

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF:) GPA Docket 19-11
)
The Guam Power Authority Levelized)
Energy Adjustment Clause (LEAC)) **ALJ REPORT**
)
)
_____)

INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Petition of the Guam Power Authority ["GPA"] to set the LEAC Factor effective August 1, 2019.¹
2. In its Petition, GPA requests that the Levelized Energy Adjustment Clause Factor ["LEAC"] be maintained at \$0.154242/kWh effective for meters read on or after August 1, 2019.²
3. GPA seeks to maintain the LEAC Factor at the same level implemented on May 1, 2018.³

BACKGROUND

4. If approved by the PUC, the same LEAC factor of \$0.154242/kWh will have been continued in effect for 3 six-month LEAC periods.
5. For the upcoming LEAC period, GPA believes that there will continue to be "instability in world-wide fuel prices."⁴ According to GPA, the market will remain within the \$72-74/bbl. range during the period. However, GPA's Petition indicates that maintenance of the LEAC factor at the same rate for the upcoming LEAC period will still result in a projected under-recovery on January 31, 2020, of approximately \$9.7M.⁵

¹ GPA Petition to Set the LEAC Factor effective August 1, 2019, GPA Docket 19-11, filed June 12, 2019.

² Id. at p. 1.

³ See ALJ Report, GPA Docket 19-07, filed January 29, 2019 at p. 1.

⁴ GPA Petition to Set the LEAC Factor effective August 1, 2019, GPA Docket 19-11, filed June 12, 2019, at p. 1.

⁵ Id.

6. In Consolidated Commission on Utilities Resolution No. 2019-08, the CCU authorized the GPA General Manager to petition the PUC for the LEAC rate to remain at \$0.154242/kWh for the period from August 1, 2019 through January 31, 2020.⁶
7. The CCU noted that the original projection for the market price of fuel for the period of February 1, 2019 through July 31, 2019 was \$66.73/bbl. However, the current projection for the same period is \$72.87/bbl. and the projected price of fuel for the period ending January 31, 2020 is \$74.18/bbl.⁷
8. The CCU further determined that it would not petition the PUC for a change in the LEAC factor for secondary voltage service customers as well as alternative voltage customers for the upcoming LEAC period.⁸
9. Finally, the CCU did recognize that the most recent Morgan Stanley market projections indicate falling fuel prices over the next year; GPA intends to take advantage of this market to reduce the current under-recovery for fuel.⁹

ANALYSIS

10. The ALJ continues to be concerned that GPA has a large under-recovery of its fuel expenses.
11. As the ALJ indicated in his Report in GPA Docket 19-07, dated January 29, 2019:

“A significant fact is that the LEAC factor accepted by GPA for the last three LEAC periods has not been fully adequate to reimburse GPA for its fuel costs. The purpose of the LEAC factor under Tariff Z is for GPA to recover the projected fuel expense for the next six-month LEAC period. Ideally, the LEAC factor would fully reimburse GPA for its fuel costs in the upcoming period.

⁶ Guam Consolidated Commission on Utilities Resolution No. 2019-08, Authorizing the Management of the Guam Power Authority to Petition the Guam Public Utilities Commission for No Change in the Levelized Energy Adjustment Clause, adopted on May 28, 2019.

⁷ Id.

⁸ Id.

⁹ Id.

The LEAC mechanism is a “pass through”, which means that it is designed to cover all of GPA’s fuel expenses. Ratepayers are supposed to pay a fuel charge that will fully reimburse GPA for its costs of fuel.

Yet, it is an established fact that GPA’s acceptance of the current LEAC factor has consistently resulted in an under-recovery by GPA of its fuel costs in the last three LEAC periods. That means that the LEAC factor was set at a lower rate than was necessary to fully recover GPA’s fuel costs.”¹⁰

12. To explore GPA’s fuel cost under-recovery situation, the ALJ issued Requests for Information to GPA. A true and correct copy of GPA’s Responses to GPUC Requests for Information, filed June 12, 2019, is attached hereto as Exhibit “1”.¹¹
13. The following GPA fuel cost under-recovery information can be gleaned from the GPA responses:

GPA LEAC UNDER-RECOVERY

Date	Under-Recovery Balance
01/31/2019	\$13,336,698.41
05/31/2019	\$12,975,911.19
07/31/2019	\$10,598,569 (estimated)
01/31/2020	\$3,928,744 (estimate)

14. There has been a gradual reduction in the under-recovery balance. As of June 12, GPA indicated that there could be a substantial reduction in the LEAC under-recovery to \$3,928,744 as of January 31, 2020. This estimate of the LEAC under-recovery was substantially less than the figure of \$9.7M indicated in GPA’s LEAC Filing.¹²
15. The PUC has previously determined that, before the LEAC factor is set for a particular period, an updated LEAC fuel forecast price should be prepared based upon the average of the five-day period which is ten days before the meeting at which the PUC determines the LEAC factor.¹³

¹⁰ ALJ Report, GPA’s LEAC Filing, GPA Docket 19-07, dated January 29, 2019.

¹¹ GPA Responses to GPUC Requests for Information, GPA Docket 19-11, filed July 5, 2019.

¹² GPA Petition to Set the LEAC Factor effective August 1, 2019, GPA Docket 19-11, filed June 12, 2019, at p. 1.

¹³ PUC LEAC Order, GPA Docket 15-27, dated January 25, 2016, at p. 2.

