GPWA CCU Meeting

Presentation to:

Consolidated Commission on Utilities
May 28, 2024

ISSUES FOR DECISION

GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

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

The GPA is undergoing a rapid transformation from a traditional utility to a technologically advanced and modern organization. The entire workforce shares the responsibility of ensuring employee safety and security at all levels. Moreover, the Authority is actively integrating both established and emerging technologies into its services.

GPA has made significant progress in aligning with industry standards by incorporating renewable energy assets, implementing smart grid systems, deploying customer information systems (CIS), and launching energy storage projects. However, this digital transformation also introduces unique cyber and physical security challenges. To address these, continuous employee training across all utility units is essential to maintain the required technical skills and knowledge.

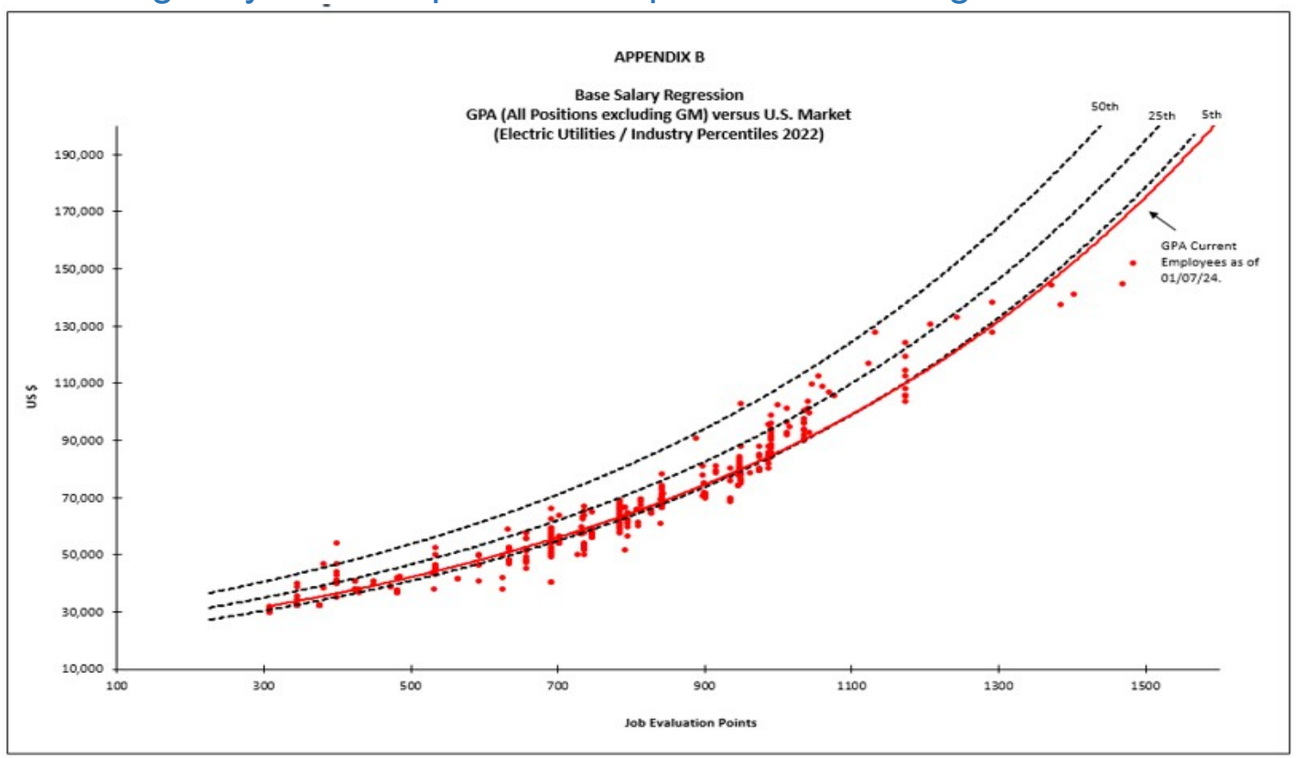
As GPA enhances its business processes and optimizes assets, the roles of employees have become increasingly critical to the organization's operations. Therefore, attracting, recruiting, and retaining highly skilled professionals is paramount for the organization's success.

In 2022, GPA engaged compensation consultant Alan Searle and Associates to conduct a comprehensive compensation review and update market data. This timing was opportune, considering various internal and external factors influencing GPA's competitive position in the local and national markets.

GPA Resolution No. FY2024-07

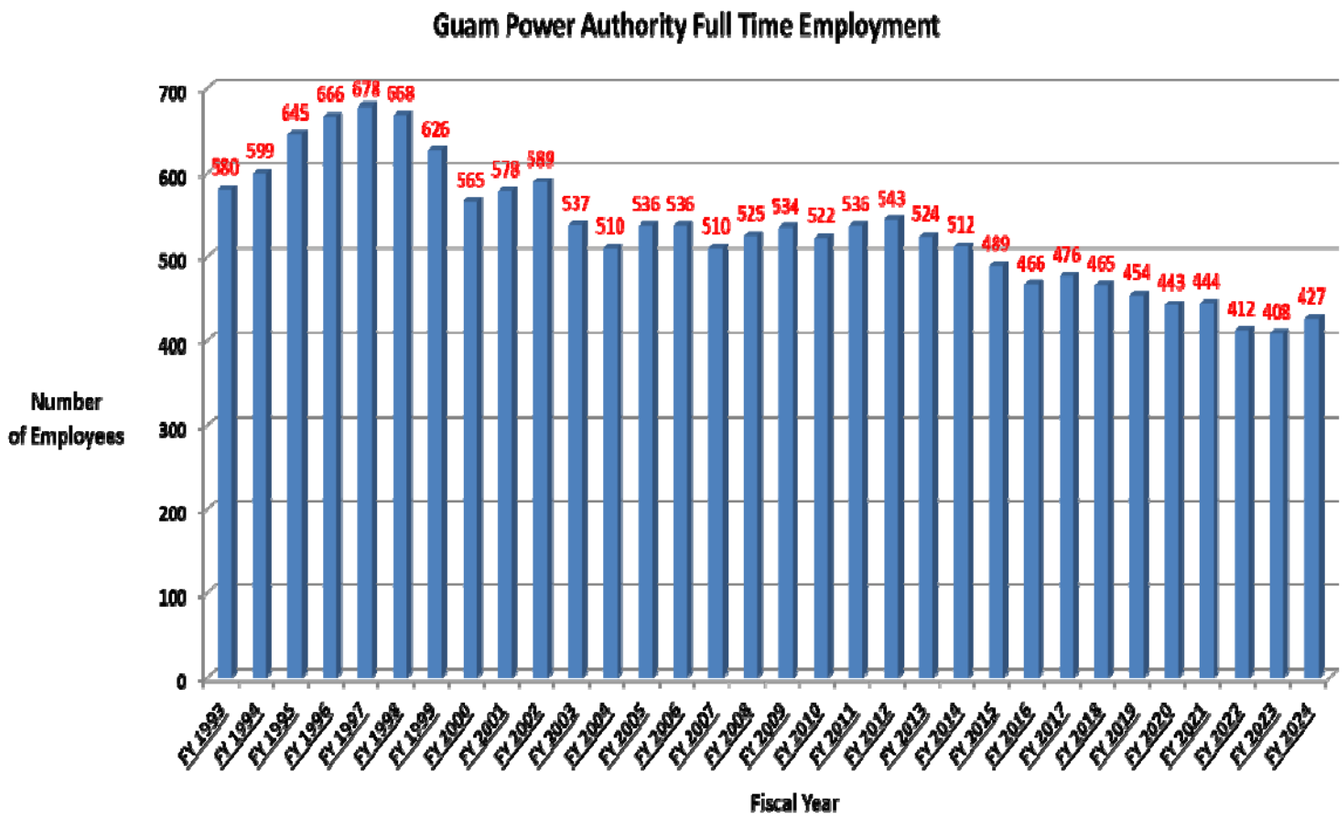
Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

Despite annual pay performance adjustments and efforts to maintain external competitiveness, market trends continued to rise through 2022, placing GPA's base salary pay line for numerous positions below the 5th market percentile of the 2022 data. This disparity highlighted the challenges GPA faced in attracting and retaining CTP employees, especially in light of factors such as attrition, high retirement eligibility and competitive compensation offerings from local and federal entities.



GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

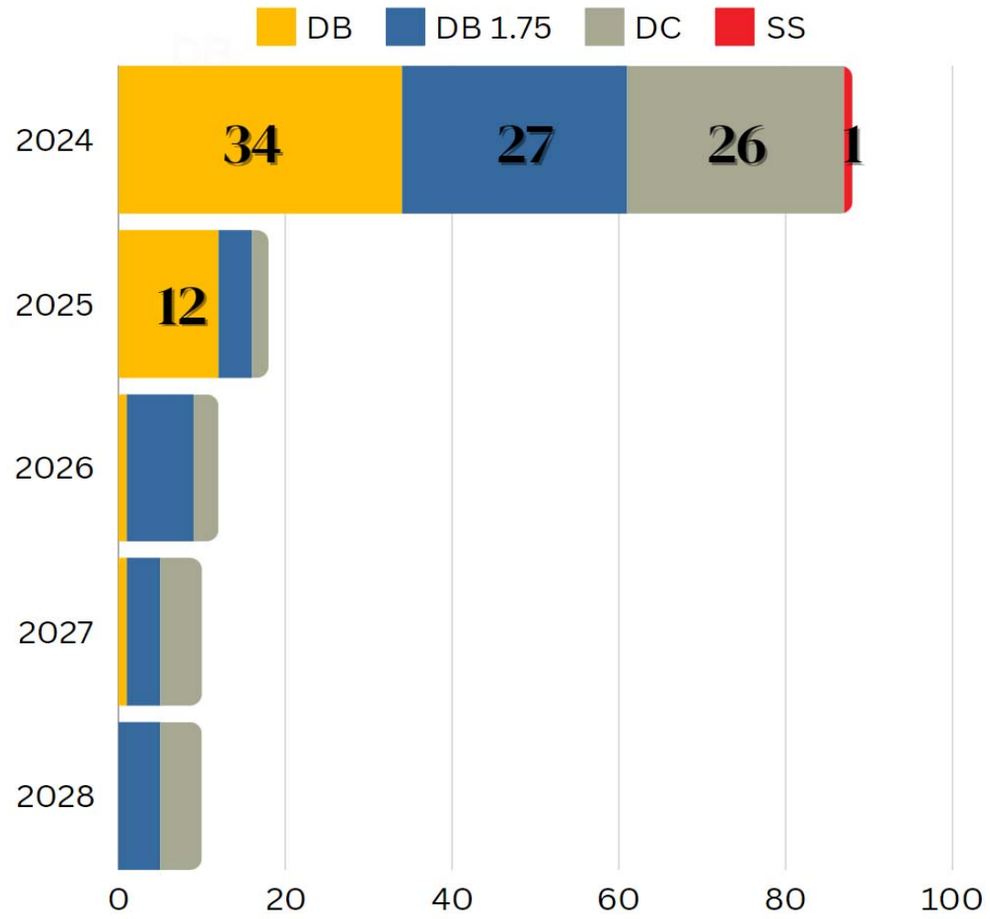


GPA 5-Year Attrition Statistics

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*	*200*

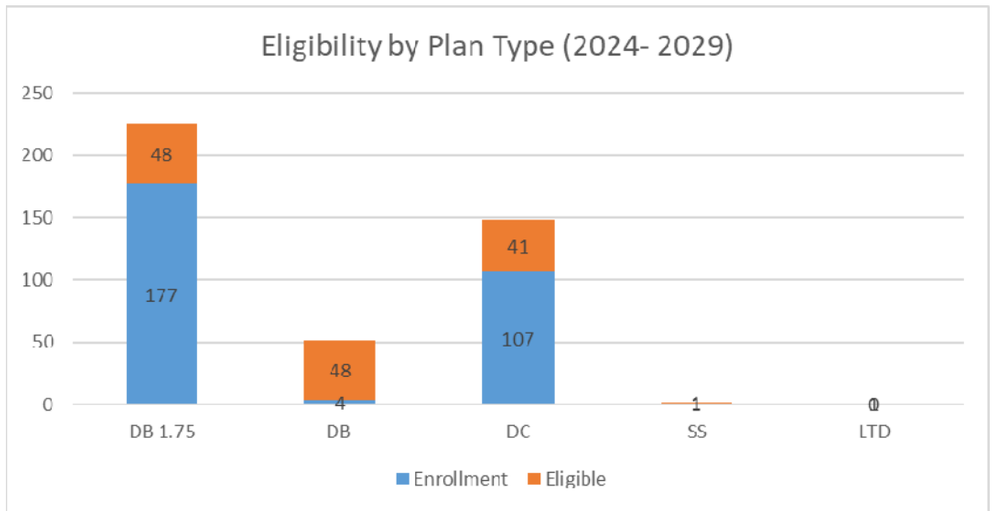
GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority



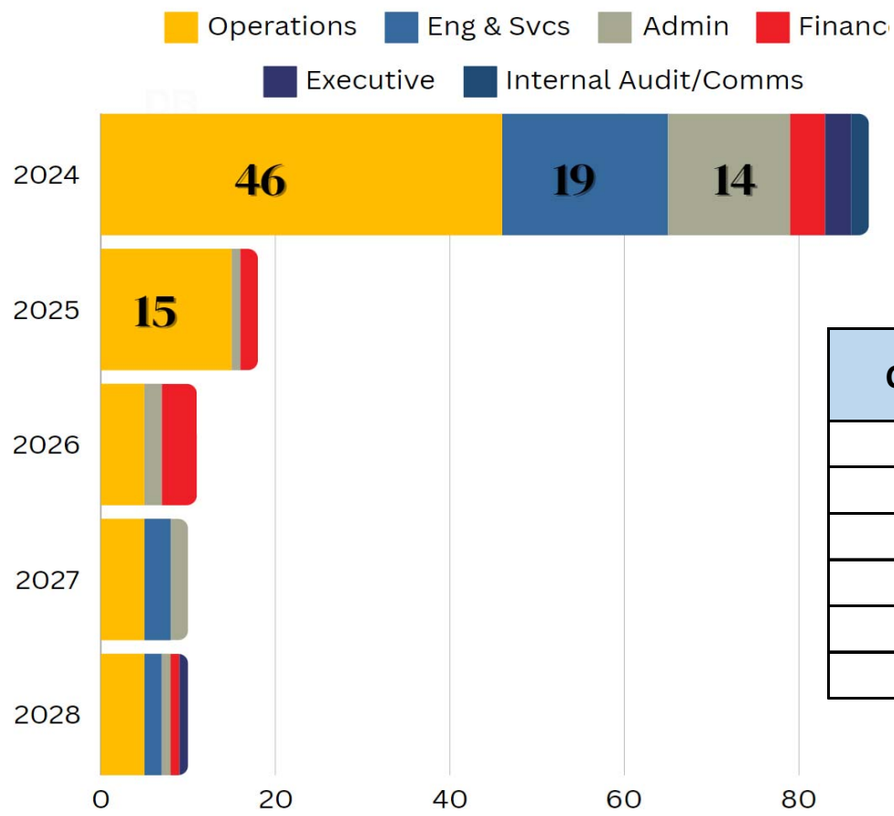
GPA 5-Year forecast

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*



GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority



GPA 5-Year forecast

Calendar Year	Operation	Eng & Scvs	Admin	Finance	Executive	Internal Audit & Comms	Total
2024	46	19	14	4	3	2	88
2025	15	0	1	2	0	0	18
2026	5	0	2	4	1	0	12
2027	5	3	2	0	0	0	10
2028	5	2	1	1	1	0	10
Total	76	24	20	11	5	2	138

GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

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

The study suggests conducting regular market reviews and adjusting salaries accordingly until GPA employees reach the 50th percentile of prevailing electric utility market wages. It recommends using range maximums for salary migrations to move salaries closer to the midpoint, rather than using range minimums. Additionally, for difficult-to-fill positions, other strategies such as above-step recruitment and offering higher pay for professional certifications should be considered to attract and retain personnel.

