

1 **D GRAHAM BOTHA, ESQ.**  
2 **General Counsel**  
3 **Guam Power Authority**  
4 **688 Route 15, Suite 302**  
5 **Mangilao, Guam 96913**  
6 **Ph: (671) 648-3203/3002**  
7 **Fax: (671) 648-3290**



8 **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

9 IN THE MATTER OF: ) **GPA DOCKET NO. 20-19**  
10 The Application of the Guam Power Authority )  
11 to Approve the FY2021 GPA CIP Ceiling Cap ) **PETITION FOR CONTRACT REVIEW**

12 **COMES NOW**, the GUAM POWER AUTHORITY (GPA), by and through its counsel  
13 of record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's Petition for the Public Utilities  
14 Commission of Guam to review and approve GPA's FY2021 Internally funded CIP ceiling cap,  
15 which consists of General Plant (\$18,381,155), Engineering (\$3,180,000), and Line Extensions  
16 (\$4,139,645) for a total internal FY2021 CIP ceiling cap of \$25,700,800 as follows:

17 **BACKGROUND**

18 The Guam Power Authority is required by the Contract Review Protocol to file its  
19 internally funded CIP ceiling cap for the upcoming fiscal year plus estimates for the subsequent  
20 two fiscal years. The FY2021 budget, which includes internally funded CIP projects, was  
21 approved by the Consolidated Commission on Utilities (CCU) by GPA Resolution No. 2020-18  
22 on September 3, 2020. The FY2021 budget has internally funded CIP projects and consists of  
23 General Plant (\$18,381,155), Engineering (\$3,180,000), and Line Extensions (\$4,139,645). The  
24 total projected FY2021 budget for internally funded CIP projects is \$25,700,800, and GPA is  
25 requesting that it be approved as the FY2021 CIP ceiling cap.

26 **DISCUSSION**

27 GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam  
28 Power Authority to review and approve GPA's FY2021 internal CIP ceiling cap of \$25,700,800.

**ORIGINAL**

1 In support of this Petition, GPA hereby provides the PUC with the General Manager's letter to  
2 the PUC dated September 8, 2020, and attachments detailing the FY2021 CIP ceiling cap. Said  
3 letter and its exhibits are attached herein as Exhibit A and incorporated by reference herein as if  
4 fully set forth. The GPA FY2021-FY2023 Construction Budget summary and bond summary  
5 are attached herein as Exhibit B.

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7 **CONCLUSION**

8 The PUC should approve GPA's request to approve GPA's FY2021 Internally funded  
9 CIP ceiling cap, which consists of General Plant (\$18,381,155), Engineering (\$3,180,000), and  
10 Line Extensions (\$4,139,645) with a total internal FY2021 CIP ceiling cap of \$25,700,800, as it  
11 is reasonable, prudent, and necessary.

12 **RESPECTFULLY SUBMITTED** this 15<sup>th</sup> day of September, 2020.

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14 D. GRAHAM BOTHA, Esq.  
15 GPA General Counsel  
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**GUAM POWER AUTHORITY**  
**ATURIDAT ILEKTRESEDAT GUAHAN**  
 P.O. Box 2977 HAGATNA, GUAM USA 96932 - 2977

September 8, 2020

Mr. Frederick Horecky, Esq.  
 Administrative Law Judge  
 Guam Public Utilities Commission  
 Suite 207 GCIC Building  
 414 West Soledad Avenue  
 Hagatna, Guam 96910

**SUBJECT: GPA DOCKET NO.: 20-19 - CONTRACT REVIEW PROTOCOL  
 FY2021 CAPITAL IMPROVEMENT PROJECT CEILING CAP**

Dear Judge Horecky:

In accordance with GPA Docket 20-19, the Guam Power Authority is requesting the Guam Public Utilities Commission's approval for the FY2021 internally funded Capital Improvement Project Ceiling Cap of \$21,561,155 without line extension projects.