16. The ALJ requested that the GPA Assistant CFO update fuel prices in accordance with prior PUC protocol.¹⁴ On July 18, 2019, GPA Assistant Chief Financial Officer Cora Montellano submitted such updated analysis for the period of July 8-12, 2019.¹⁵ That updated analysis is attached hereto as Exhibit "2".¹⁶
17. Exhibit "2" shows that the fuel prices are slightly lower compared to the original filing in June. While the estimated under-recovery for the period ending January 31, 2020 is not as low as that submitted by GPA on June 12, 2019, that under-recovery balance changed from \$9.7 million when the Petition was filed to \$8.4 million now.
18. The current LEAC factor should be maintained in place in order to further reduce GPA's LEAC under-recovery balance.
19. In response to Request for Information No. 3, GPA had previously estimated (using forward fuel prices of the Morgan Stanley Asia Morning Call of June 18 to June 24, 2019) that the current under-recovery balance **should be fully recovered by May 2020**.¹⁷
20. Because of higher recent fuel prices, there is some question as to whether the entire under-recovery balance will disappear by May 2020. However, there is a likelihood that the fuel under-recovery will decrease considerably before the next LEAC period begins in February 2020.

RECOMMENDATION

21. The Administrative Law Judge recommends that the PUC maintain the Fuel Recovery Factor at \$0.154242/kWh effective for meters read on or after August 1, 2019.

¹⁴ Email from PUC ALJ Fred Horecky to GPA Assistant Chief Financial Officer Cora Montellano dated July 12, 2019.

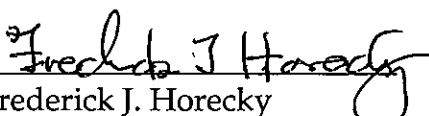
¹⁵ Email from GPA Asst. CFO Cora Montellano to PUC ALJ Fred Horecky, dated July 18, 2019, with updated Fuel Price Analysis for Proposed LEAC Rate, with average forward fuel pricing from July 8-12, 2019.

¹⁶ Exhibit "2", GPA Updated Proposed LEAC rate, submitted July 18, 2019.

¹⁷ GPA Response to GPUC Request for Information (RFI #3), GPA Docket 19-11, filed July 2, 2019, at p. 2.

22. A Proposed Order is submitted herewith for the consideration of the Commissioners.

Dated this 18th day of July, 2019.


Frederick J. Horecky
Chief Administrative Law Judge

Date: 7/12/19

Time: 3:14 By: [Signature] **GUAM POWER AUTHORITY RESPONSES TO THE
GUAM PUBLIC UTILITIES COMMISSION**



IN THE MATTER OF:)	DOCKET 19-11
)	
GUAM POWER AUTHORITY)	GPA RESPONSES TO GPUC
LEVELIZED ENERGY ADJUSTMENT)	REQUESTS FOR
CLAUSE (LEAC))	INFORMATION
)	

The Guam Power Authority ["GPA"] hereby submits its responses to Guam Public Utilities Commission Requests for Information dated 24th day of June, 2019.

RFI#1. Please provide the following:

(a) The LEAC Under-Recovery Balance as of February 1, 2019;

RESPONSE: The LEAC Under-Recovery balance as of 01/31/19 was \$13,336,698.41. Please see "FUELOVERVARIANCE with fuel inventory cost change FY 2019.pdf"

(b) The LEAC Under-Recovery Balance as of June 1, 2019;

RESPONSE: The LEAC Under-Recovery balance as of 05/31/19 was \$12,975,911.19. Please see "FUELOVERVARIANCE with fuel inventory cost change FY 2019.pdf"

(c) The Estimated LEAC Under-Recovery Balance as of August 1, 2019; and

RESPONSE: The estimated LEAC Under-Recovery balance is anticipated to be \$10,598,569 by 07/31/19. Please see "LEAC Feb 19 thru Jul 19 with May actuals 6-18 to 24-19.pdf" This schedule was calculated using the 5-day average fuel forward pricing for the period of June 18 to 24, 2019.

(d) The Estimated LEAC Under- Recovery Balance as of January 31, 2020.

RESPONSE: The estimated LEAC Under-Recovery balance is anticipated to be \$3,928,744 by 01/31/20. Please see "LEAC Aug 19 thru Jan 20 6-18 to 24-19.pdf" This schedule was calculated using the 5-day average fuel forward pricing for the period of June 18 to 24, 2019. If the price of fuel for some reason or another begins to increase again above the \$60-\$65/Bbl. range used in this LEAC model run, then the under recovery can go higher.

COPY

RFI#2. When can the PUC expect to receive the LEAC Reconciliation Attachment for the period of February 2019 to July 2019, and Projected Spreadsheets Attachment for the period of August 2019 to January 2020?

RESPONSE: Please see “LEAC Aug 19 thru Jan 20 6-18 to 24-19.xlsx” and “LEAC Feb 19 thru Jul 19 with May actuals 6-18 to 24-19.xlsx” These schedules were calculated using the 5-day average fuel forward pricing for the period of June 18 to 24, 2019.

RFI#3. The most recent Morgan Stanley Fuel Projections (for SING HSFO 180 CST show a steady projected decline in fuel prices from June 2019 through the end of 2020. Furthermore, the projected decline in fuel prices is greater than previously estimated in February of 2019. See attachments 1 & 2 hereto. Similar declines in fuel pricing appear for SING GASOIL 10ppm. If the projected substantial declines in fuel prices continue, can GPA predict when the LEAC Under-Recovery will be paid off?