Moreover, the public power sector in the United States is experiencing considerable wage pressure, as evidenced by the findings of the 2023 survey conducted by the American Public Power Association. Compensation rates across utilities of varying sizes are increasing at rates that exceed initial projections. According to the annual Public Power Utility Salary Survey Report by APPA, conducted from 2021 to 2023, there were substantial salary increases across the board: 7.0% for large utilities, 7.2% for medium-sized utilities, and 4.4% for small utilities. These survey results corroborate the findings of Alan Searle and informally explain the upward market trend within the industry.

GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

Current Efforts:

Active Educational and Career Outreach
- Elementary – High School
- Local Job Fair

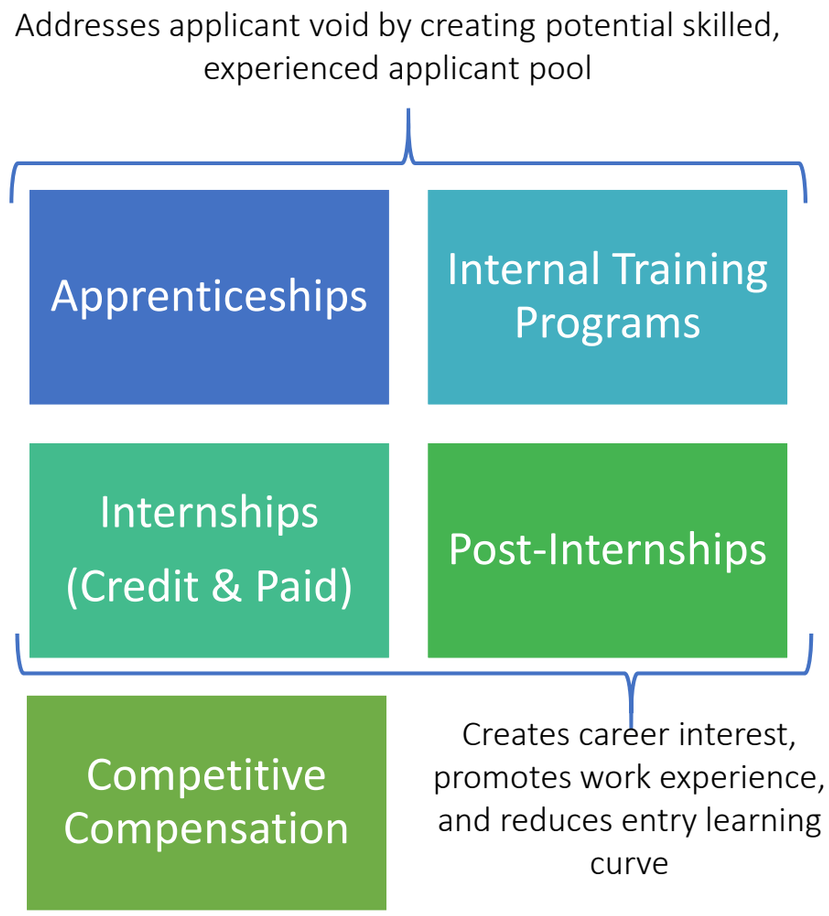
Apprenticeship
- Partnership with Guam Community College and Department of Labor
- 2 current cycles on-going

Workforce internships
- Finance
- Engineering
- Cybersecurity
- Human Resources
- Other Public Administration & Business Administration Fields

MOU with University of Guam for Internships
- For Academic Credit
- Not for Academic Credit

Summer Youth Program Host Sponsorship

In-House Generation Training Programs



GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

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

The Guam Power Authority is seeking approval for its strategic pay plan, aimed at gradually adjusting salaries over the next 5 years to reach up to the 50th market percentile (2022 Market Data). This adjustment is crucial to attract and retain certified, technical and professional employees required for the efficient operation of the island-wide power system. The proposed implementation schedule for GPA's annual structural pay adjustments is as follows:

Where is the location?

Not Applicable

How much will it cost?

The estimated cost for salary migration and 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

Note:
*Benefits calculated at 38%
**Estimated costing projected at current FTE of 427, utilizing proposed 2022 Job Evaluation (JE) Points.
***Average employee percent increase of employee projected at 14% increase.

GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

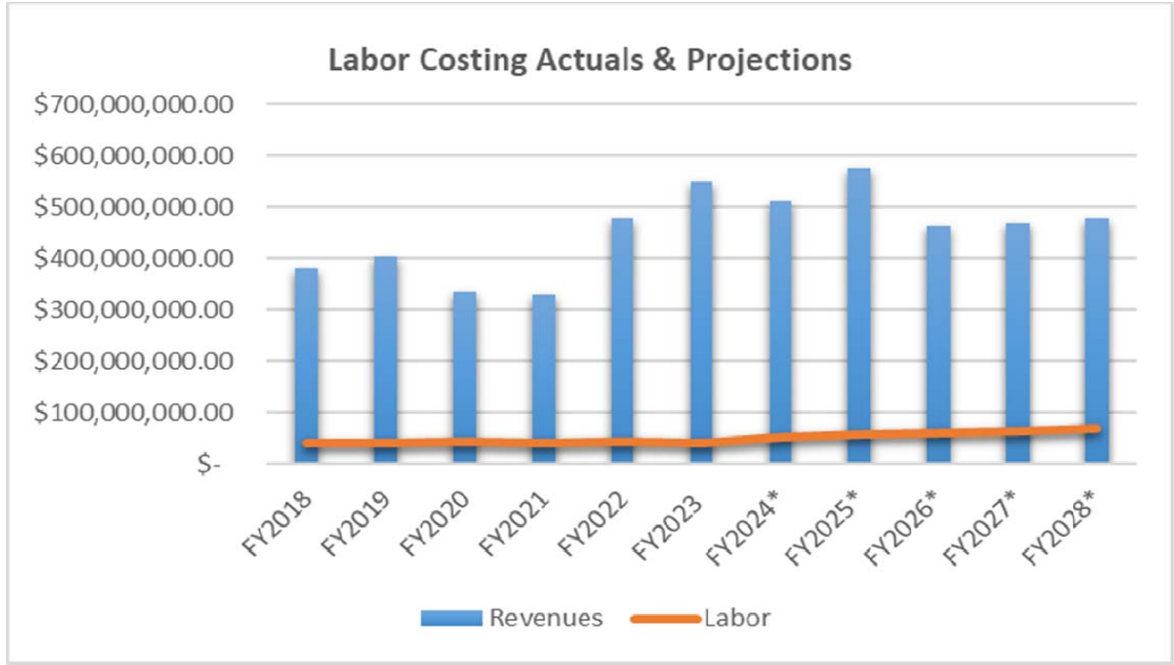
How much will it cost?

Labor Costing Actuals & Projections

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



GPA Resolution No. FY2024-07

Relative to the Approval of a Unified Pay Scale and Adoption of 2022 Market Update and Implementation Plan for the Guam Power Authority

When will it be completed?
Structural adjustments will be processed beginning FY2024 through FY2028.

When will it be completed?
Structural pay adjustments will be revenue funded.

The RFP/BID responses (if applicable):
Not applicable

GPA Resolution No. FY2024-21 / GWA Resolution 21- FY2024

Relative to Authorize the Guam Power Authority and the Guam Waterworks Authority to Award a Contract for Merchant Banking Services and to Petition the Guam Public Utilities Commission for Approval

What is the project's objective? Is it necessary and urgent?
Both GPA and GWA determined that merchant banking services is a critical service to its ratepayers. This request is to award the merchant banking services to Bank of Hawaii, determined to be the lowest, most responsive and responsible bidder. The vendor has proposed to provide all implementation support at no extra cost to both utilities in addition to maintaining consistent pricing throughout the duration of the contract.

Where is the location?
Guam Power Authority and Guam Waterworks Authority

How much will it cost?
The annual cost varies with the volume of customer usage and projects such cost to be approximately $2.2 million per year and $11 million for five years for GPA and $1 million per year and $5 million for five years for GWA.

When will it be completed?
The contract consists of a base year and four additional one-year options.

What is its funding source?
The source is revenue funds.

The RFP/BID responses:
GPA and GWA personnel were selected to review and evaluate two bids received in response to the Merchant Banking Services Invitation for Bid (RE-BID GPA-076-23).

GPA Resolution No. FY2024-22

To Authorize the Management of the Guam Power Authority to Petition the Guam Public Utilities Commission to Maintain the Levelized Energy Adjustment Clause (LEAC) for the Periods of August 1, 2024 through January 31, 2025

What is the project's objective? Is it necessary and urgent?
The objective is to meet the June 15, 2024 upcoming LEAC filing deadline with the PUC.

GPA proposes to maintain the LEAC factor at $0.261995/kWh for the periods of August 1, 2024 through January 31, 2025. GPA did not include costs associated with the Demand Side Management rebate program for this period.

The most recent Morgan Stanley market projects the average fuel price is expected to be $112.73/bbl for the period ending January 31, 2025. Projected over-recovery for the same period at the LEAC rate of $0.261995/kWh is $2.2 million.

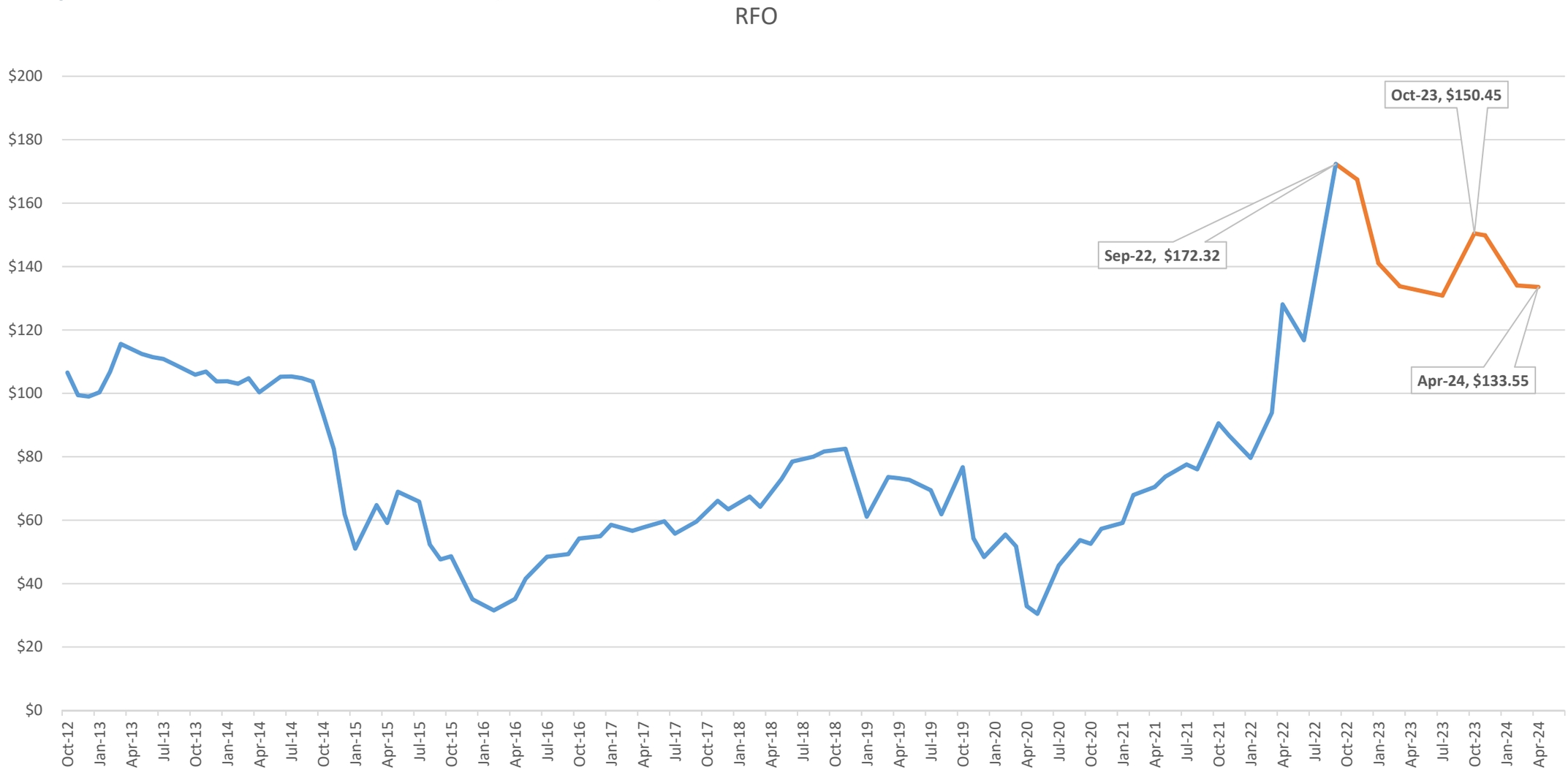
Where is the location?
Guam Power Authority

How much will it cost?
The LEAC is billed and collected thru the monthly electric billings of our customers.

When will it be completed?
LEAC filing period is from August 1, 2024 through January 31, 2025.
The filing deadline with the PUC is June 15, 2024.

