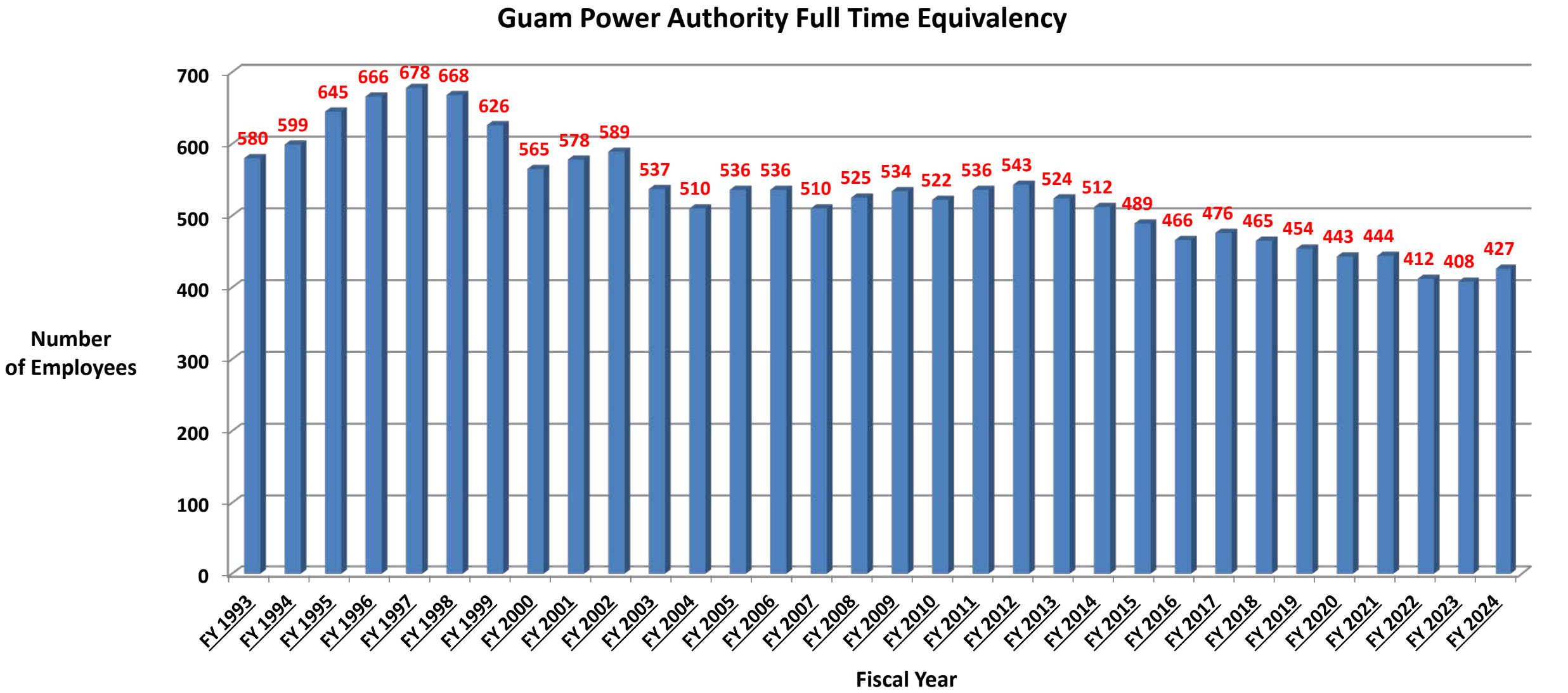
Separations



5-Year Attrition Statistics:

Reason	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	*Total*
Retirement	17	15	20	31	12	2	*97*
Fed/Contractor	4	1	-	2	5	1	*13*
Relocation Off-Island	2	1	1	1	4	-	*9*
Private Sector	-	1	-	1	5	1	*8*
Death	3	1	-	2	2	-	*8*
Other GovGuam	2	-	-	2	2	-	*6*
Adverse Action	1	1	1	1	1	-	*5*
Other	12	8	10	13	10	1	*54*
Total	*41*	*28*	*32*	*53*	*41*	*5*	*138*