RESPONSE: Based on the current generation dispatching forecast, the fuel handling costs provided for in the FY20 Fuel Budget and the forward fuel prices using the Morgan Stanley Asia Morning Call for the period of June 18 to 24, 2019, the current under-recovery balance should be fully recovered by May 2020. (Please see “LEAC Feb 20 thru Jul 20 6-18 to 24-19 fuel prices.pdf”). Again, if the price of fuel for some reason or another begin to increase above the \$60-\$65/Bbl. range used in this LEAC model run, then the recovery will be beyond this date.

RFI#4: If the fuel prices decline as presently contemplated, is it reasonable to predict that the LEAC factor could decrease for the period beginning in February 2020?

RESPONSE: Yes

RFI#5. CCU Resolution No. 2019-08 indicates that the price of fuel per barrel for the of fuel per barrel six-month period ending July 31, 2019, was \$72.87/bbl. The projected price for fuel for the period of August 1, 2019, to January 31, 2020, is stated to be \$74.18 /bbl. Are these calculations accurate, as the fuel prices for the next six-month period appear to be lower than the previous six-month period ending July 31, 2019?

GPA Response –GPUC RFI
GPA Docket 19-11
July 02, 2019

RESPONSE: For the period ending July 31, 2019, the price of \$72.87 is accurate since this is based on the current inventory we have. However, for the period ending January 31, 2020 which is based on Morgan Stanley forward pricing from May 7-13, 2019 are estimates. We will rerun the model as we have done in the past 10 (ten) days before the PUC meeting. The current LEAC model run shows the average pricing of \$68.84 from June 18-24, 2019. The price of fuel is increasing again, as the OPEC and non-OPEC producers are extending the production cuts until the first quarter of 2020.

GUAM POWER AUTHORITY
COMPARISON OF OIL COST VS. OIL REVENUE
ACTUAL
FY 2019

	Actual Oct-18	Actual Nov-18	Actual Dec-18	Actual Jan-19	Actual Feb-19	Actual Mar-19	Actual Apr-19	Actual May-19	TOTAL
1. COST/BBL									
High Sulfur	\$76.44	76.44	\$77.99	\$78.44	\$78.27	\$74.90	\$86.34	\$72.60	\$74.21
Diesel	\$100.65	100.11	\$94.31	\$96.22	\$89.03	\$90.60	\$92.21	\$94.71	\$95.34
Low Sulfur	\$83.01	\$4.44	\$66.17	\$84.58	\$84.64	\$84.64	\$84.64	\$84.64	\$84.57
Total	\$87.89	\$4.93	\$85.86	\$85.11	\$81.82	\$78.70	\$70.75	\$80.88	\$82.08
2. FURNISHED BARRELS-GPA									
High Sulfur	72,814	76,143	77,172,64	101,046	123,314	166,508	183,218	141,108	941,320
Diesel	96,548	45,878	68,784,73	63,215	53,371	48,414	32,994	74,491	483,795
Low Sulfur	82,615	103,165	85,102,41	52,875	19,064	9,588	7,173	36,718	386,400
Total	251,778	225,286	231,059	217,235	195,749	224,507	223,383	252,317	1,821,315
-NAVY	0	0	0	0	0	0	0	0	0
TOTAL	251,778	225,286	231,059	217,235	195,749	224,507	223,383	252,317	1,821,315
3. OIL COSTS-GPA									
High Sulfur	\$ 5,550,904.03	\$ 6,020,675.03	\$ 6,018,876.65	\$ 7,926,537.80	\$ 9,851,256.77	\$ 12,471,620.45	\$ 12,165,395.22	\$ 10,243,922.46	\$ 69,839,188
Diesel	\$ 9,717,585.12	\$ 4,602,930.62	\$ 6,487,098.54	\$ 6,988,554.48	\$ 4,753,598.06	\$ 4,398,621.16	\$ 3,042,317.36	\$ 7,055,124.33	\$ 48,125,726
Low Sulfur	\$ 6,857,843.54	\$ 8,710,790.75	\$ 7,333,046.88	\$ 4,480,724.13	\$ 1,613,622.72	\$ 811,536.42	\$ 607,132.04	\$ 3,107,877.95	\$ 33,522,584
Total	\$ 22,126,332.69	\$ 19,334,396.40	\$ 19,833,020.07	\$ 18,489,816.41	\$ 16,218,477.55	\$ 17,689,678.03	\$ 15,804,844.62	\$ 20,408,924.73	\$ 149,487,499
Fuel adjustments	\$ 6,452.85	\$ -	\$ -	\$ 42,881.25	\$ -	\$ 7,284.82	\$ -	\$ (1,832.67)	\$ 54,766.45
NAVY	\$ 1,458,467.24	\$ 1,532,791.64	\$ 1,138,706.15	\$ 1,250,735.09	\$ 1,066,093.68	\$ 1,979,341.91	\$ 1,700,294.03	\$ 1,527,790.87	\$ 11,652,210.61
TOTAL	\$ 23,591,242.78	\$ 20,867,188.04	\$ 20,971,726.22	\$ 19,783,432.75	\$ 17,082,579.24	\$ 19,658,284.76	\$ 17,505,138.65	\$ 21,932,883.13	\$ 161,194,676.87
3C. FUEL COST-CIVILIAN SHARE									
FUEL COST-NAVY'S SHARE	\$ 4,246,604.00	\$ 4,601,397.00	\$ 3,701,426.00	\$ 3,724,999.00	\$ 3,699,314.00	\$ 3,144,618.00	\$ 3,229,751.00	\$ 3,443,178.00	\$ 28,790,295.00
TOTAL	\$ 23,591,242.78	\$ 20,867,188.04	\$ 20,971,726.22	\$ 19,783,432.75	\$ 17,082,579.24	\$ 19,658,284.76	\$ 17,505,138.65	\$ 21,932,883.13	\$ 161,194,676.87
4. GROSS GENERATION									
FUEL COST PER KWH GENERATED	\$ 0.16028	\$ 0.14490	\$ 0.14575	\$ 0.14668	\$ 0.13950	\$ 0.13667	\$ 0.12031	\$ 0.14201	\$ 0.141791
5. KWH SALES									
ACCRUED KWH SALES (CIVILIAN)	105,904,361	104,648,912	105,671,074	98,071,914	88,790,044	103,092,475	105,312,468	112,156,776	823,648,024
SALES TO NAVY	26,684,373	24,888,490	26,518,827	24,517,651	22,385,909	20,077,843	27,083,294	28,295,034	206,294,361
TOTAL KWH SALES	132,588,734	129,537,402	132,189,901	122,589,565	111,158,953	123,170,318	132,395,762	140,411,810	1,029,942,405
6. FUEL COST PER KWH SALES									
ACCRUED KWH SALES (CIVILIAN)	\$ 0.182871	\$ 0.153921	\$ 0.163472	\$ 0.163741	\$ 0.150729	\$ 0.160164	\$ 0.135653	\$ 0.164056	\$ 0.159538
SALES TO NAVY	\$ 0.169703	\$ 0.184881	\$ 0.138578	\$ 0.161931	\$ 0.165577	\$ 0.120586	\$ 0.119253	\$ 0.121661	\$ 0.144407
TOTAL	\$ 0.178092	\$ 0.159546	\$ 0.158679	\$ 0.161379	\$ 0.153677	\$ 0.152173	\$ 0.132218	\$ 0.156204	\$ 0.156508

