

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF:)

GPA Docket 11-01)

Guam Power Authority's Request for PUC)
Approval for the Construction of the)
Marbo to Pagat 34.5vK Underground Line)

ORDER)

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Petition of the Guam Power Authority ["GPA"] for Contract Review for Approval of Marbo to Pagat Underground Line Project, and the award of the project to Helix Electric.¹

BACKGROUND

2. On February 14, 2011, PUC Counsel filed his Report herein, which sets forth the relevant background and facts.²
3. On March 30, 1999, the PUC previously approved the 1999 GPA Bond issuance, and specifically authorized GPA to undertake the Marbo to Pagat 34.5kV line with a funding amount of \$3,225,000.³
4. To date, the 1999 Bond funds authorized for the Marbo to Pagat Line have been used, but the original project was later reconfigured into an underground project in order to increase system reliability.⁴
5. GPA conducted an appropriate procurement process, and Helix Electric was selected as the lowest responsible bidder with a bid for the project of \$5,058,000.⁵

¹ GPA Petition for Contract Review for Approval of Marbo to Pagat Underground Line Project, GPA Docket 11-01, filed January 18, 2011.

² PUC Counsel Report, GPA Docket 11-01, issued February 14, 2011.

³ PUC Order Approving Long-Term Debt, Docket 99-01, Application of the Guam Power Authority to issue Revenue Bonds, dated March 30, 1999.

⁴ Id. at pg. 1-2.

⁵ CCU Resolution 2011-01.

DETERMINATIONS

6. GPA's use of the 1999 bond funds in the amount of \$3,335,000 for the Marbo to Pagat 34.5kV line was previously approved by the PUC will now be available for the project.
7. This bid of Helix Electric in the amount \$5,058,000 appears to be reasonable. Helix's construction services provided appeared it was significantly lower than the other bids and is lower than the GPA estimate for the project.⁶
8. GPA has offered a substantial justification for the project. "Loop-Feeding" the Pagat Substation will improve the substation's reliability by providing two additional transmission line sources from the Pagat Substation Transformer, which serves the villages of Mangilao and Dededo. Installation of an underground system will minimize exposure to hazardous conditions during typhoons.⁷
9. In a report filed by GPA herein on February 9, 2011, it is established that there are unused excess bond funds from the 1999 issuance as of the amount of the \$2,212,000 additional needed to fund this project. GPA should be authorized to utilize such bond funds to fund this project.

ORDERING PROVISIONS

After consideration of the above determinations, the PUC Counsel Report, and record herein, for good cause shown and motion duly made, seconded and carried by the undersigned Commissioners the Guam Public Utilities Commission **HEREBY ORDERS THAT:**

1. The award of the Marbo to Pagat Underground Line Project to Helix Electric is hereby approved.

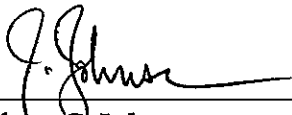
⁶ GPA Cost Estimate Project Description, attached to Petition for Contract Review for Approval of Marbo to Pagat Underground Line Project.

⁷ Id.

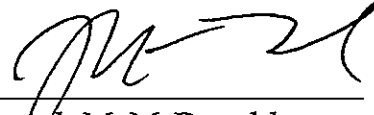
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2. GPA is authorized to expend the original amount of \$3,225,000, for such project, in accordance with Public Law 25-04, and the March 30, 1999 Order of the Commission.
3. GPA has presented a substantial justification for the project; it should be further authorized to expend excess 1999 bond funds up to a total amount of \$5,058,000 (which includes the original amount) for this project.
4. 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 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 21st day of February, 2011.



Jeffrey C. Johnson
Chairman



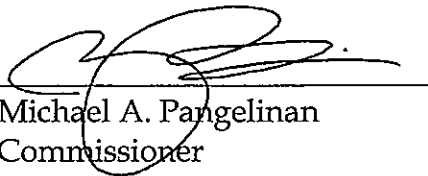
Joseph M. McDonald
Commissioner



Rowena E. Perez
Commissioner



Filomena M. Cantoria
Commissioner



Michael A. Pangelinan
Commissioner