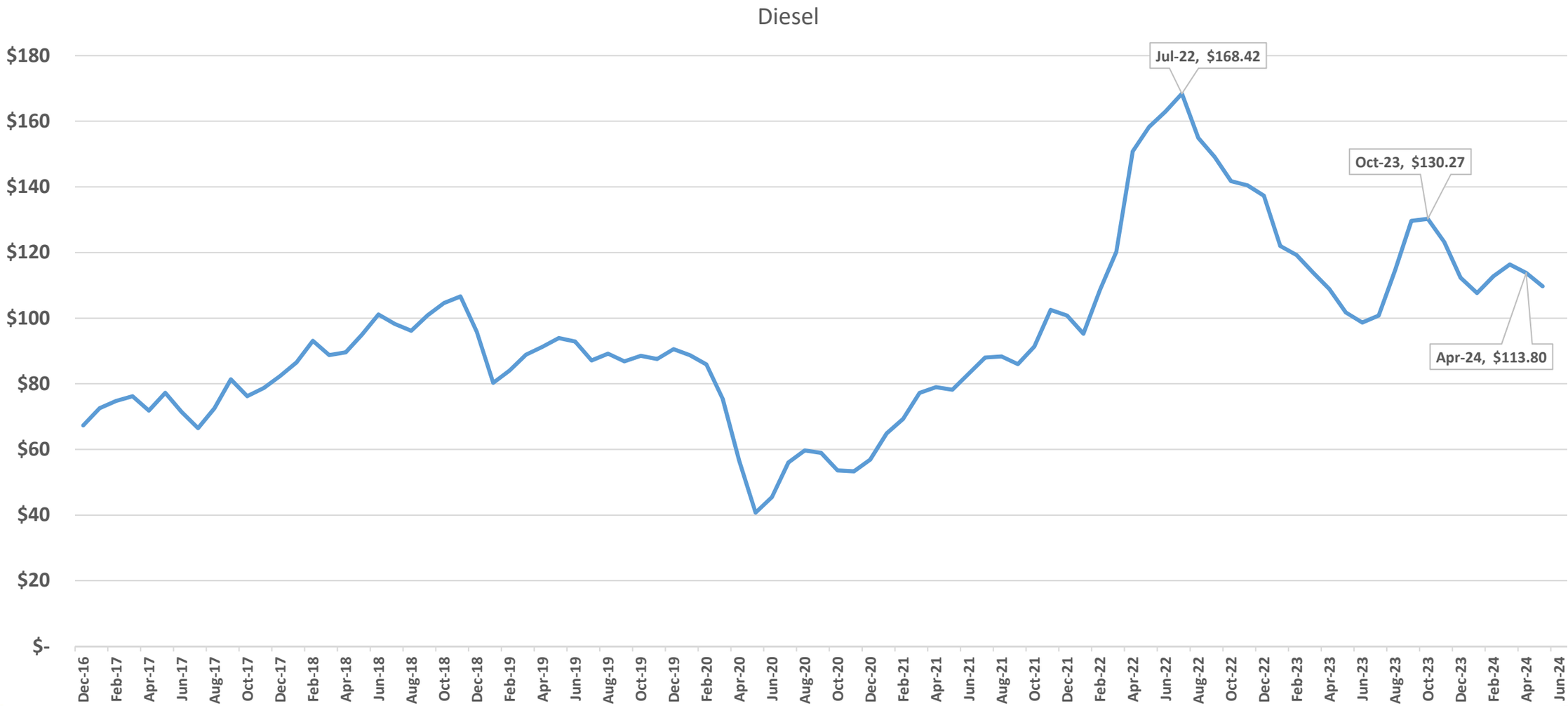
GPA Resolution No. FY2024-22

LEAC Update – GPA RFO Purchases (Per Barrel)



GPA Resolution No. FY2024-22

LEAC Update – GPA Diesel Purchases (Per Barrel)



GPA Resolution No. FY2024-22

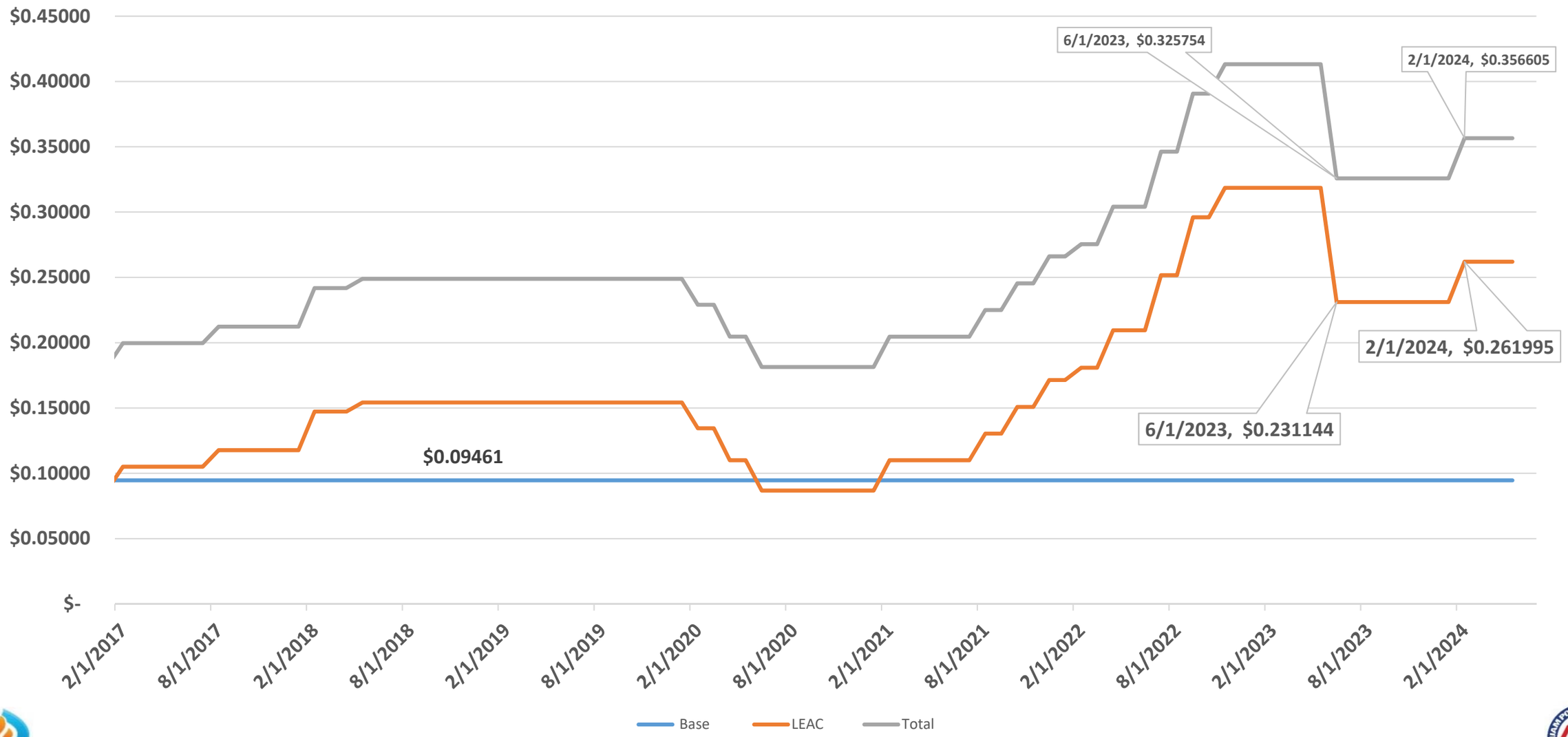
LEAC Update – Morgan Noon Call Pricing

Morgan Noon Call Pricing

Date	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Gassoil 10ppm											
5/13/2024	96.57	96.72	96.96	97.22	97.19	96.79	96.79	96.79	95.72	95.72	95.72
5/14/2024	97.16	97.29	97.49	97.75	97.73	97.45	97.45	97.45	96.53	96.53	96.53
5/15/2024	97.22	97.25	97.43	97.67	97.66	97.44	97.44	97.44	96.67	96.67	96.67
5/16/2024	97.00	97.05	97.24	97.45	97.44	97.23	97.23	97.23	96.53	96.53	96.53
5/17/2024	97.89	97.97	98.14	98.38	98.37	98.12	98.12	98.12	97.33	97.33	97.33
Five-day average	**$ 97.17**	**$ 97.25**	**$ 97.45**	**$ 97.69**	**$ 97.68**	**$ 97.41**	**$ 97.41**	**$ 97.41**	**$ 96.55**	**$ 96.55**	**$ 96.55**

GPA Resolution No. FY2024-22

LEAC Update – Historical Residential LEAC Rate



GPA Resolution No. FY2024-22

LEAC Update – Historical LEAC Over / (Under) Recovery

LEAC Period From	LEAC Period To	Approved LEAC Rate	Actual Over (Under) Recovery	
2/1/2013	7/31/2013	$ 0.209271	$ 1,345,259	
8/1/2013	10/31/2013	$ 0.182054	$ 1,300,093	
2/1/2014	7/31/2014	$ 0.172986	$ (1,137,034)	
8/1/2014	10/31/2014	$ 0.176441	$ (4,646,872)	
11/1/2014	1/31/2015	$ 0.146666	$ 661,428	
2/1/2015	7/31/2015	$ 0.102054	$ 1,757,878	
8/1/2015	1/31/2016	$ 0.104871	$ (2,467,151)	
2/1/2016	7/31/2016	$ 0.086613	$ (2,668,603)	
8/1/2016	1/31/2017	$ 0.086613	$ (9,915,360)	
			$ (5,315,360)	(a)
2/1/2017	7/31/2017	$ 0.105051	$ (14,050,504)	
8/1/2017	1/31/2018	$ 0.117718	$ (16,775,982)	
2/1/2018	4/30/2018	$ 0.147266	$ (13,005,689)	
5/1/2018	7/31/2018	$ 0.154242	$ (8,422,674)	
8/1/2018	1/31/2019	$ 0.154242	$ (13,336,698)	
2/1/2019	7/31/2019	$ 0.154242	$ (10,225,349)	
8/1/2019	1/31/2020	$ 0.154242	$ (2,193,618)	
2/1/2020	3/31/2020	$ 0.134474	$ (1,803,778)	
4/1/2020	5/31/2020	$ 0.110039	$ (2,981,023)	
6/1/2020	7/31/2020	$ 0.086800	$ (3,563,177)	
8/1/2020	1/31/2021	$ 0.086800	$ (13,230,995)	
2/1/2021	7/31/2021	$ 0.110000	$ (32,452,576)	
8/1/2021	9/30/2021	$ 0.130400	$ (14,168,086)	(b)
10/1/2021	11/30/2021	$ 0.150800	$ (19,695,128)	
12/1/2021	1/31/2022	$ 0.171458	$ (22,490,844)	
2/1/2022	3/31/2022	$ 0.180837	$ (29,444,602)	
4/1/2022	6/30/2022	$ 0.209522	$ (42,759,975)	
7/1/2022	8/31/2022	$ 0.251638	$ (47,101,089)	
9/1/2022	10/31/2022	$ 0.296043	$ (41,914,469)	
11/1/2022	1/31/2023	$ 0.318576	$ (32,523,031)	
2/1/2023	5/31/2023	$ 0.318576	$ (12,423,514)	
6/1/2023	1/31/2024	$ 0.231144	$ (33,303,174)	
2/1/2024	7/31/2024	$ 0.261995	$ (16,291,997)	Estimated

GPA Resolution No. FY2024-22

LEAC Update - Rate

	AUG 24 - JAN 25 MS Pricing from 05.13.24 to 5.17.24
	No Change
Average Price per Bbl-RFO & ULSFO 0.20%	$ 127.51
Average Price per Bbl-Diesel	$ 105.43
Number 6 (HSFO/LSFO)	$ 60,232
Number 2 (Diesel)	100,803
Renewable (Solar)	$ 9,461
TOTAL COST	$ 170,496
Handling Costs	$ 9,339
Total Current Fuel Expense	$ 179,835
Civilian Allocation	79.219%
LEAC Current Fuel Expense	$ 142,463
Estimated DSM for this period	$ -
Deferred Fuel Expense at the beginning of the period	$ 16,292
Total LEAC Expense	$ 158,755
Less: Trans. Level Costs	$ 9,254
Distribution Level Costs	$ 149,502
Over recovery/(Under) at the end of the period	**$ 2,186**
Adjusted Distribution Level Costs	$ 151,687
Distribution Level Sales (mWh)	578,971
LEAC Factor Distribution	**$0.261995**
Current LEAC Factor Distribution	$ 0.261995
Increase/(Decrease)	-
Monthly Increase/(Decrease) - 1000 kWh	$ -
% Increase/(Decrease) in LEAC	0.00%
% Increase/(Decrease) in Total Bill	0.00%
Discount (3%) - Primary 13.8 KV	$ 0.254148
Discount (4%) - 34.5 KV	$ 0.253416
Discount (5%) - 115 KV	$ 0.250297

GPA Resolution No. FY2024-22

LEAC Update – Sample residential bill

SCHEDULE R - RESIDENTIAL

	RATE SCHEDULE R			
	Existing Rate Eff 02-02-24		Proposed Eff 08-01-24	
KWH		1,000		1,000
Monthly Charge	$ 15.00	$ 15.00	$ 15.00	$ 15.00
Non-Fuel Energy Charge				
First 500 KWH	0.069550	34.78	0.069550	34.78
Over 500 KWH	0.086870	43.44	0.086870	43.44
Emergency Water-well charge	0.002790	1.40	0.002790	1.40
Self-Insurance Charge	0.002900	2.90	0.002900	2.90
Working Capital Fund Surcharge	0.000000	-	0.000000	-
Total Electric Charge before Fuel Recovery Charges		97.52		97.52
Fuel Recovery Charge	0.261995	262.00	0.261995	262.00
Total Electric Charge		$ 359.52		$ 359.52
Increase/(Decrease) in Total Bill				-
% Increase/(Decrease) in Total Bill				0.00%
% Increase/(Decrease) in LEAC rate				0.00%

GPA Resolution No. FY2024-22

LEAC Update – Sample bill

SCHEDULE G - SINGLE PHASE

		RATE SCHEDULE G (Single Phase)			
		Existing Rate Eff 02-02-24		Proposed Eff 08-01-24	
SINGLE PHASE					
KWH			5,000		5,000
Monthly Charge		$ 14.16	$ 14.16	$ 14.16	$ 14.16
Non-Fuel Energy Charge					
First 350 KWH per month	350	0.200860	$ 70.30	0.200860	$ 70.30
Over 350 KWH per month	4,650	0.108610	$ 505.04	0.108610	$ 505.04
Emergency Water-well charge	5,000	0.002790	$ 13.95	0.002790	$ 13.95
Self-Insurance Charge	5,000	0.002900	$ 14.50	0.002900	$ 14.50
WCF Surcharge	5,000	-	$ -	-	$ -
Total Electric Charge before Fuel Recovery Charges			$ 617.95		$ 617.95
Fuel Recovery Charge		0.261995	$ 1,309.98	0.261995	$ 1,309.98
Total Electric Charge			$ 1,927.92		$ 1,927.92
Increase(Decrease) in Total Bill					$ -
% Increase/(Decrease) in Total Bill					0.00%
% Increase/(Decrease) in LEAC rate					0.00%

GPA Resolution No. FY2024-22

LEAC Update – Sample bill

SCHEDULE J - SINGLE PHASE

		RATE SCHEDULE J (Single Phase)			
		Existing Rate Eff 02-02-24		Proposed Eff 08-01-24	
SINGLE PHASE					
KWH			25,000		25,000
DEMAND (	35				
Monthly Charge		$ 38.33	$ 38.33	$ 38.33	$ 38.33
Demand Charge ($/kW-month)	35	$ 6.16	$ 215.60	$ 6.16	$ 215.60
Energy Charge					
First Block - First 2,000 kWh per month ($kWh)	2,000	0.196760	$ 393.52	0.196760	$ 393.52
Second Block - > 2,000 kWh per month ($kWh)	23,000	0.065540	$ 1,507.42	0.065540	$ 1,507.42
Emergency Water-well charge	25,000	0.002790	$ 69.75	0.002790	$ 69.75
Self-Insurance Charge	25,000	0.002900	$ 72.50	0.002900	$ 72.50
WCF Surcharge	25,000	-	$ -	-	$ -
Total Electric Charge before Fuel Recovery Charges			$ 2,297.12		$ 2,297.12
Fuel Recovery Charge		0.261995	$ 6,549.88	0.261995	$ 6,549.88
Total Electric Charge			$ 8,847.00		$ 8,847.00
Increase(Decrease) in Total Bill					$ -
% Increase/(Decrease) in Total Bill					0.00%
% Increase/(Decrease) in LEAC rate					0.00%

GPA Resolution No. FY2024-23

Relative to Authorizing the Issuance and Sale of Guam Power Authority Revenue Bonds, Approving Forms of Related Documents, Agreements and Actions and Authorizing the Execution and Delivery Thereof

What is the project's objective? Is it necessary and urgent?
GPA has been pursuing strategies for reducing debt service payments, which would be of significant assistance in paying for capacity payment of the new power plant. One strategy that has emerged as a result of low interest rates has been the concept of refunding all or a portion of GPA's outstanding 2014 Series A revenue bonds for interest rate savings.