FUELOVERVARIANCE with fuel inventory cost change FY 2019

	Actual Oct-18	Actual Nov-18	Actual Dec-18	Actual Jan-19	Actual Feb-19	Actual Mar-19	Actual Apr-19	Actual May-19	TOTAL
7. OIL REVENUES (ACCURED)									
CIVILIAN-W/OUT FUEL INVENTORY COST CHANGE	\$ 16,304,882.00	\$ 16,108,148.00	\$ 15,267,242.00	\$ 15,096,623.00	\$ 13,868,441.00	\$ 15,872,515.00	\$ 16,212,491.00	\$ 17,287,287.00	\$ 128,798,811.00
FUEL INVENTORY COST CHANGE	\$ 4,248,604.00	\$ 4,607,397.00	\$ 3,701,436.00	\$ 3,724,599.00	\$ 3,699,314.00	\$ 3,144,618.00	\$ 3,229,751.00	\$ 3,443,178.00	\$ 28,790,295.00
TOTAL CIVILIAN FUEL REVENUE	\$ 20,550,488.00	\$ 20,710,645.00	\$ 18,968,778.00	\$ 18,821,622.00	\$ 17,567,755.00	\$ 19,017,133.00	\$ 19,442,242.00	\$ 20,710,645.00	\$ 158,688,106.00
NAVY	\$ 20,550,488.00	\$ 20,710,645.00	\$ 18,968,778.00	\$ 18,821,622.00	\$ 17,567,755.00	\$ 19,017,133.00	\$ 19,442,242.00	\$ 20,710,645.00	\$ 158,688,106.00
TOTAL	\$ 20,550,488.00	\$ 20,710,645.00	\$ 18,968,778.00	\$ 18,821,622.00	\$ 17,567,755.00	\$ 19,017,133.00	\$ 19,442,242.00	\$ 20,710,645.00	\$ 158,688,106.00
8. OIL REVENUE PER KWH									
CIVILIAN	\$ 0.15396	\$ 0.15394	\$ 0.15394	\$ 0.15393	\$ 0.15394	\$ 0.15396	\$ 0.15395	\$ 0.15396	\$ 0.15396
NAVY	\$ 0.15396	\$ 0.15394	\$ 0.15394	\$ 0.15393	\$ 0.15394	\$ 0.15396	\$ 0.15395	\$ 0.15396	\$ 0.15396
TOTAL	\$ 0.15396	\$ 0.15394	\$ 0.15394	\$ 0.15393	\$ 0.15394	\$ 0.15396	\$ 0.15395	\$ 0.15396	\$ 0.15396
9. (OVER) UNDER RECOVERY (LINE 5 - 2C)									
CIVILIAN	\$ 3,040,756.76	\$ (43,356.96)	\$ 1,006,948.22	\$ 961,808.75	\$ (285,175.76)	\$ 638,153.78	\$ (1,937,103.35)	\$ 1,222,338.13	\$ 4,606,369.67
NAVY	\$ 3,040,756.76	\$ (43,356.96)	\$ 1,006,948.22	\$ 961,808.75	\$ (285,175.76)	\$ 638,153.78	\$ (1,937,103.35)	\$ 1,222,338.13	\$ 4,606,369.67
TOTAL-MONTHLY	\$ 3,040,756.76	\$ (43,356.96)	\$ 1,006,948.22	\$ 961,808.75	\$ (285,175.76)	\$ 638,153.78	\$ (1,937,103.35)	\$ 1,222,338.13	\$ 4,606,369.67
BALANCE, BEGINNING DEFERRED FUEL	\$ 8,370,541.62	\$ 11,411,298.40	\$ 11,387,941.44	\$ 12,374,889.66	\$ 13,336,698.41	\$ 13,051,522.65	\$ 13,690,676.41	\$ 11,753,673.06	\$ 11,753,673.06
BALANCE, END DEFERRED FUEL	\$ 11,411,298.40	\$ 11,387,941.44	\$ 12,374,889.66	\$ 13,336,698.41	\$ 13,051,522.65	\$ 13,690,676.41	\$ 11,753,673.06	\$ 12,875,911.19	\$ 12,875,911.19
Application of Cabers Explosion Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GL BAL FUEL OVER/UNDER APPLICABLE FUEL COST	\$ 11,411,298.40	\$ 11,387,941.44	\$ 12,374,889.66	\$ 13,336,698.41	\$ 13,051,522.65	\$ 13,690,676.41	\$ 11,753,673.06	\$ 12,875,911.19	\$ 12,875,911.19
GL Balance	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1000,186000,60	11,411,298.40	11,367,941.44	12,374,889.66	13,336,698.41	13,051,522.65	13,690,676.41	11,753,673.06	12,975,911.19	
1000,186000,66	11,411,298.40	11,367,941.44	12,374,889.66	13,336,698.41	13,051,522.65	13,690,676.41	11,753,673.06	12,975,911.19	
TOTAL GL BALANCE OF OVER/UNDER	11,411,298.40	11,367,941.44	12,374,889.66	13,336,698.41	13,051,522.65	13,690,676.41	11,753,673.06	12,975,911.19	