Full-time Employee by Fiscal Year



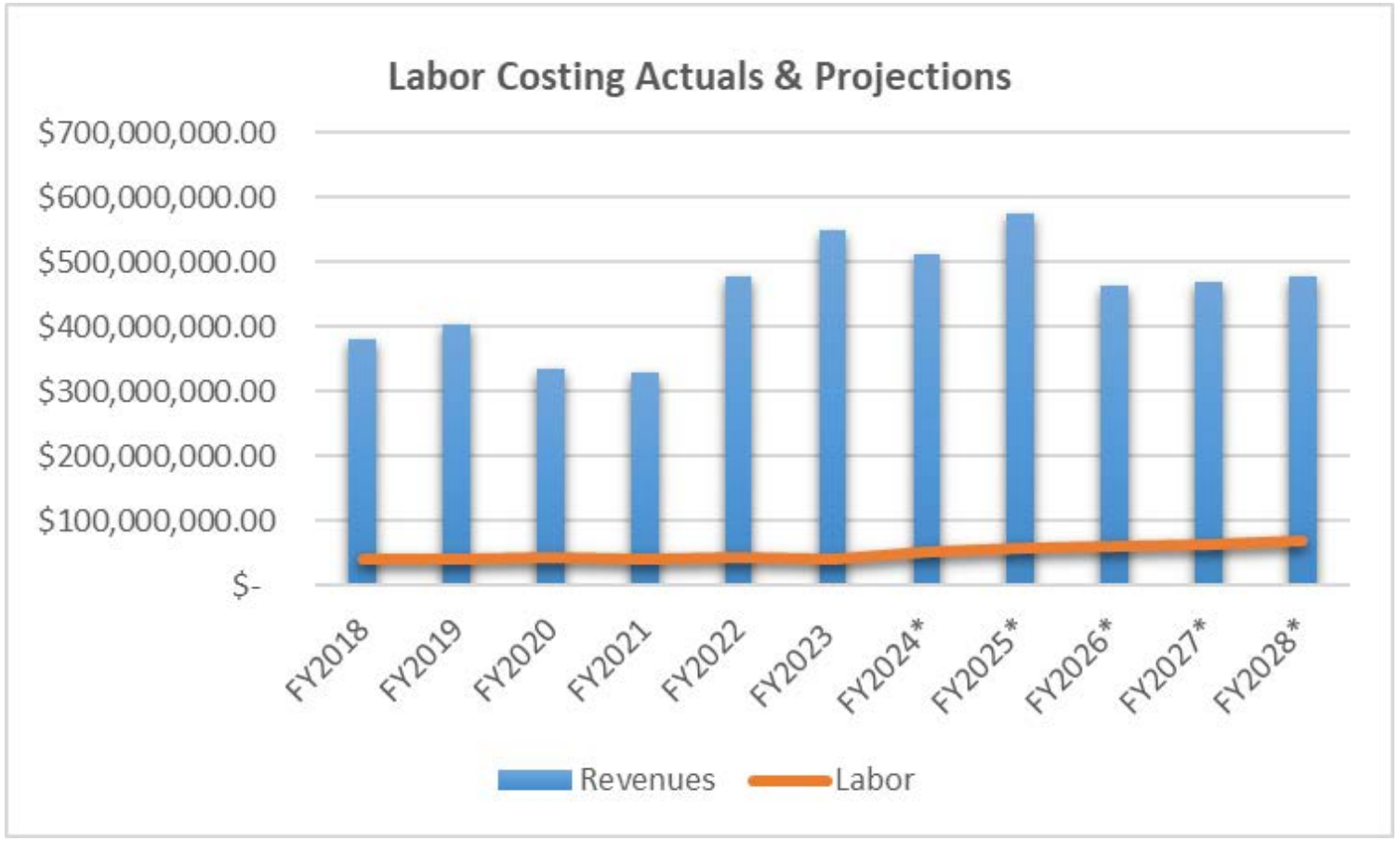
As of March 19, 2024

Historical Labor Costing & Projection

in $000

Fiscal Year	Revenues	Labor	% of Revenues for Labor
FY2018	$ 379,868	$ 40,502	11%
FY2019	$ 402,537	$ 40,092	10%
FY2020	$ 335,543	$ 42,864	13%
FY2021	$ 329,349	$ 41,404	13%
FY2022	$ 478,553	$ 43,990	9%
FY2023	$ 550,418	$ 42,037	8%
FY2024*	$ 511,762	$ 52,153	10%
FY2025*	$ 574,803	$ 56,864	10%
FY2026*	$ 463,013	$ 60,661	13%
FY2027*	$ 470,632	$ 64,474	14%
FY2028*	$ 478,317	$ 68,277	14%