The issuance of the Refunding Bonds is subject to the approval of I Liheslaturan Guåhan (the "Legislature"), which issuance of the Refunding Bonds has been approved by I Liheslaturan Guåhan as Public Law 37-95, and signed by the Governor on May 8, 2024.

The approval of Guam Economic Development Authority (GEDA) is required for the issuance and sale of the Refunding Bonds, and the Board of GEDA is expected to consider for approval, among other things, the issuance and sale of the Refunding Bonds at its meeting to be held on May 30, 2024.

The approval of the Public Utilities Commission of Guam is required for the issuance and sale of the Refunding Bonds.

Where is the location?
Guam Power Authority

How much will it cost?
In early April 2024, GPA has seen proposal from its underwriter indicating that it could refinance its 5% bonds at around 4.3%, reducing annual debt service payments by about $212 thousand. The refunding, with a projected total interest, can result in approximately $2.6 million in net present value savings.

When will it be completed?
Refunding of the bonds are to close no earlier than 90 days prior to the call date, or July 3, 2024.

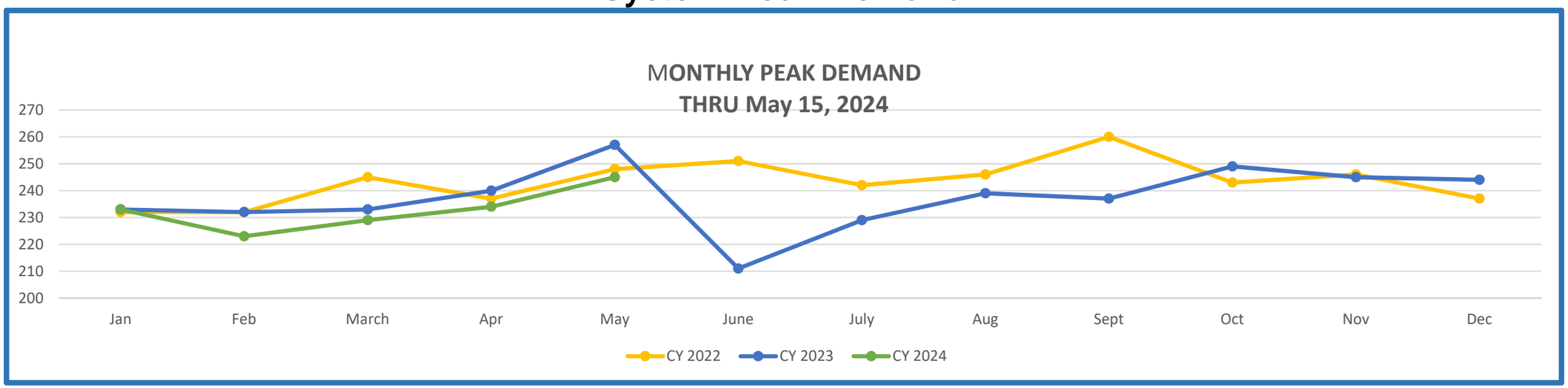
GM REPORT

General Manager's Report

Reserve Margin Forecast for May 2024:

Targeted Available Capacity:	297 MW (All Baseloads Available)
Projected Demand:	257 MW
Anticipated Reserve Margin:	40 MW
Interruptible Load Availability:	16 MW
Total Reserves:	56 MW

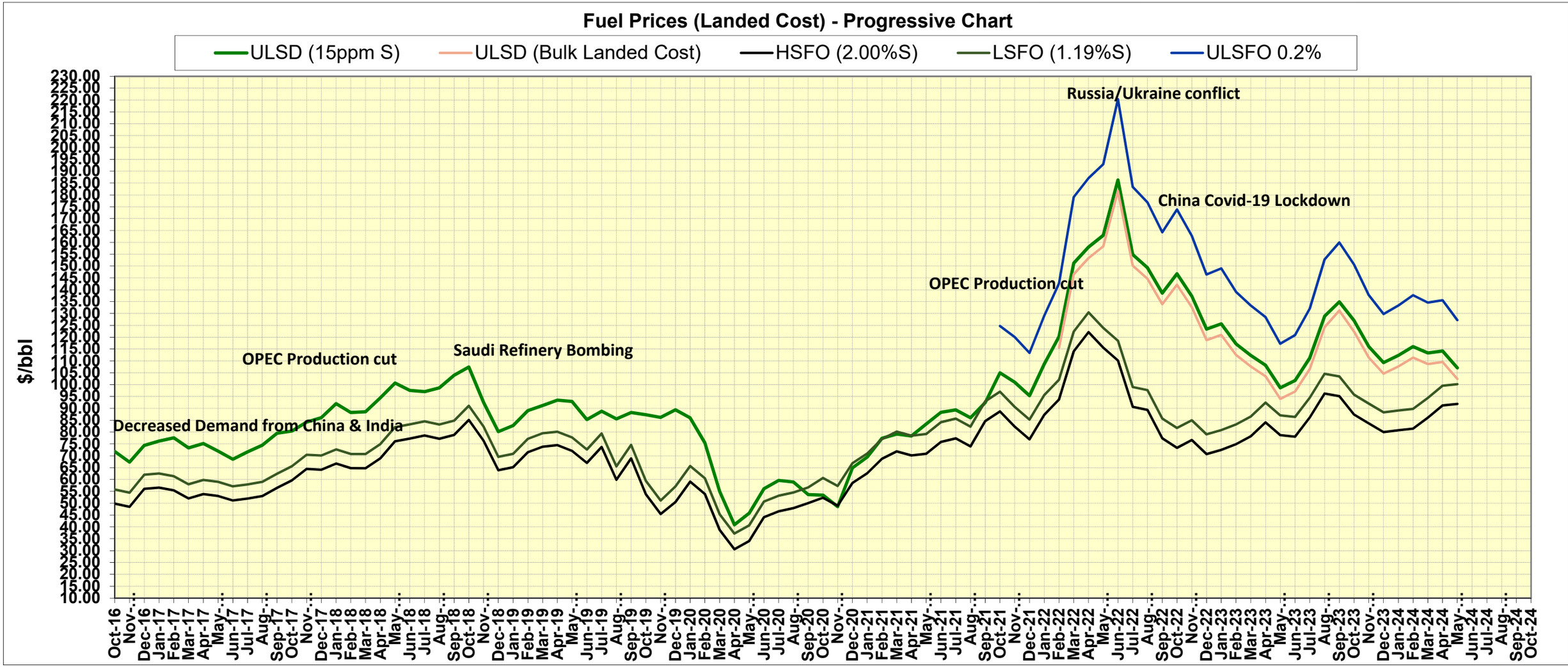
System Peak Demand:



General Manager's Report

GPA Fuel Landed Cost (Per Barrel as of May 20, 2024)

ULSRFO 0.2% $127.20 **ULSD Bulk** $102.43



General Manager's Report

PUC Update:

GPA Docket - **May 30, 2024** Regular Meeting

- GPA Docket No. 24-16: Guam Power Authority Energy Conversion Agreement (ECA) Amendment for the Ukudu Power Plant
- GPA Docket No. 24-17: Month-to-Month Extension for Professional Printing, Mailing, Processing and Other Services Due to Ongoing Litigation
- GPA Docket No. 24-18: Guam Power Authority and Guam Waterworks Authority Merchant Banking Services Contract
- GPA Docket No. 24-19: Application of the Guam Power Authority to Approve a Bond Issuance to Refinance a Portion of the Outstanding Revenue Bonds
  - April 26, 2024 – Bill No. 262-37 (LS) passed
  - May 08, 2024 – PL37-95
  - GEDA to decide approval on May 30, 2024

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

Customer Assistance

Prugråman Ayuda Para I Taotao-Ta Energy Credit

- GPA received $5,276,000 on Friday, April 19, 2024 and the $100 credit for March 2024 has been applied to all active accounts on Monday, April 22, 2024.
- On May 13, 2024, GPA completed a reconciliation of the energy credit program under P.L. 37-66 and identified that it had applied $15,723,300 in credits and returned $104,700 of unused energy credits to the Department of Administration.

P.L. 37-66 Energy Credit Program				
Period	**Credits Received**	**Credits Issued**	**Unused Credits**	**Active Accounts**
January 2024	$5,276,000	$5,217,500	$58,500	50,541
February 2024	$5,276,000	$5,245,300	$30,700	50,819
March 2024	$5,276,000	$5,260,500	$15,500	50,970
Total:	**$15,828,000**	**$15,723,000**	**$104,700**	**152,330**

- Bill 277-37, introduced by Senator Parkinson, seeks to extend the energy credit program for an additional three months (April 2024, May 2027, June 2024). GPA provided testimony in favor of the bill during the public hearing held on May 8, 2024.

General Manager's Report

Customer Assistance *(continued)*

Emergency Rental Assistance Program (ERA)

- $136,853.20 was applied to qualified ratepayer accounts [Batch 299 - 306] in the month of April 2024, totaling $6,946,490.42 since the programs inception.

General Manager's Report

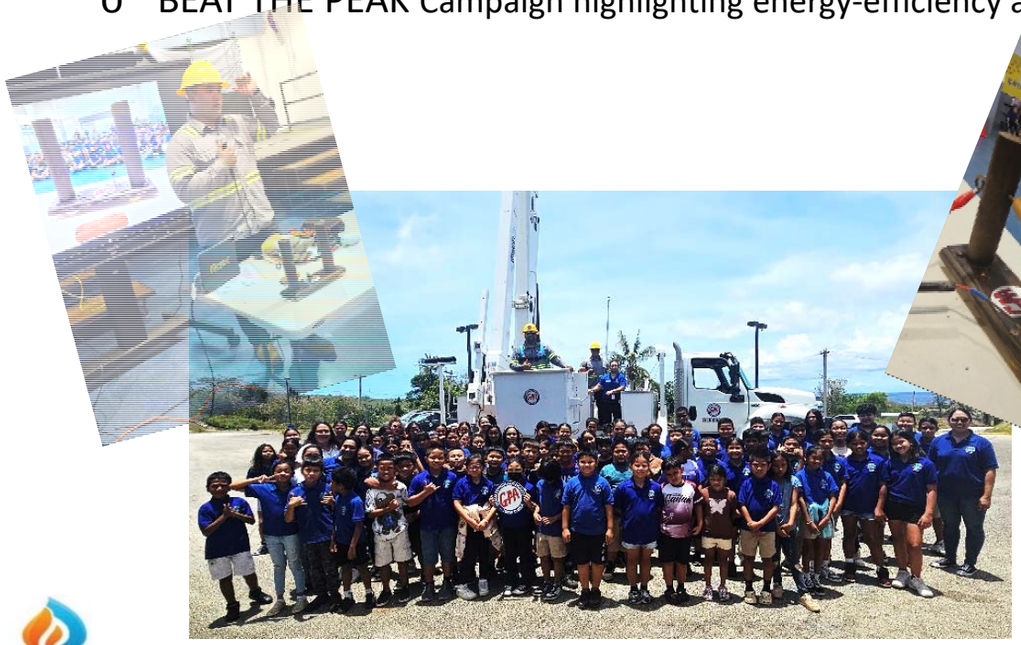


Customer Engagement & Community Outreach - Career Day Presentations

1. Talo'fo'fo' Elementary Career Day |May 03, 2024 | **200** students from grades K – 5th
2. Inalåhan Elementary Career Day | May 07, 2024 | **212** students from grades K – 5th
   - Career insights, apprenticeship programs and internships available at GPA
   - T&D crew showcase:
     - Duties and responsibilities of a lineman, the importance and use of PPEs
     - Electrical current demonstration with the hot dog model to emphasize the dangers of electricity
     - How to properly ascend in a bucket truck
   - STEM Kit demonstrations for solar and wind power renewable energy and other experiments
     - Kit includes: mini solar panels, mini sound & light boards, mini pumps and motors, mini mounting board and other pieces for experiments and presentations.
   - BEAT THE PEAK Campaign highlighting energy-efficiency and power conservation tips









General Manager's Report

Workforce Succession & Planning Updates



APPRENTICE

5th Cycle – Completed Oct 2023

6th Cycle – Completion Oct 2024

7th Cycle – Onboard April 20, 2024

U.S. DOL approved new Apprenticeship - SCADA Program



INTERNSHIP

Extended Terms and Internship Areas

-Cybersecurity
-Human Resources
-Finance
-Engineering
-Administrative

Summer Interns – June 2024

MOU between UOG and GPA signed on April 2024



IN-HOUSE TRAINING

1st cycle – Trainees complete in year 2; Estimated Completion by Q4 of 2024

General Manager's Report

DSM Online Report – April 2024

OVERALL COUNTS

Month	ALL			COMMERCIAL			RESIDENTIAL		
	Applications	Equipment	Rebates	Applications	Equipment	Rebates	Applications	Equipment	Rebates
FY-2022*	696	838	$ 196,075	7	9	$ 1,950	689	829	$ 194,125
FY-2023	5,721	6,922	$ 1,621,650	67	86	$ 19,350	5,654	6,836	$ 1,602,300
Oct-23	416	505	$ 115,050	7	9	$ 1,800	409	496	$ 113,250
Nov-23	450	554	$ 128,500	4	5	$ 700	446	549	$ 127,800
Dec-23	389	479	$ 111,450	7	9	$ 1,950	382	470	$ 109,500
Jan-24	442	532	$ 125,250	3	3	$ 2,000	439	529	$ 123,250
Feb-24	321	392	$ 101,875	6	7	$ 5,800	315	385	$ 96,075
Mar-24	391	507	$ 118,075	5	5	$ 2,000	386	502	$ 116,075
Apr-24	433	508	$ 111,050	6	6	$ 800	427	502	$ 110,250
May-24									
Jun-24									
Jul-24									
Aug-24									
Sep-24									
TOTAL	9,259	11,237	$ 2,628,975	112	139	$ 36,350	9,147	11,098	$ 2,592,625

AVERAGES

Month	ALL		COMMERCIAL		RESIDENTIAL	
	Applications	Equipment	Applications	Equipment	Applications	Equipment
As of Apr-24	$ 284	$ 234	$ 325	$ 262	$ 283	$ 234

** 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

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.
- PUC officially approves cancellation of Reserve Facility.
- GPA received overview of commissioning plan from GUP commissioning team on Apr. 12, 2023.
- 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 and GUP reached an agreement on Dec. 6th, 2023 to establish the new Required Commercial Operation Date (RCOD) for Sep. 30th, 2025.
- CCU officially approves Ukudu Power Plant ECA Amendment on March 26th, 2024

General Manager's Report

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 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 nearly completed stringing transmission lines from Harmon Substation to Ukudu AIS
  - ✓ GPA is assisting GUP/DUP in locating the existing Tanguisson pipeline using pipeline detection tools. The pipeline has been identified near the Barrigada Post office and is scheduled for removal by GUP/DUP.