TARGET - Per LEAC filing for Aug 2018 adjmt w/ No Chang	11,411,299	11,367,949	12,296,414	13,155,954					
TARGET - Per updated LEAC filing for Feb 2019 adjmt					13,705,874	14,160,196	13,920,894	12,617,628	

FUELOVERVARIANCE with fuel inventory cost change FY 2019

GUAM POWER AUTHORITY
Fuel Cause Reconciliation

Schedule 1

1 Start Date	2 To/Fossil	3 Daily Sales	4 Plant Use	5 Transmission Loss	5A Transmission Loss Above 13.8KV	6 Distribution Loss	7 Company Use	8 Total Daily Demand	9 Month	10 Days	11 Required Generation-Civilian	12 Required Generation-Military	13 TOTAL REQUIRED GENERATION	14 Number of Hrs(Fossil)	15 Number of Hrs(Fossil)	16 Renewables	17 TOTAL COST	18 Handling Costs	19 TOTAL EXPENSE
2/1/20	20	109,498	24,617	134,115					Feb-20	28	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
2/1/20	20	109,498	24,617	134,115					Mar-20	31	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
2/1/20	20	109,498	24,617	134,115					Apr-20	30	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
2/1/20	20	109,498	24,617	134,115					May-20	31	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
2/1/20	20	109,498	24,617	134,115					Jun-20	30	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
2/1/20	20	109,498	24,617	134,115					Jul-20	31	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
									TOTAL										

20 Sales-Civilian	20 Sales-Military	20 Sales @ 13.8KV	21c Total Recovery	22 Civilian Costs (Forst Expense x %)	22a Deferred Fuel Amort.	23 Under/(Over)	24 Estimated Under/(Over)	25 Net Recovery Under/(Over)	26 Proposed Fuel Cost Recovery
98,235	5,802	92,430	\$14,556,610	\$13,828,113	(\$947,518)	(\$1,295,964)	(\$947,518)	(\$1,295,964)	0
109,279	6,422	102,852	\$15,864,040	\$15,876,933	(\$912,412)	(\$1,295,964)	(\$912,412)	(\$1,295,964)	0
107,512	6,220	101,292	\$15,623,480	\$15,623,480	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
114,197	6,422	107,775	\$15,605,955	\$15,605,955	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
107,298	6,220	101,078	\$15,375,418	\$15,375,418	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
106,111	6,422	99,684	\$15,348,225	\$15,348,225	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
101,178	6,056	95,122	\$15,355,384	\$15,355,384	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
109,279	6,422	102,852	\$15,864,040	\$15,864,040	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
107,512	6,220	101,292	\$15,623,480	\$15,623,480	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
114,197	6,422	107,775	\$15,605,955	\$15,605,955	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
107,298	6,220	101,078	\$15,375,418	\$15,375,418	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
106,111	6,422	99,684	\$15,348,225	\$15,348,225	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0
101,178	6,056	95,122	\$15,355,384	\$15,355,384	(\$0)	(\$1,295,964)	(\$0)	(\$1,295,964)	0