* Projected Revenues



Historical Labor Costing & Projection

in $000

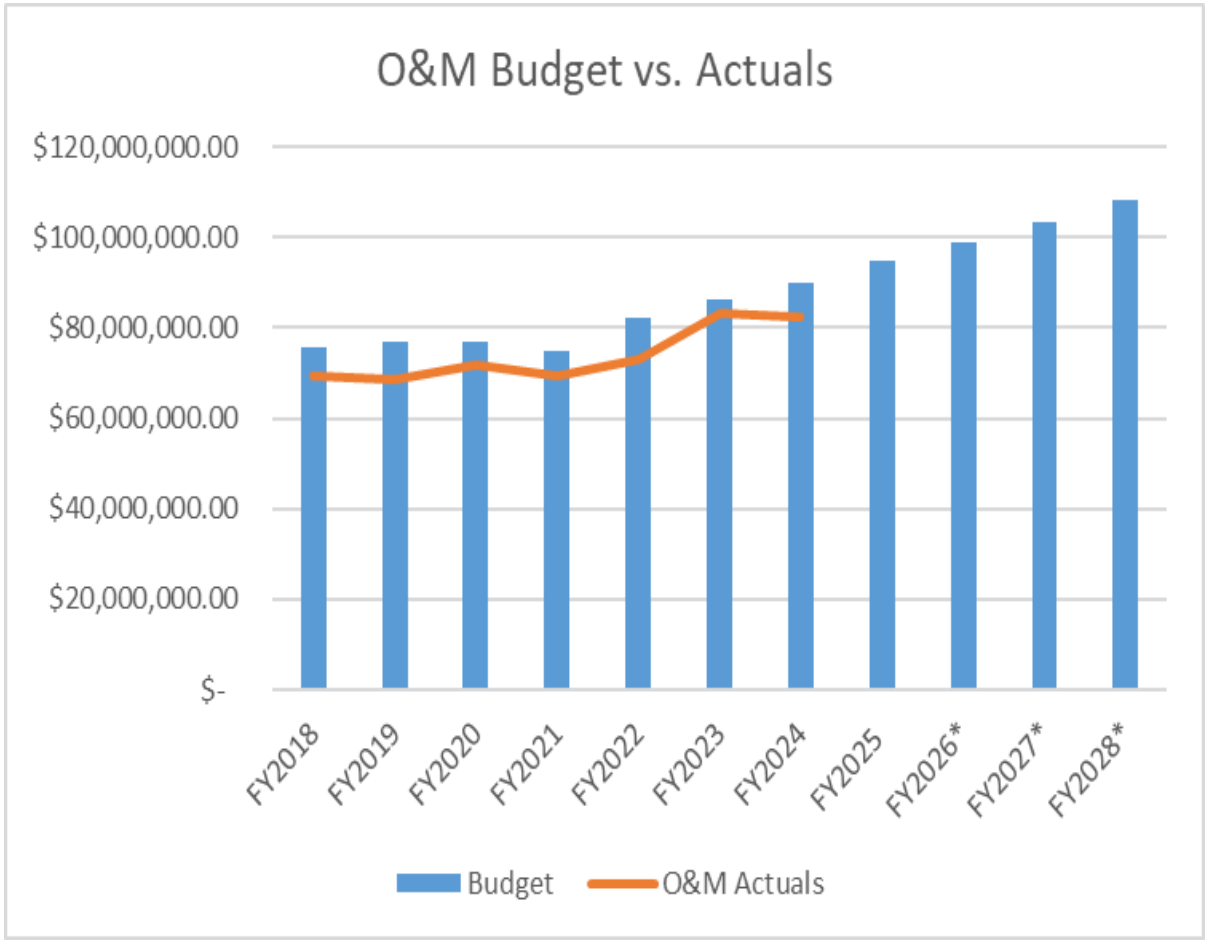
Fiscal Year	Budget	O&M Actuals	Difference	% Used
FY2018	$ 75,757	$ 69,400	$ 6,357	92%
FY2019	$ 76,865	$ 68,512	$ 8,353	89%
FY2020	$ 76,988	$ 71,671	$ 5,317	93%
FY2021	$ 74,892	$ 69,236	$ 5,656	92%
FY2022	$ 82,182	$ 73,235	$ 8,947	89%
FY2023(1)	$ 86,434	$ 85,131	$ 1,303	98%
FY2024(2)	$ 89,893	$ 82,295	$ 7,598	92%
FY2025	$ 94,738			
FY2026(3)	$ 98,913			
FY2027(3)	$ 103,492			
FY2028(3)	$ 108,075			

Notes:

(1) $17M in CWIP FEMA charges from Mawar were included in the O&M actuals.