General Manager's Report

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.
- Tank Restoration Progress:
    - Treated Water Tank A - 70.2%
    - Treated Water Tank B - 84.4%
    - ULSD Tank A - 100%
    - ULSD Tank B - 100%

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.
- 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

New Power Plant Update: GUP Activities (Contractor) Ongoing / Pending: *(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 agreed to by GPA and GUP. Pending ECA amendment approval from 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

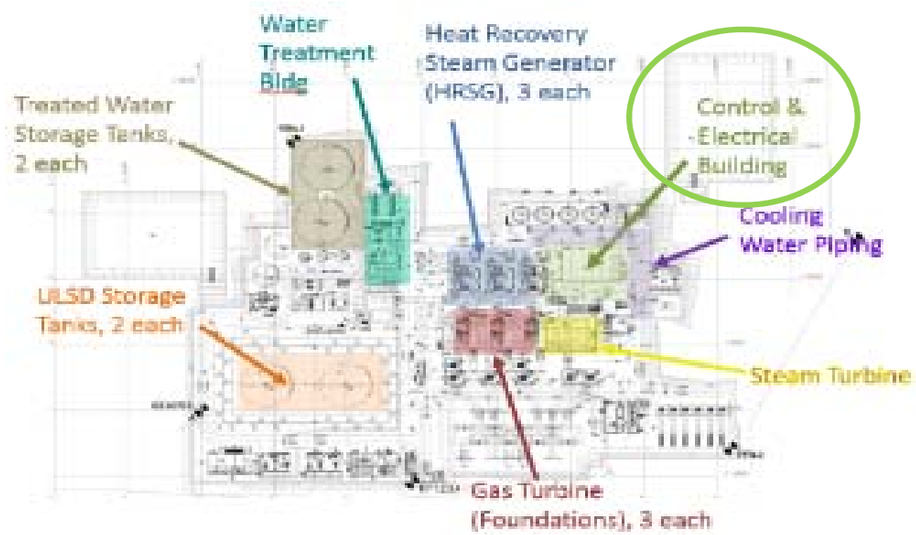
Plant construction progresses steadily. Major Ongoing work includes: Restoration of ULSD and Treated Water tanks, cable pulling & termination work, and Cooling Tower fan deck assembly & erection.

Actual accumulated progress including Engineering, Procurement, and Construction: **85.69%**
(as of April 30, 2024)



General Manager's Report

Ukudu Power Plant Construction Status



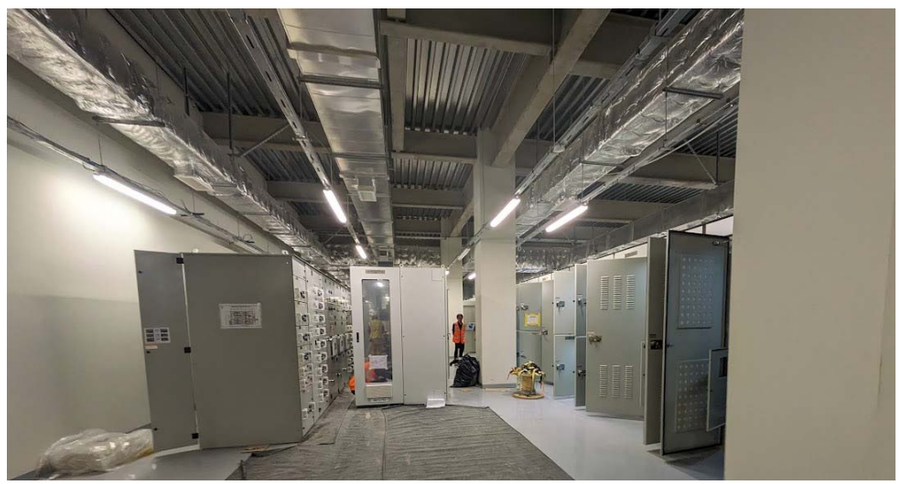
Control & Electrical Building



Medium Voltage Switchgear – Electrical work checkout and testing is ongoing



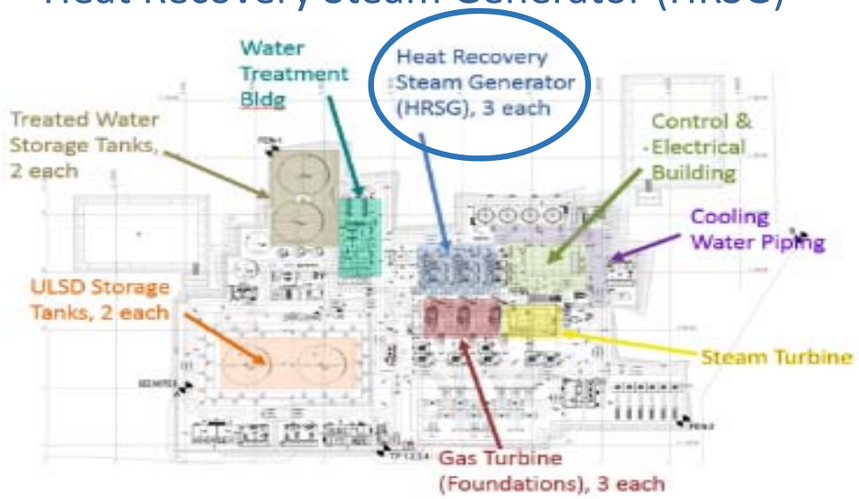
MV Switchgear Area



General Manager's Report

Ukudu Power Plant Construction Status

Heat Recovery Steam Generator (HRSG)



Installation of the HRSG building siding is ongoing



HRSG 1-3: Installation of the Inlet Duct Insulation Steel Structure is ongoing

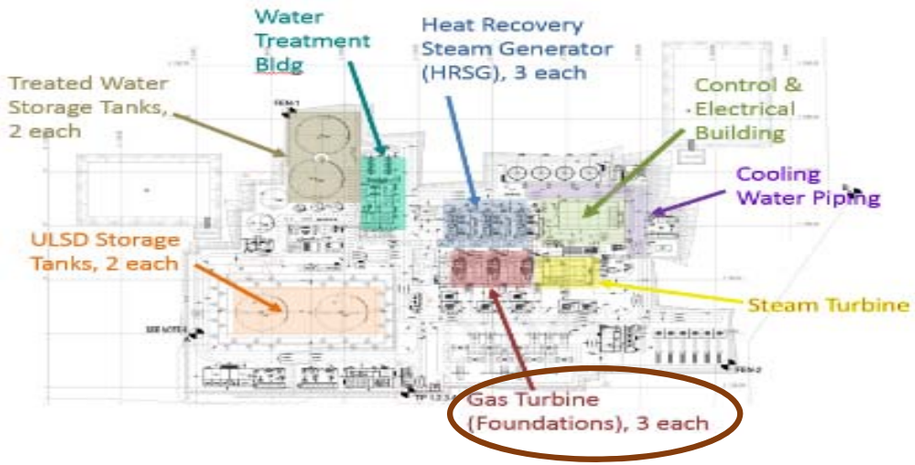


Installation of HRSG 2 outlet stack is completed



General Manager's Report

Ukudu Power Plant Construction Status



GTG Building – Air intake and piping installation is in progress

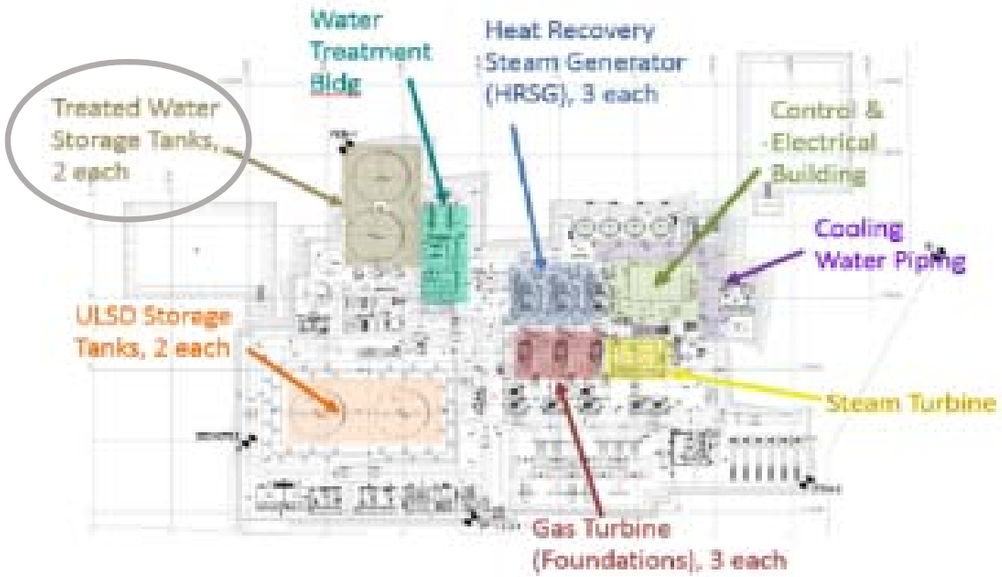


Combustion Turbine 2



General Manager's Report

Ukudu Power Plant Construction Status



Treated Water Storage Tanks:

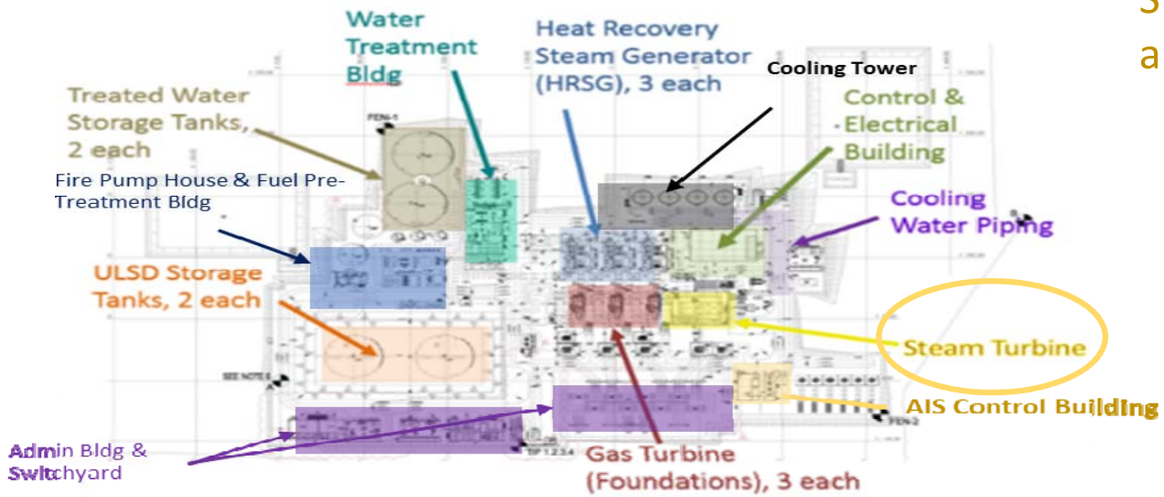
Treated Water Tank A – 5 Courses in place