Estimated Insurance Proceeds		Civilian Cause Reconciliation		27 Opening Recovery Balance-Jan 31, 2020		Under/(Over)		29 Closing Recovery Balance	
\$0	\$0	\$2,632,780	\$2,632,780	\$1,685,282	\$895,251	(\$1,752,424)	(\$3,976,853)	\$2,632,780	\$2,632,780
\$0	\$0	\$1,685,282	\$1,685,282	\$895,251	(\$1,752,424)	(\$3,976,853)	(\$3,976,853)	\$1,685,282	\$1,685,282
\$0	\$0	\$1,685,282	\$1,685,282	\$895,251	(\$1,752,424)	(\$3,976,853)	(\$3,976,853)	\$1,685,282	\$1,685,282
\$0	\$0	\$1,685,282	\$1,685,282	\$895,251	(\$1,752,424)	(\$3,976,853)	(\$3,976,853)	\$1,685,282	\$1,685,282
\$0	\$0	\$1,685,282	\$1,685,282	\$895,251	(\$1,752,424)	(\$3,976,853)	(\$3,976,853)	\$1,685,282	\$1,685,282

Customer Charge Symbol	Current Rate to Rate to	Rate to Rate to	Rate to Rate to	Rate to Rate to	Rate to Rate to	Rate to Rate to	Rate to Rate to	Rate to Rate to	Rate to Rate to
Customer Charge Symbol	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Non Fuel Energy Charges (\$/kwh)	\$ 0.0096	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78
Utility Usage (500 Kwht)	\$ 0.0489	\$ 43.44	\$ 43.44	\$ 43.44	\$ 43.44	\$ 43.44	\$ 43.44	\$ 43.44	\$ 43.44
Non Utility Usage	\$ 0.0000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility Usage (500 Kwht)	\$ 0.00779	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40
Non Utility Usage	\$ 0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WCF Surcharge	\$ 0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Roll Back Credit (RBC)	\$ 0.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel Recovery Charge	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78	\$ 34.78
TOTAL BILL	\$ 244.85	\$ 140.65	\$ (8.18)	\$ (8.18)	\$ (8.18)	\$ (8.18)	\$ (8.18)	\$ (8.18)	\$ (8.18)
Increase (Decrease) from Current Bill	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase (Decrease) from Current Year Factor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percent Increase (Decrease)	-5.31%	-5.31%	-5.31%	-5.31%	-5.31%	-5.31%	-5.31%	-5.31%	-5.31%

GUAM POWER AUTHORITY
Fuel Clause Reconciliation

Schedule 1

- 1 Start Date
- 2 Total Sales
- 3 Daily Sales
- 4 Plant Use
- 5 Transmission Loss
- 5a Transmission Loss Above 13.8kV
- 6 Distribution Loss
- 7 Company Use
- 8 Total Daily Demand
- 9 Month
- 10 Days
- 11 Required Generation-Civilian
- 13 Required Generation-MVW
- 13 TOTAL REQUIRED GENERATION
- 14 Number 5 (HSSO/ISFO)
- 15 Number 7 (GPA)
- 16 Renewables
- 17 TOTAL COST
- 18 Handling Costs
- 19 TOTAL EXPENSE
- 20 Sales-Civilian
- 20a Sales-AT Transmission Level
- 20b Sales @ 13.8 KV
- 21a Fuel Cost Recovery @ 13.8 KV
- 21b Fuel Cost Recovery @ Transmission
- 21c Total Recovery
- 22a Civilian Costs (Total Expense * %)
- 22b Deferred Fuel Amount
- 23 Under/(Over)
- 24 Estimated Under/(Over)
- 25 Net Recovery Under/(Over)
- 26 Proposed Fuel/Cost Recovery
- 27 Opening Recovery Balance-July 31, 2019 Under/(Over)
- 28 Closing Recovery Balance

	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22		
Total Sales	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032	1,578,032
Daily Sales	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59	43.59
Plant Use	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%
Transmission Loss	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%
Transmission Loss Above 13.8kV	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%	2.38%
Distribution Loss	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%	1.29%
Company Use	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	
Total Daily Demand	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	3,910.63	

11 Required Generation-Civilian 119,780
 13 Required Generation-MVW 21,543
 13 TOTAL REQUIRED GENERATION 141,323
 14 Number 5 (HSSO/ISFO) 11,787,966
 15 Number 7 (GPA) 6,127,841
 16 Renewables 800,126
 17 TOTAL COST 18,715,933
 18 Handling Costs 889,366
 19 TOTAL EXPENSE 19,604,339

20 Sales-Civilian 109,793
 20a Sales-AT Transmission Level 6,581
 20b Sales @ 13.8 KV 103,212
 21a Fuel Cost Recovery @ 13.8 KV \$184,242
 21b Fuel Cost Recovery @ Transmission \$15,919,681
 21c Total Recovery \$16,103,923

22 Civilian Costs (Total Expense * %) \$15,983,899
 23 Under/(Over) \$ (9,476)
 24 Estimated Under/(Over) \$ (96,805)
 25 Net Recovery Under/(Over) \$ (1,817,641)

26 Proposed Fuel/Cost Recovery \$159,314
 Estimated Insurance Proceeds \$0
 Civilian Clause Reconciliation: \$0
 27 Opening Recovery Balance-July 31, 2019 Under/(Over) \$ (9,529,402)
 28 Closing Recovery Balance \$ 9,529,422