(2) Projected O&M Actuals

(3) Proposed Budgets

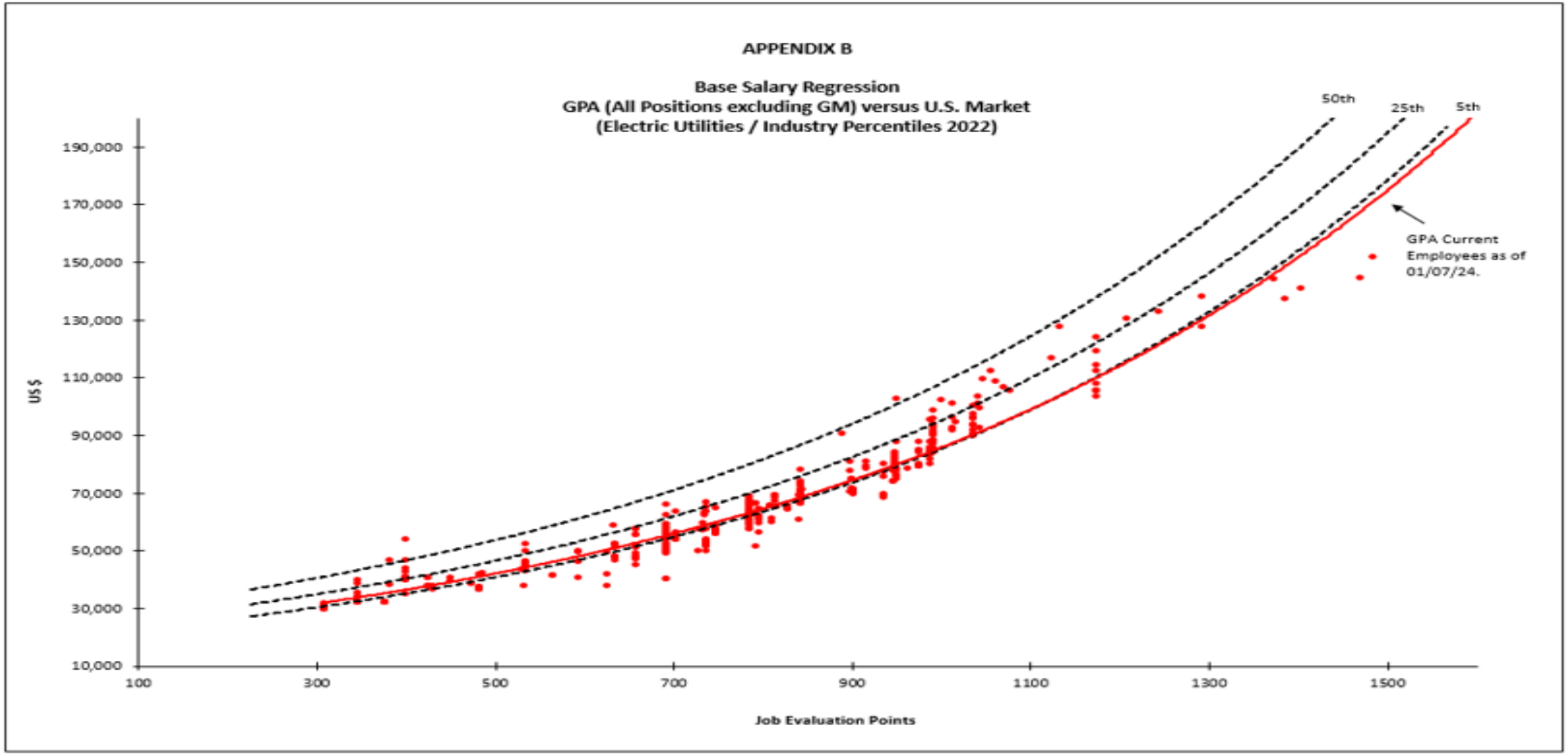


Proposed Compensation Strategy & Goals

PROPOSED STRATEGIC GOALS

1. Perform **structural adjustments** annually to retain market positions, at minimum, with aim to gradually achieve market percentile goal of 50th percentile (2022 market) in 5 years by:
    1. Moving to 30th percentile in FY2024; and
    2. Progressing 5th percentile annually through 2028.
2. Conduct **market studies** every 2 years
3. Continue annual **Pay-For-Performance**
4. Provide tools/framework for General Manager to **address retention and/or recruitment** efforts for specific positions or position groups

2023 Regression



Guam Power Authority (GPA) - solid red line & red spots for individual employees

U.S. Market (5th, 25th and 50th electric utilities / industry percentiles - dashed black lines)

Restating Compensation Strategy & Goals

Market Results:

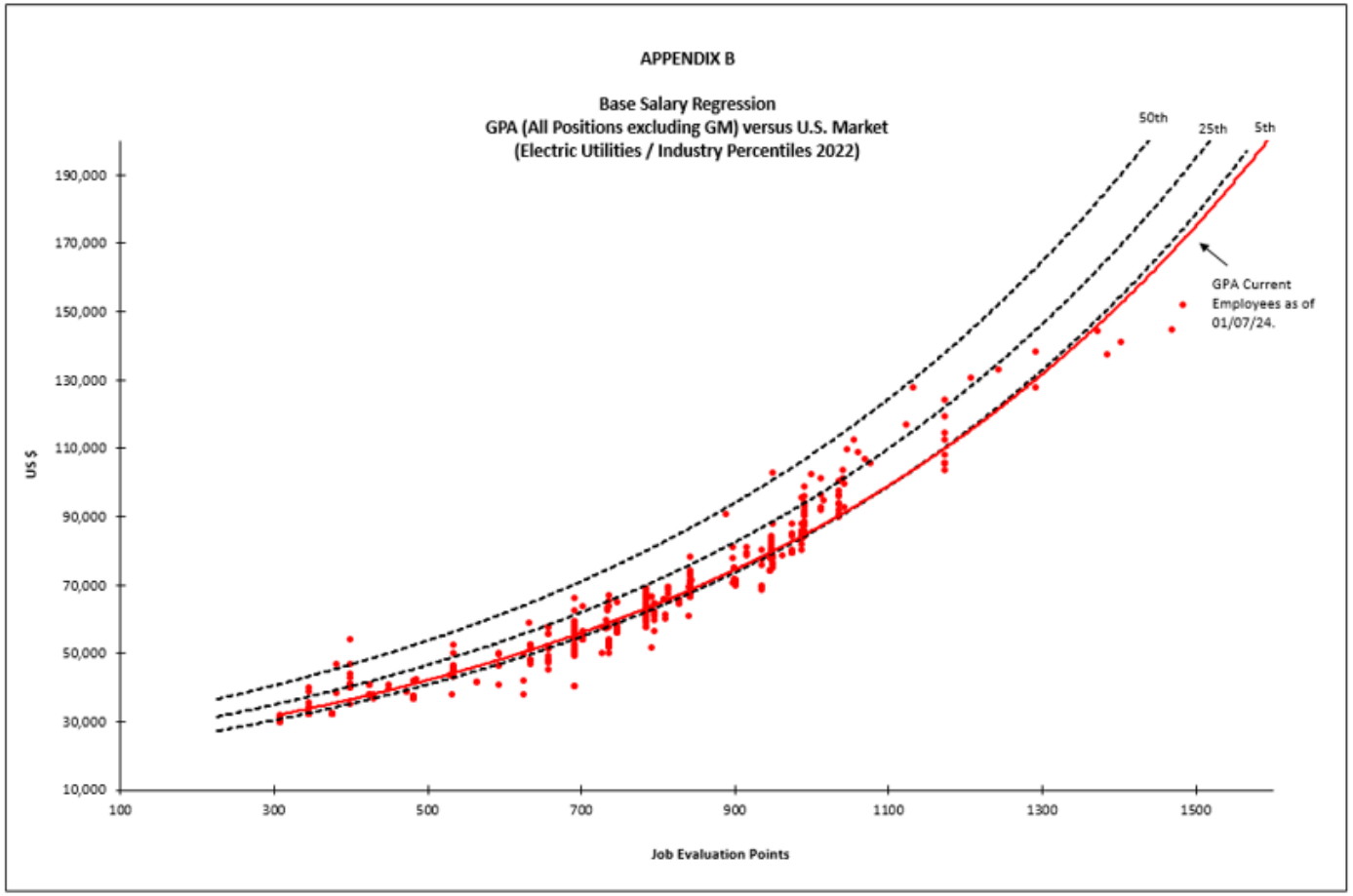
30th
- 396 < 30th MP
- 31 > 30th MP

35th
- 414 < 35th MP
- 13 > 35th MP

40th
- 418 < 40th MP
- 9 > 40th MP

45th
- 421 < 45th MP
- 6 > 45th MP

50th
- 423 < 50th MP
- 4 > 50th MP



Proposed Compensation Strategy & Goals – 5 Year Plan

2024

Adoption of 2022 Market Study

*Transition to **30th** percentile of 2022 market, pending authorization*

Planned Mid-Market analysis & forecast

2025

Progression within 2022 Market

*Transition to **35th** percentile of 2022 market, pending authorization*

Planned Market Study

2026

Progression ('22 Market) & New Study

*Transition to **40th** percentile of 2022 market, pending authorization*

Present 2025 Market Study results and action plan

2027

Progression ('22 Market) & '25 Plan

*Transition to **45th** percentile of 2022 market*

Implement 2025 Market action plan

2028

Achieve 50th Percentile ('22 Market)

*Transition to **50th** percentile of 2022 market*

Adjust to 2025 Market action plan

2029

Progress within 2025 Market

Transition within 2025 market

Restating Compensation Strategy & Goals

How much will it cost for Salary & Benefits?

Fiscal Year	Market Percentile	Estimated Cost
FY 24 (May - Sept)	30th	$ 2,506,636
FY 25	35th	$ 1,330,908
FY 26	40th	$ 1,382,425
FY 27	45th	$ 1,428,679
FY 28	50th	$ 1,332,835
Total Estimated Cost		$ 7,981,484

*Benefits calculated at 38%
**Estimated Cost projected at current FTE of 427

Funding Source?
Revenue Funded

Is Funding Available?
- FY 2024: Yes
- FY 2025: Yes. Transfer will be made from non-labor to labor.
- FY 2026 – FY 2028: Budget pending approval

Effective Date of Transition?
May 2024

Restating Compensation Strategy & Goals

PROPOSED STRATEGIC GOALS

1. Perform **structural adjustments** annually to retain market positions, at minimum, with aim to gradually achieve market percentile goal of 50th percentile (2022 market) in 5 years by:
    1. Moving to 30th percentile in FY2024; and
    2. Progressing 5th percentile annually through 2029.
2. Conduct **market studies** every 2 years
3. Continue annual **Pay-For-Performance**
4. Provide tools/framework for General Manager to **address retention and/or recruitment** efforts for specific positions or position groups

The Pay-For-Performance program recognizes high-performing employees and promotes internal equity. Rewarding high-performing employees allows advancement through the pay scales based on performance, rather than mere longevity. The program encourages talent identification and development as a natural succession planning approach.

PFP should not be used as a substitute for regular structural adjustments. It is evident that applying annual PFPs did not assist GPA at retaining its market position between the 2017 and 2023 studies.

Current Authority Policy to be reviewed to adjust pay-for-performance adjustment from a 2-4% to a 3-5% adjustment.

Restating Compensation Strategy & Goals

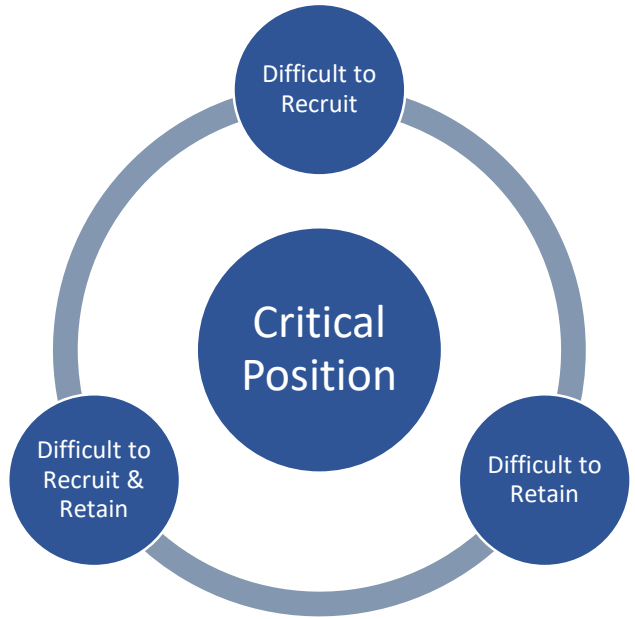
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    1. Moving to 30th percentile in FY2024; and
    2. Progressing 5th percentile annually through 2029.
2. Conduct **market studies** every 2 years
3. Continue annual **Pay-For-Performance**
4. Provide tools/framework for General Manager to **address retention and/or recruitment** efforts for specific positions or position groups

Critical Positions, individual positions or job groupings, should be identified and reviewed by the Human Resources division and General Manager no later than Q4 of the current fiscal year, determined by market demand and other factors relevant to the Authority. The designation will be effective at the beginning of the subsequent fiscal year. Such designation provides the General Manager discretion to exercise specific pay authority proactively.

Example:

- Internal committee identify certain IT and SCADA positions as "critical positions" due to market demand, evident by attrition and exit interviews.
- GM may authorize a structural pay adjustment to higher percentile, not to exceed the 50th market percentile for pre-determined critical positions.