Treated Water Tank B – 6 Courses in place



General Manager's Report

Ukudu Power Plant Construction Status



Steam Turbine & Generator Building – Shaft alignment activities are ongoing

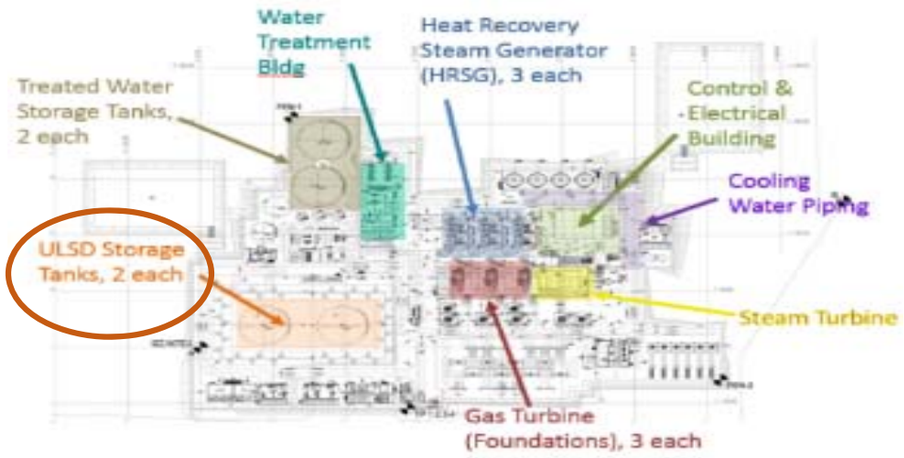


Installation of the Steam Turbine HP section is ongoing



General Manager's Report

Ukudu Power Plant Construction Status



ULSD Storage Tanks – Both Tanks have all 6 courses of steel walls in place

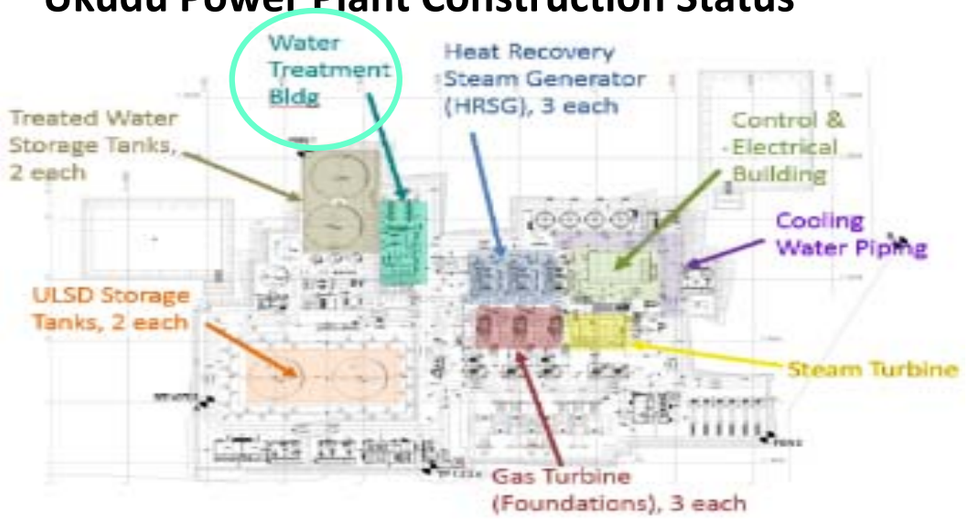




Installation of internal columns are ongoing to prepare for roof installation

General Manager's Report

Ukudu Power Plant Construction Status



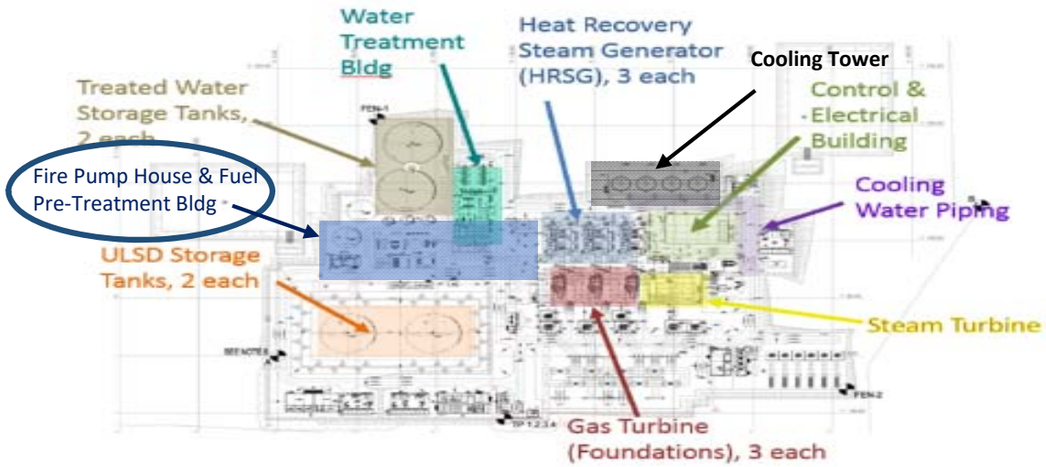


Water Treatment Building – Piping installation and Hydro-Testing is ongoing



General Manager's Report

Ukudu Power Plant Construction Status



Fire Loop Piping is nearly completed

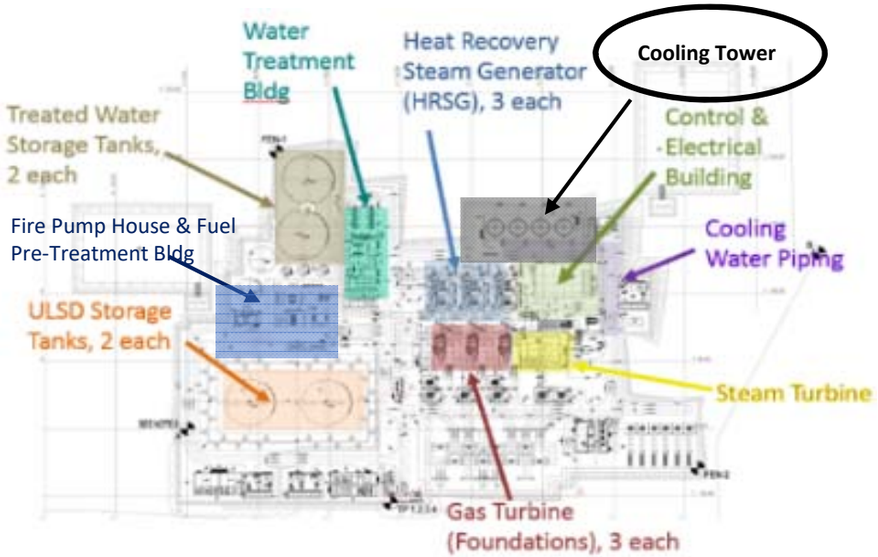


Fire Fighting Tank: Shell plate installation is ongoing



General Manager's Report

Ukudu Power Plant Construction Status



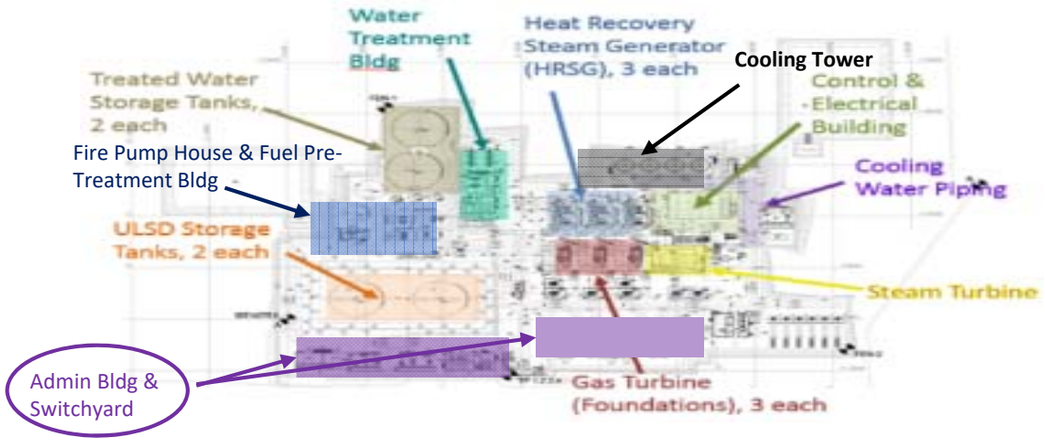


Cooling Tower & Basin – FRP structure assembly is in progress.

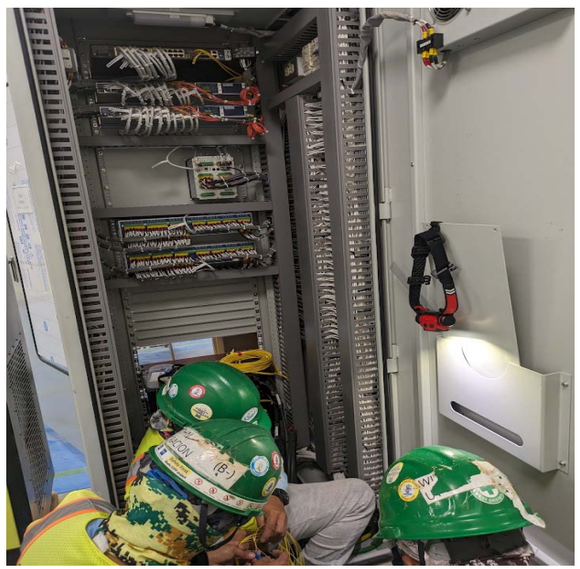


General Manager's Report

Ukudu Power Plant Construction Status



Switchyard Building – Electrical terminations are nearly completed



Switchyard – Electrical testing work is ongoing



General Manager's Report

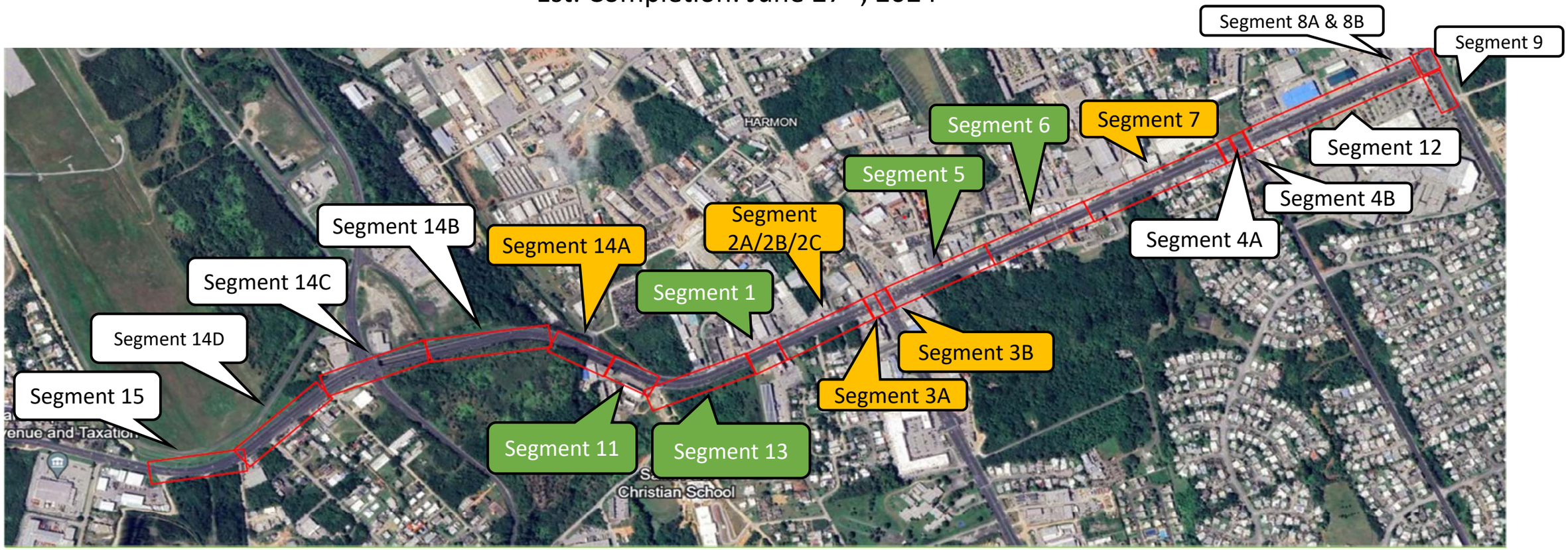
Fuel Pipeline Construction Status



General Manager's Report

Route 16 Fuel Pipeline Construction Progress – as of 05/16/2024

Est. Completion: June 27th, 2024



= Pending
= Ongoing
= Completed

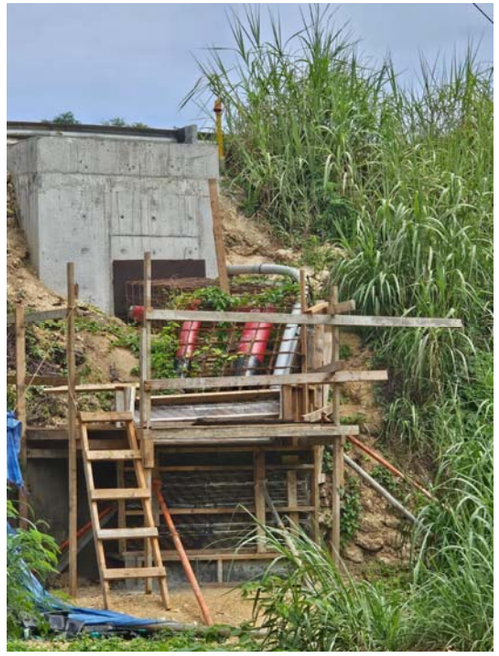
ROUTE 16 TO ROUTE 1
STA. 19+873 TO STA.23+230
LENGTH = 3357 METERS

General Manager's Report

Fuel Pipeline Construction Status

1. Sinajana/Chaot area

GPA is reviewing revised drawings and calculations. Construction of FO manhole is underway.





2. Barrigada (Post Office)

Final backfilling has been completed. GPA is assisting with locating the existing Tanguisson line for removal.





General Manager's Report

Fuel Pipeline Construction Status

3. Nimitz Hill

Above ground pipeline installation is in progress.

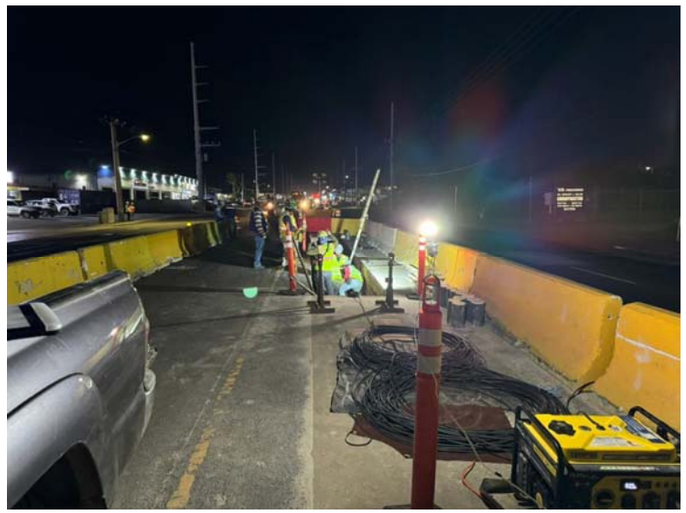




4. Route 16

Excavation and pipeline installation is ongoing towards the underpass.