Bills Computed at 1200 kWh/month	Current Rates to	Current BMR	Rate to fully recover	Increase (Decrease)
Customer Charge \$/month	\$ 15.00	\$ 15.00	\$ 15.00	\$ -
Non Fuel Energy Charge (\$/kwh)	\$ 0.0066	\$ 34.78	\$ 34.78	\$ -
Lifetime Usage (500kwh)		\$ 43.44	\$ 43.44	\$ -
Non Lifetime Usage				
Water/Wire Charge	\$ 0.00000	\$ -	\$ -	\$ -
Lifetime Usage (500kwh)		\$ 1.40	\$ 1.40	\$ -
Non Lifetime Usage		\$ 0.00279	\$ -	\$ -
Insurance Charge	\$ 0	\$ -	\$ -	\$ -
W/C Surcharge	\$ 0	\$ -	\$ -	\$ -
Road and Credit (R&C)	\$ 0	\$ -	\$ -	\$ -
Fuel Recovery Charge	\$ 194.24	\$ 160.21	\$ 5.97	\$ 5.97
TOTAL BILL	\$ 248.85	\$ 254.82	\$ 5.97	\$ 5.97
Increase (Decrease) From Current Bill			\$ 2.40%	\$ 5.97
Increase (Decrease) From Current Rate Factor			\$ 5.97	\$ 5.97
Percent Increase (Decrease)			\$ 3.87%	\$ 3.87%

Adjusted Rate	Customer	Rate to	Current Rate	Effective
	Secondary - 13.8 KV	\$ 0.16624	\$ 0.15424	8/1/22
	Primary - 13.8 KV	\$ 0.15598	\$ 0.14879	8/1/22
	Secondary - 11.8 KV	\$ 0.15495	\$ 0.14914	8/1/22
	Primary - 11.8 KV	\$ 0.15304	\$ 0.14712	8/1/22
	Customer			
	Secondary - 13.8 KV			8/1/22
	Primary - 13.8 KV			8/1/22
	Secondary - 11.8 KV			8/1/22
	Primary - 11.8 KV			8/1/22

GUAM POWER AUTHORITY
Fuel Cause Reconciliation

Schedule 1

1 Start Date	2 Total Sales	3 Daily Sales	4 Plant Use	5 Transmission Loss	5a Transmission Loss Above 13.8KV	6 Distribution Loss	7 Company Use	8 Total Daily Demand	9 Month	10 Days	11 Required Generation-Guam	12 Required Generation-Nav	13 TOTAL REQUIRED GENERATION	14 Number 6(HSFQ/STO)	15 Number 7(GPPL)	16 Renewables	17 TOTAL COST	18 Handling Cost	19 TOTAL EXPENSE			
1/19	1,578,892	4,326	3,836	0.30%	2,196	3,046	106.16	9.23	Feb-19	28	Actual 98,618	Actual 113,115	Actual 134,409	Actual 121,847	Forecast 114,939	Forecast 118,770	Actual 679,698	79.609%	Actual 127,452	Actual 149,823	Actual 185,504	Actual 154,650
	1,275,587	3,495	3,337	0.30%	1,051	76.66	106.16	9.23	Mar-19	31	Actual 113,115	Actual 30,208	Actual 21,094	Actual 33,603	Forecast 26,032	Forecast 27,325	Actual 679,698	79.609%	Actual 170,258	Actual 200,258	Actual 265,748	Actual 178,500
	1,275,587	3,495	3,337	0.30%	1,051	76.66	106.16	9.23	Apr-19	30	Actual 134,409	Actual 21,094	Actual 32,603	Actual 28,092	Forecast 24,131	Forecast 26,106	Actual 679,698	79.609%	Actual 154,650	Actual 185,504	Actual 241,331	Actual 185,504
	1,275,587	3,495	3,337	0.30%	1,051	76.66	106.16	9.23	May-19	31	Actual 113,115	Actual 21,094	Actual 32,603	Actual 28,092	Forecast 24,131	Forecast 26,106	Actual 679,698	79.609%	Actual 154,650	Actual 185,504	Actual 241,331	Actual 185,504
	1,275,587	3,495	3,337	0.30%	1,051	76.66	106.16	9.23	Jun-19	30	Actual 134,409	Actual 21,094	Actual 32,603	Actual 28,092	Forecast 24,131	Forecast 26,106	Actual 679,698	79.609%	Actual 154,650	Actual 185,504	Actual 241,331	Actual 185,504
	1,275,587	3,495	3,337	0.30%	1,051	76.66	106.16	9.23	Jul-19	31	Actual 113,115	Actual 21,094	Actual 32,603	Actual 28,092	Forecast 24,131	Forecast 26,106	Actual 679,698	79.609%	Actual 154,650	Actual 185,504	Actual 241,331	Actual 185,504
	1,275,587	3,495	3,337	0.30%	1,051	76.66	106.16	9.23	TOTAL		Actual 1,275,587	Actual 278,523	Actual 185,504	Actual 308,427	Forecast 278,523	Forecast 308,427	Actual 6,796,982	79.609%	Actual 2,127,452	Actual 2,498,223	Actual 3,265,748	Actual 2,498,223

Calculation of Guam Factor

20 Sales-Guam 88,790 \$ 101,092
 20a Sales-At Transmission Level 5,533 \$ 5,952
 20b Sales @ 13.8 kv 83,257 \$ 97,140

21a Fuel Cost Recovery @ 13.8 kv \$154,242
 21b Fuel Cost Recovery @ Transmission \$22,026
 21c Total Recovery \$176,268