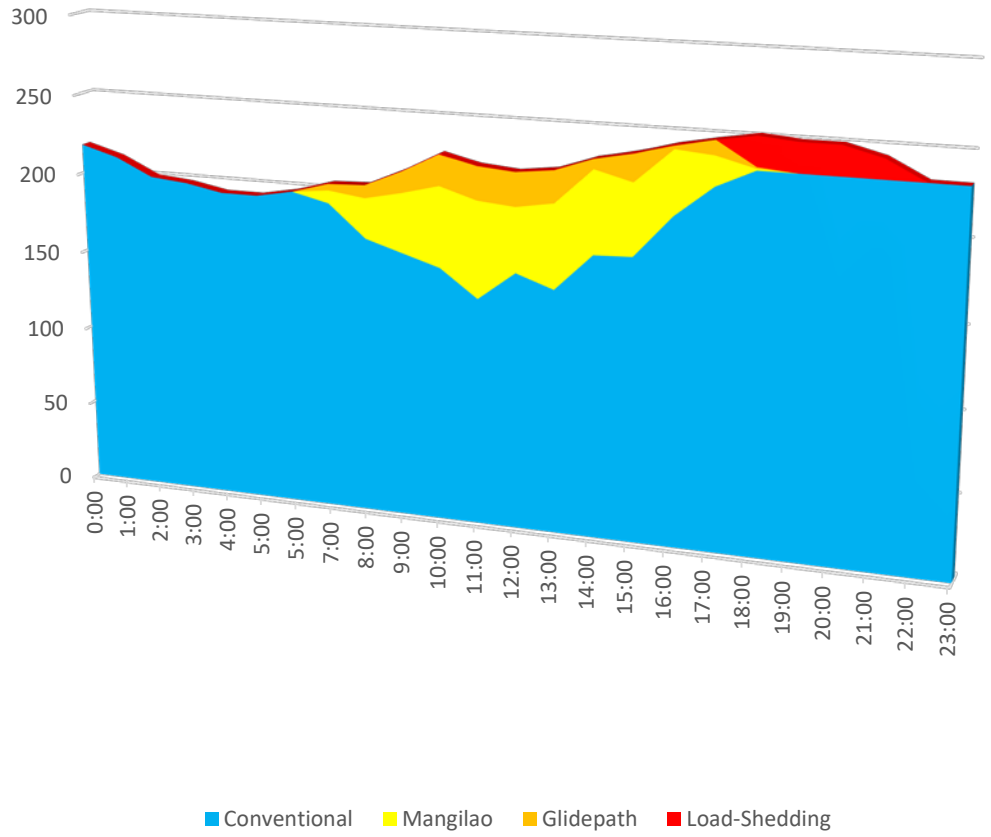
Summary

- GPA has made and continues to make incredible progress toward:
  - Consent Decree projects
  - Clean Energy Master Plan projects
  - Industry transformation
  - Process efficiencies (technical & operational)
  - Improvements (system upgrades)
  - Cost reductions (project fuel reductions, pursuing grants)
  - No rate increases since 2013
  - Maintaining core team of registered and licensed professional employees
  - Historic low FTE count
  - Resilient, determined progress toward goals despite huge challenges
- The creation and implementation of the initial CTP pay scale and market transition boosted GPA's ability to attract and retain top CTP employees.
- To maintain its current momentum and ensure proper succession, GPA must restore and retain its competitive edge as a local employer, including mitigating the threats of employee attrition.
- Policies allowing the General Manager discretion and flexibility are critical, to include the creation of a sustainable benefits program.
- The CCU has a vital role in determining caliber of employees GPA maintains.