General Manager's Report

Fuel Pipeline Construction Status

5. Route 1 - Piti Tank Farm

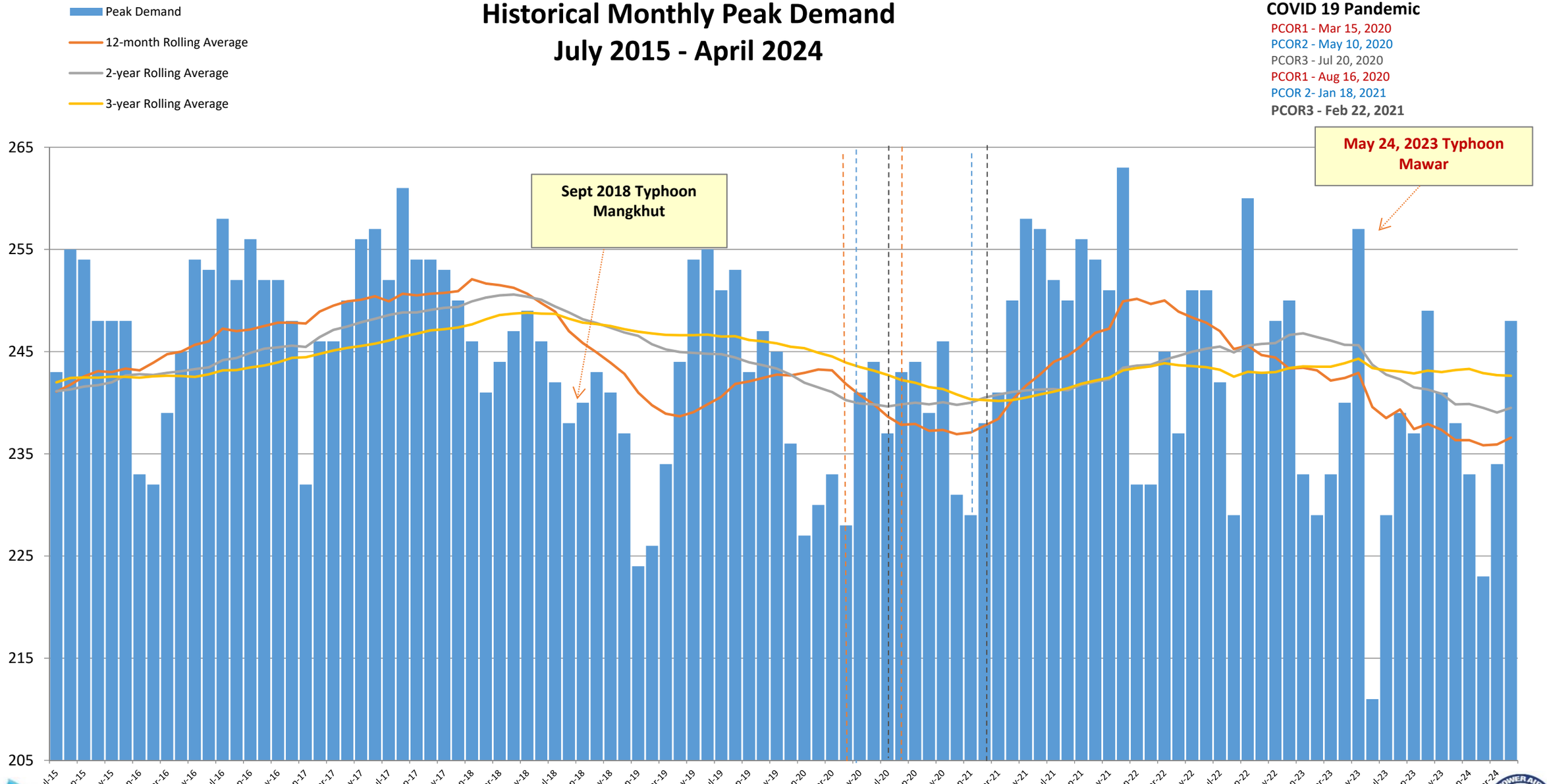
Pipeline installation is ongoing along route 1 towards the Piti Tank Farm. Installation work is also ongoing within the Piti Tank Farm.





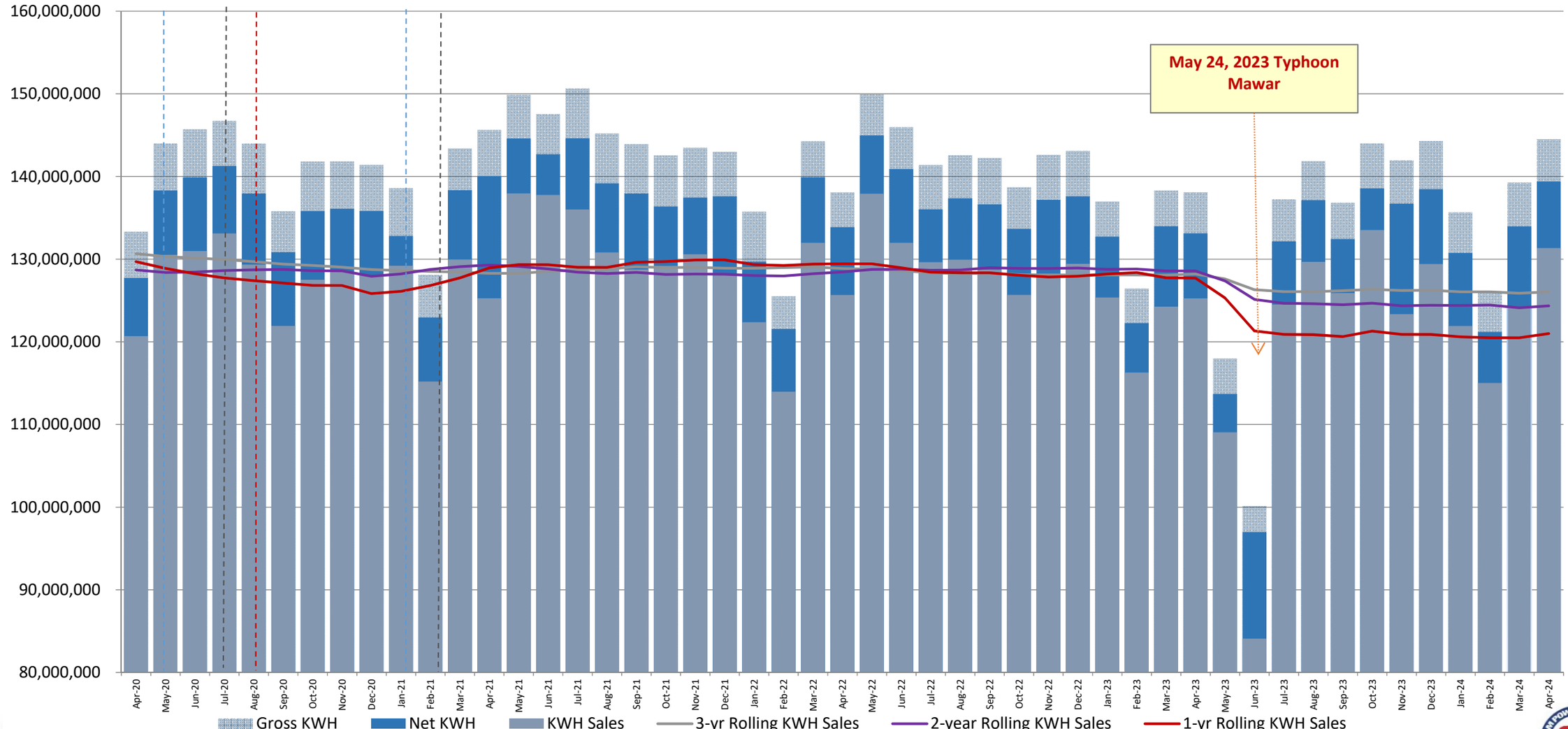
Generation KPIs
April 2024

Historical Monthly Peak Demand
July 2015 - April 2024

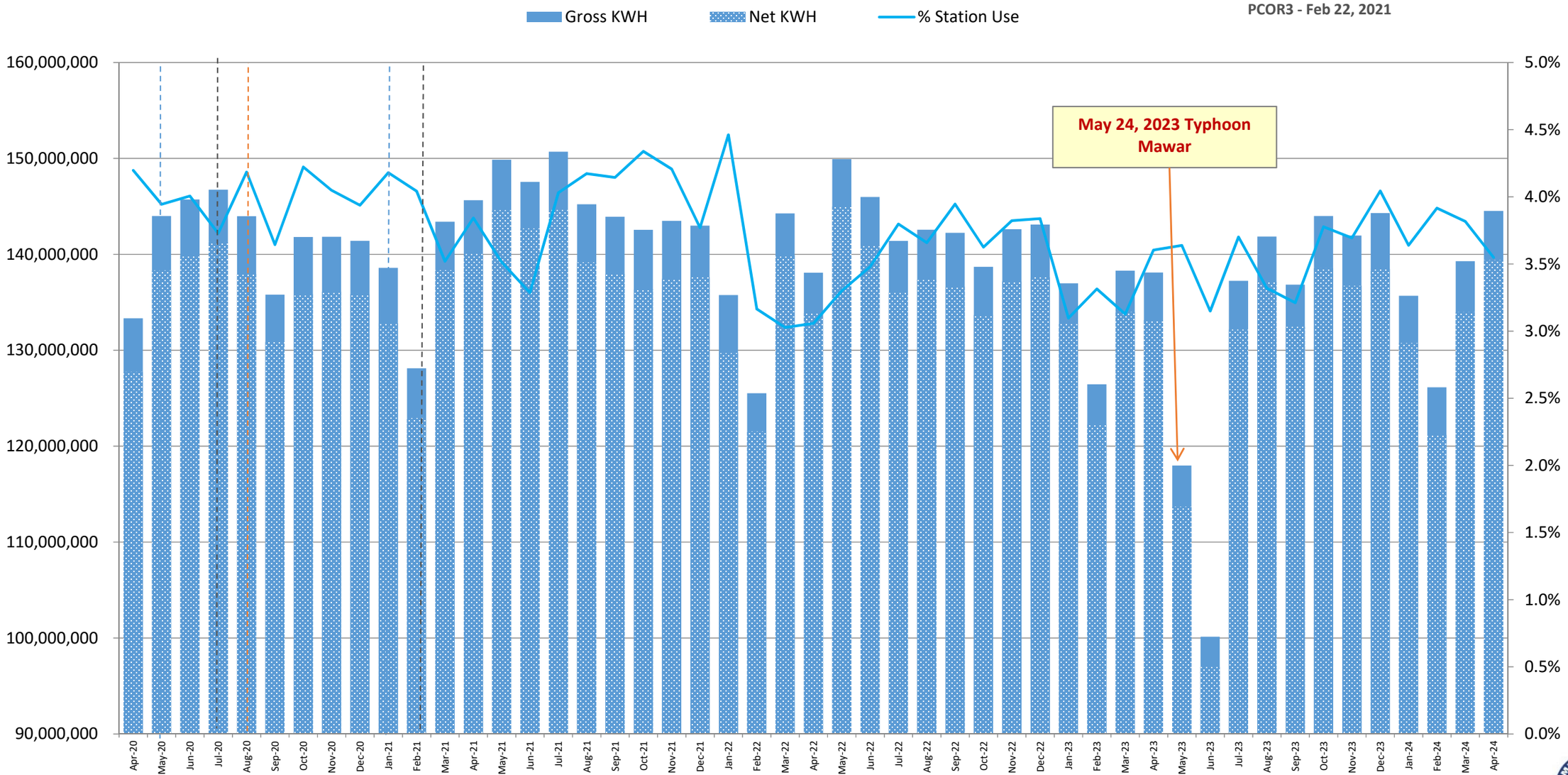


Historical KWH Sales
Apr 2020 - Apr 2024

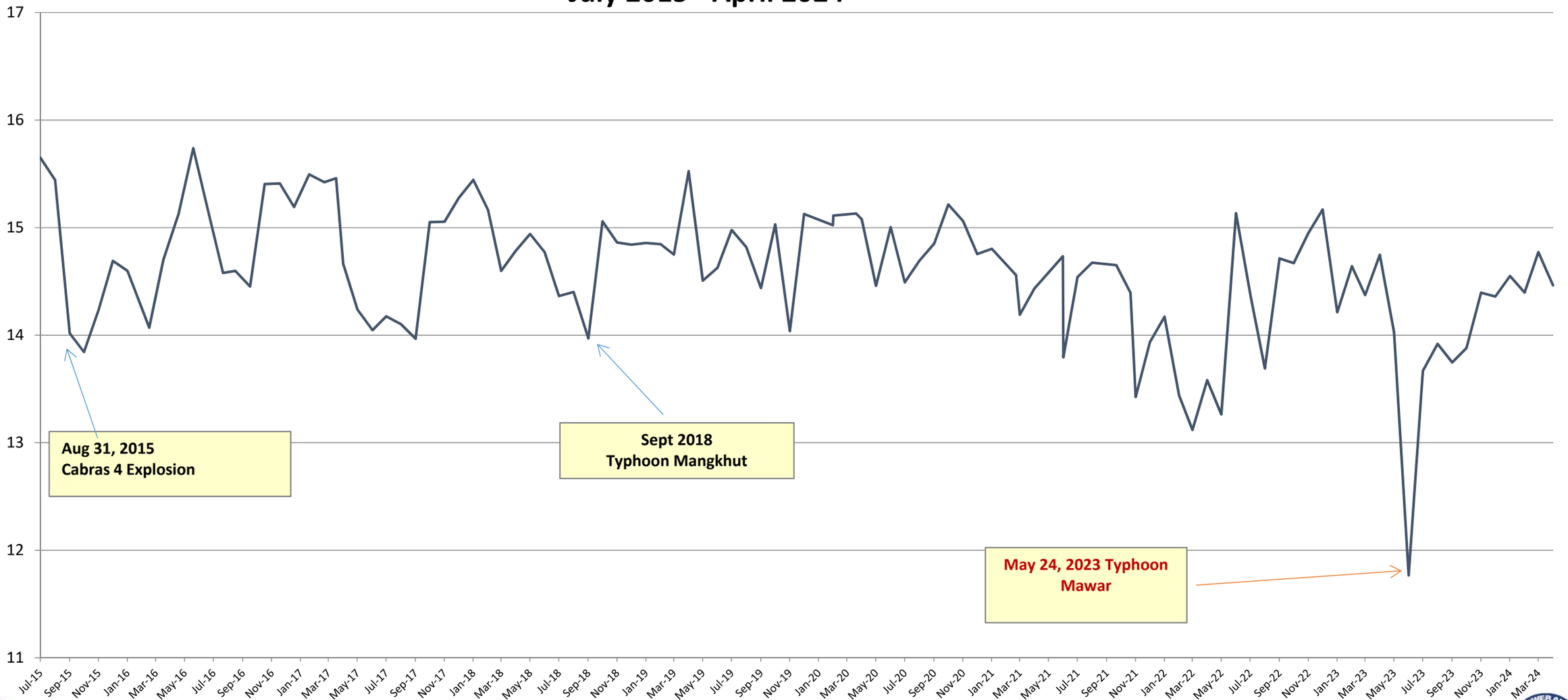
COVID 19 Pandemic
PCOR2 - May 10, 2020
PCOR3 - Jul 20, 2020
PCOR1 - Aug 16, 2020
PCOR 2- Jan 18, 2021
PCOR3 - Feb 22, 2021