22 Guam Cost (Total Expense x %)
 23 Under/(Over) \$ 79.609% \$ 13,893,266 \$ 16,511,669 \$ 14,275,387 \$ 18,489,705 \$ 15,296,624 \$ 16,050,542 \$ 94,007,252
 24 Estimate Under/(Over) \$ (285,176) \$ 639,154 \$ (1,937,104) \$ 1,222,388 \$ (1,651,359) \$ (725,983) \$ (2,738,129)
 25 Net Recovery Under/(Over) \$ 0

26 Proposed Fuel Cost Recovery \$ 176,268
 27 Opening Recovery Balance-January 31, 2019 \$ 13,336,698
 28 Under/(Over) \$ (285,176)
 29 Closing Recovery Balance \$ 13,051,522

Estimated Insurance Proceeds 0
 Guam Clause Reconciliation: \$ 13,051,522
 27 Opening Recovery Balance-January 31, 2019 \$ 13,336,698
 28 Under/(Over) \$ (285,176)
 29 Closing Recovery Balance \$ 13,051,522

Additional Under Recovery for May \$ 1,275,587

Bills Computed at 1000 kWh/month	Current Rate in Bill	Current Rate to Fully Recover (Decrease)	Adjustment UAC Rate:	Current Rate Effective
Customer Charge \$/month	\$ 15.00	\$ 15.00	Secondary-13.8 kv	0.154242
Non Fuel Energy Charges \$/kwh			Primary-13.8 kv	0.149579
Upline Usage (500 kWh)	\$ 0.046	\$ 0.046	13.8 kv	0.149579
Non Upline Usage	\$ 0.046	\$ 0.046	Customer	0.149579
Upline Usage (500 kWh)	\$ 0.000	\$ 0.000	Secondary-13.8 kv	0.149579
Non Upline Usage	\$ 0.000	\$ 0.000	Primary-13.8 kv	0.149579
Water/Well Charge	\$ 0.000	\$ 0.000	13.8 kv	0.149579
Upline Usage (500 kWh)	\$ 1.40	\$ 1.40	Customer	0.149579
Non Upline Usage	\$ 0.0	\$ 0.0	Secondary-13.8 kv	0.149579
Insurance Charge	\$ 0.0	\$ 0.0	Primary-13.8 kv	0.149579
WCF Surcharge	\$ 0.0	\$ 0.0	13.8 kv	0.149579
Non Fuel Credit (Ifc)	\$ 0.0	\$ 0.0	Customer	0.149579
Fuel Recovery Change	\$ 154.24	\$ 171.14	Secondary-13.8 kv	0.149579
TOTAL BILL	\$ 244.25	\$ 265.74	Primary-13.8 kv	0.149579
Increase (Decrease) from Current Bill	\$ 21.49	\$ 21.49	13.8 kv	0.149579
Percent Increase (Decrease)	8.79%	8.79%	Customer	0.149579
Increase (Decrease) from Current Tariff Factor	\$ 21.49	\$ 21.49	Secondary-13.8 kv	0.149579
Percent Increase (Decrease)	10.95%	10.95%	Primary-13.8 kv	0.149579

GPA

Proposed LEAC Rate (\$000)

No Change in LEAC Rate

	A	B
	PUC Filing Proposed ⁽¹⁾ Eff 8/01/2019	Updated Proposed ⁽²⁾ Eff 8/01/2019
1 Average Price per Bbl-RFO	\$ 74.18	\$ 72.95
2 Average Price per Bbl-Diesel	\$ 95.19	\$ 90.14
3 Number 6 (HSFO/LSFO)	\$ 70,309	\$ 69,141
4 Number 2 (Diesel)	44,360	42,004
5 Renewable (Solar)	4,626	4,489
6 TOTAL COST	\$ 119,296	\$ 115,634
7 Handling Costs	5,711	5,716
8 Total Current Fuel Expense	\$ 125,007	\$ 121,350
9 Civilian Allocation	81.53%	81.53%
10 LEAC Current Fuel Expense	\$ 101,921	\$ 98,940
11 Deferred Fuel Expense at the beginning of the period	9,225	10,888
12 Total LEAC Expense	\$ 111,146	\$ 109,828
13 Less: Trans. Level Costs	(5,837)	(5,837)
14 Distribution Level Costs	\$ 105,309	\$ 103,991
15 Under recovery at the end of the period ⁽³⁾		
16 Adjusted Distribution Level Costs	\$ 95,610	\$ 95,610
17 Distribution Level Sales (mWh)	619,867	619,867
18 LEAC Factor Distribution	0.154242	0.154242
19 Current LEAC Factor Distribution	0.154242	0.154242
20 Increase/(Decrease)	0.00000	0.00000
21 Monthly Increase/(Decrease) - 1000 kWh	\$ 0.00	\$ 0.00
22 % Increase/(Decrease) in LEAC	0.00%	0.00%
23 % Increase/(Decrease) in Total Bill	0.00%	0.00%
24 Discount (3%) - Primary 13.8 KV	\$ 0.149579	\$ 0.149579
25 Discount (4%) - 34.5 KV	\$ 0.149143	\$ 0.149143
26 Discount (5%) - 115 KV	\$ 0.147312	\$ 0.147312

Notes: (1) This LEAC filing reflects the actual under recovery through April 30, 2019 and the average forward pricing from May 7-13, 2019.

(2) This updated LEAC filing reflects the actual under recovery through June 30, 2019 and the average forward pricing from July 8-12, 2019.

(3) The estimated under recovery balance at the end of the period decreased by \$1.3M compared to the original PUC filing in June 2019 due to lower projected fuel price.