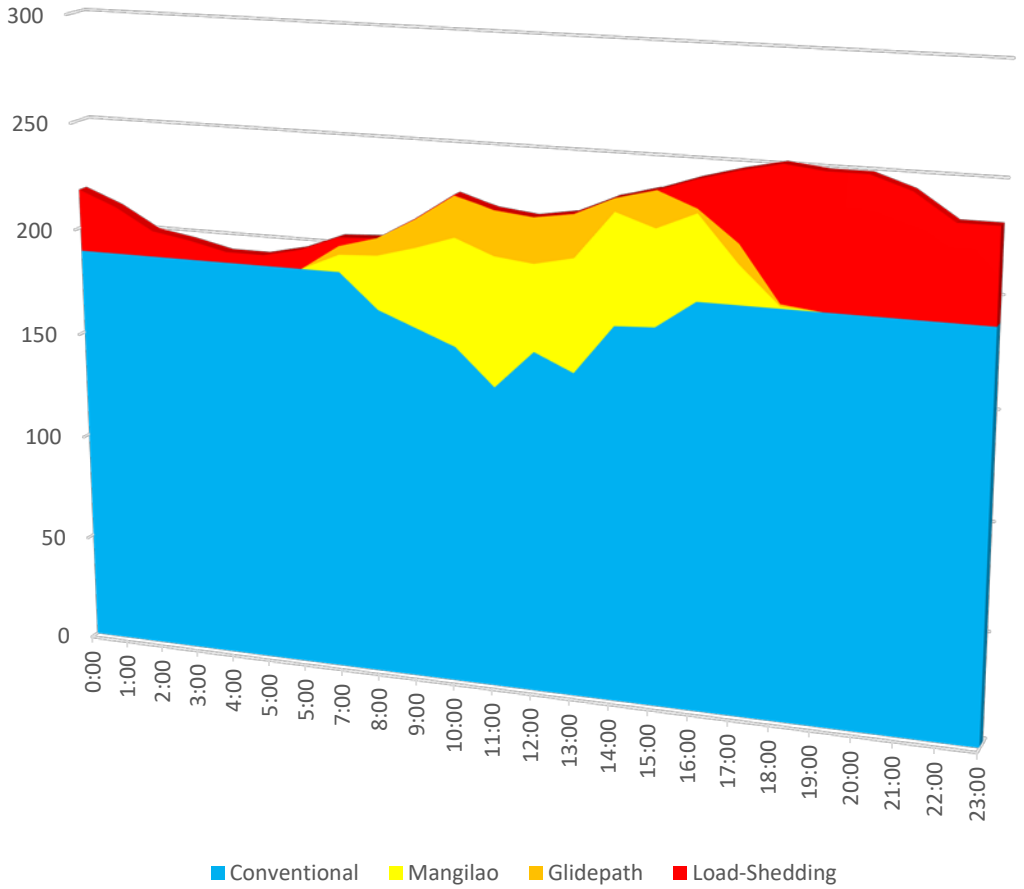
GENERATION CAPACITY UPDATE

Impact of Generation Capacity Shortfall: Down Baseload Scenarios

One Baseload Down
Load Shedding 18 MW
Capacity 232 MW; Demand 250 MW



Two Baseloads Down
Load Shedding 61 MW
Capacity 189 MW; Demand 250 MW



Load Shedding Summary SEP 01, 2023 – MAR 20, 2024

Month	Feeders Impacted	Feeder Outages	Hours Outaged	Avg. MW /Feeder	Avg. Hrs /Feeder	Unserved kWh	% Energy Unserved	Days LS
23-Sep	48	349	274	2.83	5.7	6,497,316	**4.90%**	20
23-Oct	49	162	114	2.84	2.3	1,185,508	**0.86%**	11
23-Nov	51	286	244	2.84	4.8	4,261,898	**3.11%**	9
23-Dec	12	13	7	3.47	0.6	66,018	**0.05%**	4
24-Jan	21	25	18	1.9	0.9	44,449	**0.03%**	4
24-Feb	9	10	8	1.74	0.9	17,120	**0.01%**	1
			665		**12.1**			**49**

	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24
Net kWh Send-out	133,231,195	132,766,903	136,680,507	137,615,616	129,255,577	121,547,053	139,902,831	133,905,681	143,520,734
Avg MW Demand	219	224	233	233	211	214	222	226	240
Highest MW Demand	237	249	245	244	233	223	245	237	248

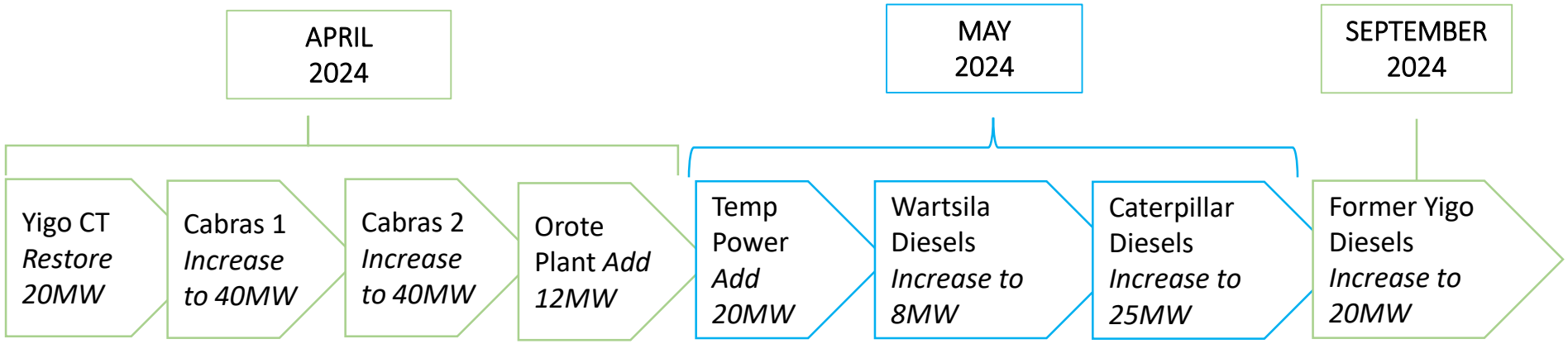
Notes:

1. Published monthly load shedding schedules are based on a scenario with up to 2 baseload plants offline.
2. On Nov 17, 3 plants were offline: (1) Piti 7 had been offline for preventive maintenance. (2) Cabras 2, baseload plant, suffered a boiler tube leak and was taken offline the previous evening for emergency repairs. (3) Piti 8, baseload plant, experienced a cooling water leak that evening (at the onset of peak demand), and was taken offline for emergency repair.
3. Lower demand, especially in Dec 2023, allowed plant personnel to complete repairs and preventative maintenance with little or no load shedding scenarios.
4. The numbers (Feeders Impacted, Feeder Outages, Hours Outaged, Avg. MW/Feeder, Avg. Hrs/Feeder, Unserved kWh) from September, 2023 through January, 2024 have been updated.