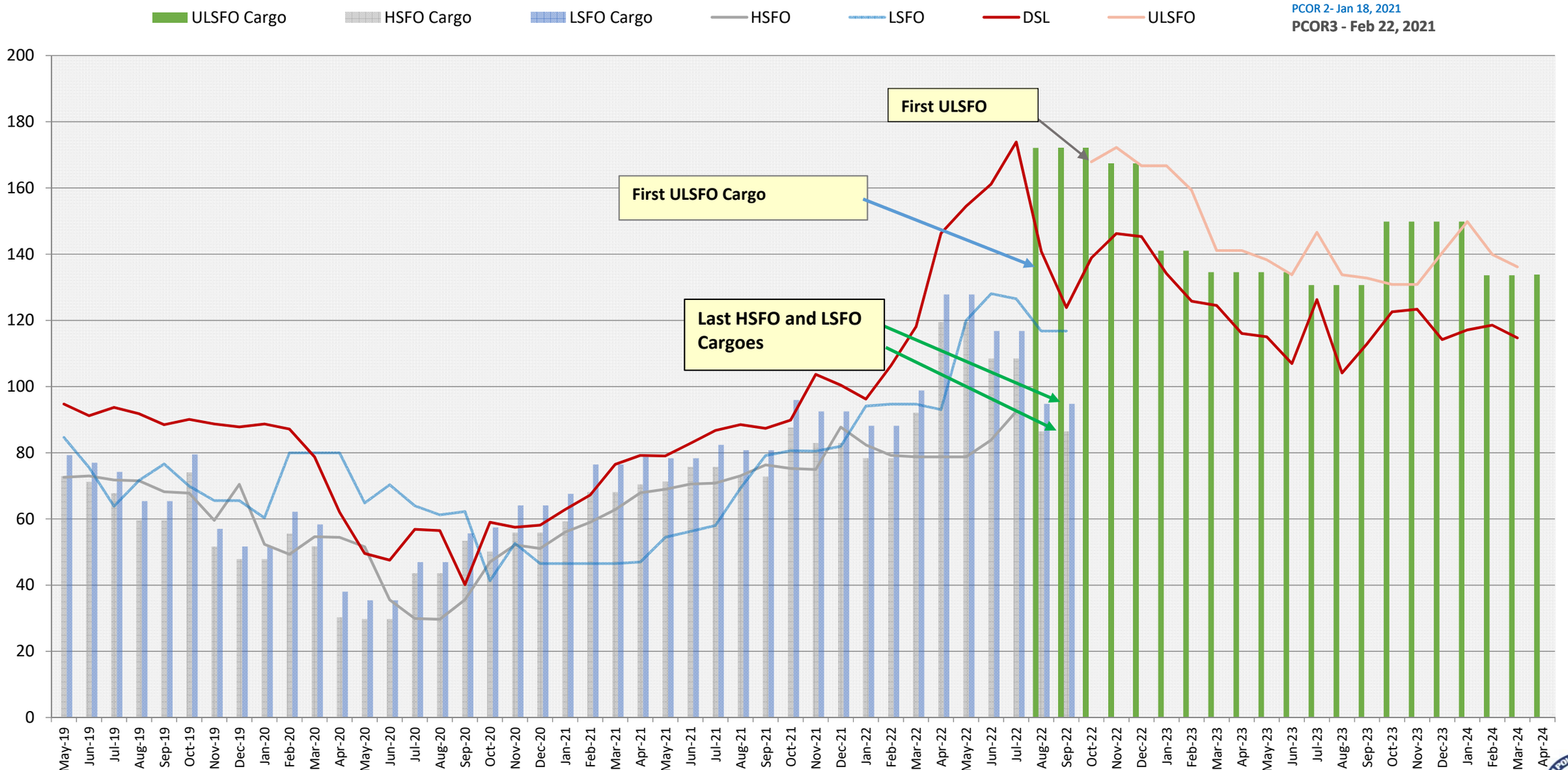
Gross and Net Generation (KWH)
Apr 2020 - Apr 2024



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



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

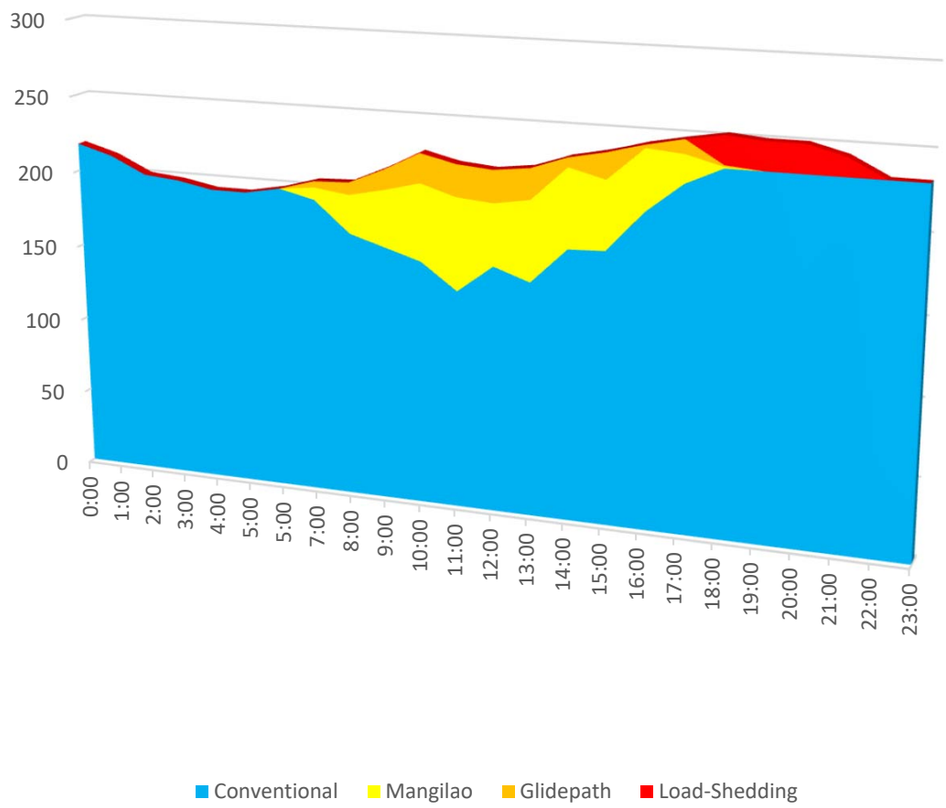


GENERATION CAPACITY UPDATE

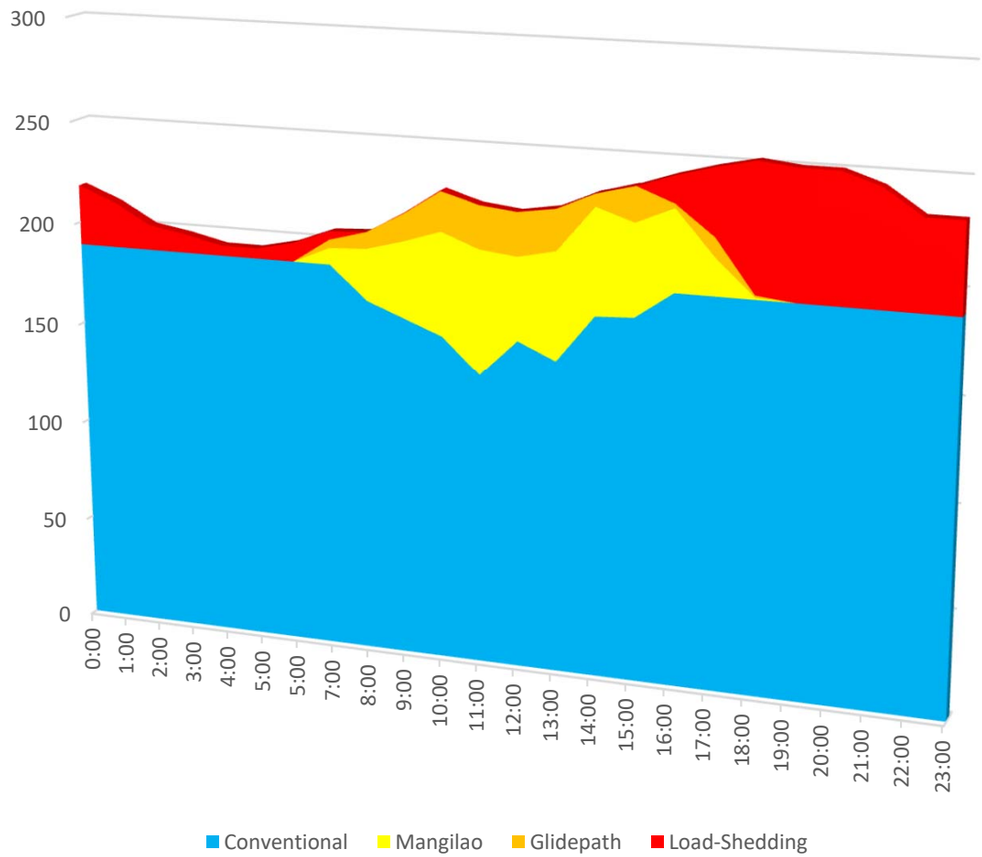
Generation Capacity Update

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



Generation Capacity Update

Load Shedding Summary SEPTEMBER 01, 2023 – APRIL 15, 2024

	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	1.90	0.9	44,449	**0.03%**	4
24-Feb	9	10	8	1.74	0.9	17,120	**0.01%**	1
24-Mar	2	2	1	2.17	0.5	2,049	**0.002%**	1
24-Apr	11	11	2.35	2.22	0.2	5,097	**0.004%**	1
Sept 2023 thru May 15, 2024:			**668**		**12.2**			**51**

	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Net KWH Send Out	138,450,500	130,751,951	120,398,746	133,967,814	139,402,631	143,520,734	140,901,168	136,029,600	137,349,577	136,632,902	133,673,532	137,178,643	137,615,616
Average MW Demand	233	211	212	220	235	245	236	221	225	234	219	234	225
Highest MW Demand	244	233	223	234	248	252	251	242	246	260	243	248	250

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 May 15, 2024 have been updated. (Source: Peak MW Net kWh Report)

Generation Capacity Update

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.	November 20, 2023 (completed)
Piti 7 *Combustion Turbine*	Plenum repair (2-day outage) will increase capacity from 23 MW to 30 MW. 26 for emergencies	December 2, 2023 (completed)
Talo'fo'fo BESS *Existing Utility-Scale ESS*	Utilize existing Battery Energy Storage System (ESS) to shift 4 MW energy during peak time. Contract signed on Feb.1. Within the past two and a half months, there have been 30 days of energy shifted for a total of 203MWH	February 1, 2024 (completed)
Yigo CT 20 MW *Combustion Turbine*	Back online on April 22nd, at 16MW due to high temperature exhaust alarm, water washing has been scheduled to bring it back up to 18MW.	May-24 (completed)
Manenggon/Pulantat Diesels *Wartsila Diesels*	Unit cleared for rated capacity (8MW) to support the IWPS, as of May 20, 2024.	May-24 (completed)
Tenjo, Talo'fo'fo Diesels *Caterpillar Diesels*	Plant back up to 12 MW out of 25 MW.	May-24
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. Estimated time of completion: June 30, 2024 or sooner.	June-24
1.1 MW Diesels *Cummins Diesels*	Repair/replace up to 20 MW of capacity. Temporarily site at Tenjo (Emergency Procurement)	Sep-24

OTHER CAPACITY

Orote #2	5.6 MW Navy generator	Ongoing
Interruptible Load Program (ILP)	Expand participation. Currently at ~16 MW.	Ongoing

Generation Capacity Update

Yigo CT

Back online on April 22nd as scheduled and is currently at 16MW pending Hot Section Exchange expected by end of June/early July to return unit to 20MW.
The housing has been painted for corrosion control and all cracks sealed and welded. The housing doors have been sealed for better protection from the elements.







Tenjo, Talo'fo'fo Diesels

Tenjo Vista and MDI plants turbo charger repairs have been completed.
Tenjo #4 is currently testing at 2.5MW (out of 4.4MW).
This has added at least 9MW to the IWPS.



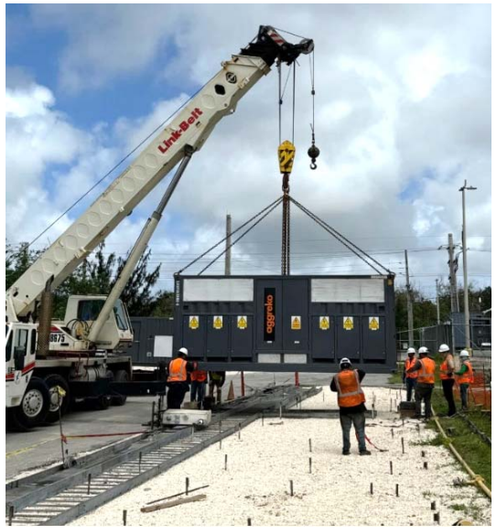


Generation Capacity Update

Aggreko Updates

Site has been cleaned, new transformers are in place, and new cable trays and cables have been laid:





Aggreko is onsite to do the assessment of all the down GPA units.
GPA has added fencing, streetlights, and security to the leased-lot. This lot is being used for employee and contractor parking and secure storage of the GPA Yigo Diesel units:







Manenggon/Pulantat Diesels

Drake Controls: Governor Actuator
Governor parts arrived for Tenjo and Manenggon Power Plants
Drake Technician arrives Friday 5/17 at 10PM to service both power plants.
Both Manenggon units back in service as of 5/20.

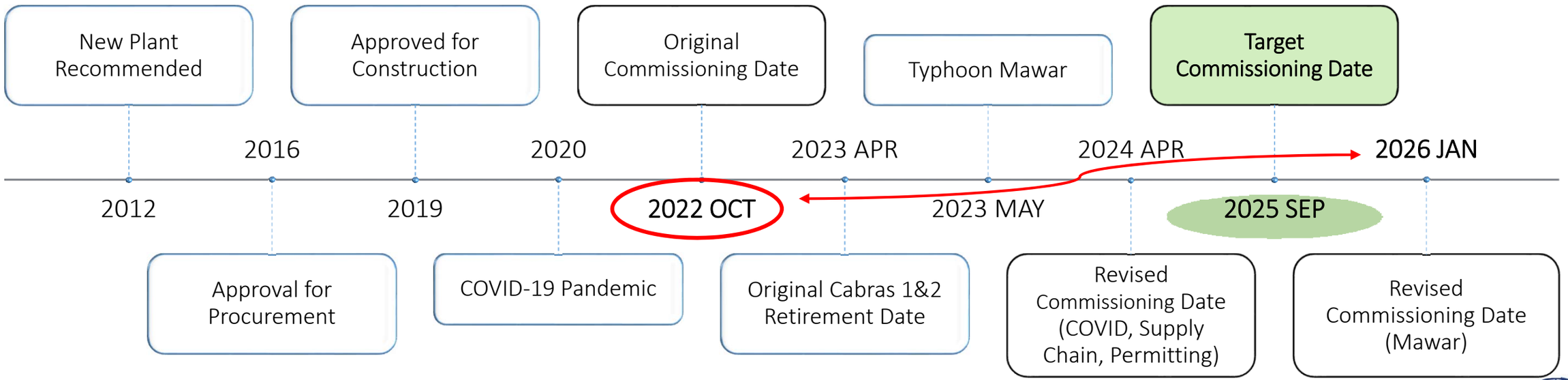
Manenggon Power Plant (MDI) PLC Upgrade project:
Estimated from May 24th to July 7th
BWSC Technicians to arrive on May 20th

Generation Capacity Update

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 6 months of the Ukudu plant's commissioning.



Generation Capacity Update

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.