

**BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF:** )  
 ) **GPA DOCKET 11-13**  
 )  
**GUAM POWER AUTHORITY’S** )  
**PETITION FOR REVIEW AND** ) **ORDER**  
**APPROVAL OF ELECTRIC SMART** )  
**METER AND ADVANCE METER** )  
**INFRASTRUCTURE (AMI) CONTRACT** )  
**(SMART GRID PROJECT)** )  
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**INTRODUCTION**

1. This matter comes before the Guam Public Utilities Commission [“PUC”] upon Guam Power Authority’s [“GPA”] Petition for contract review and approval of GPA’s Electric Smart Meter and Advance Meter Infrastructure (AMI) Contract with Landis & Gyr Technologies LLC [“Landis & Gyr”].<sup>1</sup>

**BACKGROUND**

2. The Smart Grid Project has been before the Commission on numerous occasions. Previously, PUC authorized GPA to issue revenue bonds, which included approximately \$17M for the Smart Grid project. PUC further approved the expenditure of funds for Smart Grid under the Contract Review Protocol and the implementation of the Smart Grid Project.<sup>2</sup>
3. More recently, on December 19, 2011, the PUC approved GPA’s intent to proceed with six major contracts for different aspects of the Smart Grid Project, including Smart Meter and Advance Meter Infrastructure, and authorized GPA to obligate funds up to the full amount of \$17M.<sup>3</sup>
4. In said Order, the PUC implemented an expedited procedure for Smart Grid projects whereby GPA would not need to obtain prior PUC approval for

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<sup>1</sup> GPA Request for Approval of Landis & Gyr Contract under GPA Smart Grid Project, GPA Docket 11-13, filed May 30, 2012.

<sup>2</sup> PUC Order, GPA Docket 10-01, issued July 27, 2010, at p. 2.

<sup>3</sup> PUC Order GPA Docket 11-13, issued December 19, 2011, at p. 2.

procurements of Smart Grid Projects, but only to obtain final review and PUC approval of Smart Grid Contracts.<sup>4</sup>

5. PUC Legal Counsel has submitted his Report, which recommends approval of the proposed contract with Landis & Gyr. The PUC adopts the Counsel Report herein.
6. The AMI network is designed to facilitate two-way communications with smart meters, and enabling advanced control capabilities, remote connect/disconnect ability, outage notification, restoration verification, instantaneous tamper/theft notification, and distributed energy configuration and upgrade ability. The AMI network should also provide a “Home Area Network” (HAN) infrastructure.<sup>5</sup>
7. Under the Contract, Landis & Gyr will provide smart electric meters to approximately 52,000 customers, automation to the electric distribution system, and infrastructure necessary to support two-way flow of energy and information.<sup>6</sup>
8. The GPA Evaluation Team determined that Landis & Gyr was the most qualified proposer.<sup>7</sup> The Contract contains a detailed Statement of Work.<sup>8</sup>
9. Under the contract, Landis & Gyr will provide GPA with project management, technical support, change management services, software installation, gap assessment, software configuration, conversion, interface development, report writing, training, testing support, and post-live support services to insure the successful implementation of a robust AMI system for GPA and its’ customers.<sup>9</sup>
10. In CCU Resolution No. 2012-28, the GPA General Manger was authorized to enter into the contract with Landis & Gyr Technologies LLC.<sup>10</sup>

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<sup>4</sup> Id. at p. 3.

<sup>5</sup> GPA Petition for Approval of Landis & Gyr Contract, GPA Docket 11-13, ABSTRACT at p. 1.

<sup>6</sup> Id.

<sup>7</sup> Id.

<sup>8</sup> Id. at Exhibit h, Statement of Work.

<sup>9</sup> ABSTRACT, *supra* at p. 1.

<sup>10</sup> Consolidated Commission on Utilities Resolution No. 2012-28, adopted May 22, 2012.

### **DETERMINATIONS**

11. GPA conducted due diligence in procuring and negotiating the contract with Landis & Gyr.
12. GPA has demonstrated that the implementation of its contract for the Electric Smart Meters and Advanced Meter Infrastructure is critical to the success of GPA's Smart Grid Project.
13. Implementation of the electric meter production and delivery is a critical milestone for three other GPA SGIG vendor deployments, including Network Communications, Meter Data Management Services and APEX Coverage, Meter Installation.
14. Approval of this contract will not have any additional impact upon customer power rates. Funding for this contract was already included in the 2010 bond issuance and does not involve the expenditure of additional ratepayer funds.

### **ORDERING PROVISIONS**

After a review of the record herein, GPA's Petition for review and approval of its Electric Smart Meter and Advance Meter Infrastructure Contract with Landis & Gyr, and the PUC Counsel Report, for good cause shown, the Guam Public Utilities Commission HEREBY ORDERS that:

1. GPA's Petition for review and approval of the Electric Smart Meter and Advance Meter Infrastructure Contract with Landis & Gyr Technologies LLC is hereby granted.
2. The recommendations and reasoning contained in the Counsel Report are adopted.
3. GPA is authorized to expend up to the amount of \$9,759,421.90 for said Contract.
4. GPA shall continue to comply with its monthly reporting requirements to the PUC

as set forth in the PUC Order dated July 27, 2011. GPA shall submit ongoing progress reports to the PUC concerning this contract and other ongoing Smart Grid projects.

5. GPA is ordered to pay the Commission's regulatory fees and expenses, including, without limitation, consulting and counsel fees and the fees and expenses of conducting the hearing proceedings. Assessment of the PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §§12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

Dated this 11<sup>th</sup> day of June, 2012.

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Jeffrey C. Johnson  
Chairman

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Joseph M. McDonald  
Commissioner

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Rowena E. Perez  
Commissioner

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Filomena M. Cantoria  
Commissioner

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Michael A. Pangelinan  
Commissioner