Action Plan for Recovery of Existing Capacity and Adding New Capacity

PLANT	ACTION	TARGET DATE
Cabras 2 *Baseload*	Boiler tube repairs. Unit being loaded towards 35-45 MW capacity.	Nov 20, 2023 (completed)
Piti 7 *Combustion Turbine*	Plenum repair (2-day outage) will increase capacity from 22 MW to 30 MW.	Dec 2, 2023 (early completion)
Yigo CT 20 MW *Combustion Turbine*	Typhoon damaged rotor under repair in Texas. GPA seeking assistance from federal partners to expedite return shipping.	Mar 2024
1.1 MW Diesels *Cummins Diesels*	Repair/replace up to 20 MW of capacity. Temporarily site at Tenjo (Emergency Procurement)	Sep 2024
Manenggon/Pulantat Diesels *Wartsila Diesels*	Current plant capacity at 3 MW. Unit control system replacement to increase plant capacity to 8 MW	May 2024
Tenjo, Talo'fo'fo Diesels *Caterpillar Diesels*	Perform significant repairs and/or rehabilitate units to increase plant capacity from by 12 MW to 25 MW	May 2024
Talo'fo'fo BESS *Existing Utility-Scale ESS*	Utilize existing Battery Energy Storage System (ESS) to shift 4 MW energy during peak time	Feb 2024 (completed)
OTHER CAPACITY		
Orote #2	5.6 MW Navy generator	Ongoing
Interruptible Load (IL) Program	Expand participation. Currently at ~16 MW.	Ongoing
NEW CAPACITY		
Temporary Power 20 MW	Procure 20 MW of temporary power generation under Emergency Procurement. Bill 206, passed by the Legislature and signed into law by Governor, allows the 2-year contract and may prevent delays due to protest.	May 2024, if no procurement protests or other delays

Near-Term Capacity Action Plan Timeline

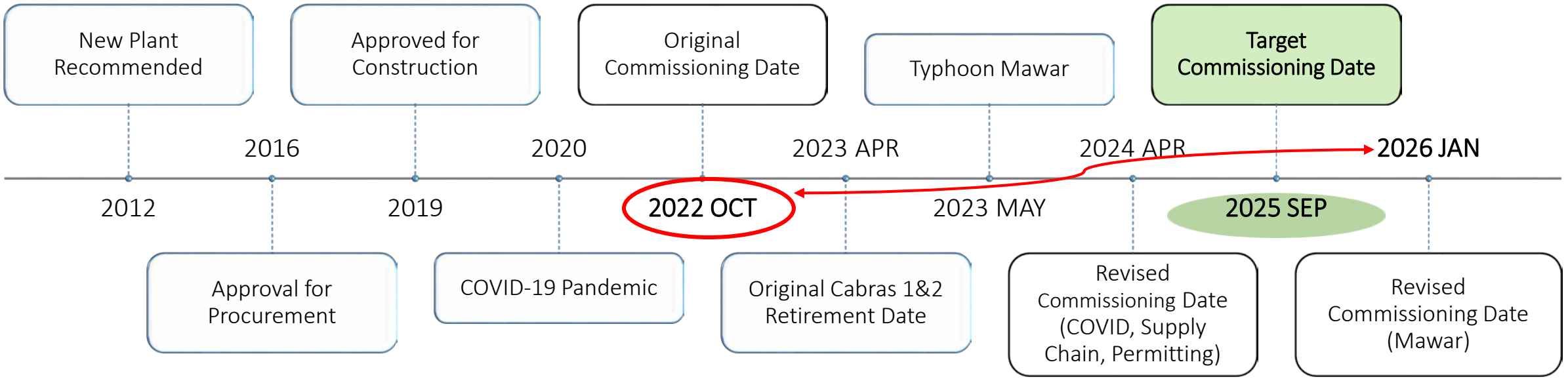


Capacity Dates:	**11-Jan-24**	**May-2024**	**Sep-2024**	**Sep-2025**
Yigo CT: Restore to 20MW *April*	0	20	20	20
Cabras 1: Increase to 40MW *April*	21	40	40	40
Cabras 2: Increase to 40MW *April*	34	40	40	40
Orote: Add 12MW *April*	0	12	12	12
Temporary Power Services: Add 20MW *May*	0	20	20	20
Wartsila Units: Increase to 8MW *May*	3	8	8	8
Caterpillar Units: Increase to 25MW *May*	12	25	25	25
1.1MW Diesels: Increase to 20MW *Sept*	6	0	20	20
Targeted MW Increase:	**76**	**165**	**185**	**185**

Long-Term Generation Capacity In Progress

New 198 MW Ukudu Combined Cycle Power Plant

- This plant, which is under construction and scheduled for commissioning in 2024, has now been delayed to January 2026 due to damages sustained from Typhoon Mawar. This delay presents additional challenges for GPA to meet the demand over the next two years.
- The new plant will provide improved generation reliability and substantially reduce fuel operating costs once commissioned.
- The plant is a critical part of the USEPA-GPA Consent Decree which also requires the retirement of Cabras units 1&2 within 5 months of the Ukudu plant's commissioning.



Long-Term Generation Capacity In Progress

(continued)

PHASE IV RENEWABLES BID

- Bids from proponents have been received. All five (5) bidders have progressed to next phase.
- Approximately 330MW of renewable energy with energy shifting Energy Storage Batteries may be awarded late this summer. Contract which would shift at least 50% energy production from daytime supply to nighttime supply to meet peak and reduce conventional unit production.
- Commissioning may take about 3 years from CCU & PUC approvals.
- GPA may achieve 50% renewables by 2027, years ahead of 2035 mandate.
- The energy storage systems will help increase GPA generation capacity substantially.

HANWHA 41 MW SOLAR PV PLANT

- Project has received CCU & PUC approvals.
- Targeted commissioning is NLT April 2026

VIRTUAL POWER PLANT BID

- Engineering technical analysis and work on bid specifications are ongoing. Team is analyzing best way to integrate smaller-sized renewable capacity into the grid.
- This bid is considering 20 MW capacity as the initial pilot bid.