Attachment A provides General Plant CIP projects of \$100K and above. Attachment A.1 provides Approved Engineering Projects.

Capital Improvement Projects (CIP) - REVENUE FUNDED	FY2021 APPROVED
General Plant (Attachment A)	\$ 18,381,155
Engineering Projects (Attachment A.1)	\$ 3,180,000
<b>SUB-TOTAL</b>	<b>\$ 21,561,155</b>
Line Extensions	\$ 4,139,645
<b>TOTAL CAPITAL IMPROVEMENT PROJECTS</b>	<b>\$ 25,700,800</b>

On Thursday, September 3, 2020, the Consolidated Commission on Utilities (CCU) Board of Directors approved Fiscal Year 2021 Guam Power Authority Budget as referenced on Resolution #2020-18 (See Attachment B).

Please do not hesitate to call Mr. John E. Kim, Chief Financial Officer, at 648-3120 should you have any further questions or concerns regarding the aforementioned filing.

Sincerely,  
  
 JOHN M. BENAVENTE, P.E.  
 General Manager

cc: Mr. John E. Kim, Chief Financial Officer  
 Ms. Pamela R. Aguigui, Chief Budget Officer  
 Graham Botha, Legal Counsel  
 Attachments

**GUAM POWER AUTHORITY**  
**CAPITAL IMPROVEMENT PROJECTS (CIP) - Revenue Funded**  
**ATTACHMENT A: General Plant - \$100K and over**

No.	BUSINESS UNIT	BU NO.	FERC	OBJ CODE	CIP DESCRIPTION	FY2021 APPROVED BUDGET
1	Cabras 1 & 2	55000	107312	102	Cabras 1&2 Overhaul and tube replacement	\$ 3,836,896
2	Gas CT	58000	107343	102	Gas CT Improvements	\$ 2,051,469
3	Piti 7	59400	107342	102	Major Overhaul for Piti 7	\$ 2,027,740
4	Diesel	50800	107342	102	Diesel Improvements	\$ 1,238,000
5	Aggreko	55000	107342	102	Aggreko Unit Overhaul	\$ 900,000
6	SPORD	30600	107311	102	EPCM Contract	\$ 800,000
7	Transportation	59300	107392	103	55ft bucket trucks	\$ 800,000
8	CFO	42100	107391	102	E1 Software Upgrade (Implementation)	\$ 497,354
9	Information Technology	31900	107391	103	SCADA DR Environment (Software)	\$ 400,000
10	Transportation	59300	107392	103	Digger	\$ 361,740
11	T & D Substation	58900	107353	103	SF6 Circuit Breaker Upgrades (various)	\$ 300,120
12	SPORD	30600	107391	102	Replacement of ABB Software (GenOps, Stochastics)	\$ 300,000
13	Warehouse	32100	107390	102	Renovation of Dededo supply warehouse and receiving section	\$ 300,000
14	T & D Underground	59000	107366	102	Emergency Underground Reconstruction - Civil Work, Cable Replacement	\$ 280,000
15	SPORD	30600	107397	103	Tier 2 Expansion Project/Equipment	\$ 265,000
16	CFO	42100	107391	102	Robotic Process Automation	\$ 264,000
17	Transportation	59300	107392	103	Tractor Trucks - 2each	\$ 240,000
18	Customer Service	31100	107391	103	One Customer Service Plan- GWA/GPA syndication	\$ 220,000
19	Information Technology	31900	107390	102	GPA DR Co-Location Site	\$ 170,000
20	Water Systems	58500	107396	103	Portable generators on trailers to support existing stationary generators island wide on deep well/booster & sewer stations	\$ 150,000
21	PSCC	59200	107397	103	Substation Controller I/O Modules	\$ 124,320
22	Generation Admin	54900	107342	102	Day tank pump upgrades (Temes #7)	\$ 100,000
23	Information Technology	31900	107391	103	Desktop/laptop all divisions	\$ 100,000
24	T & D Overhead	58800	107354	102	Upgrade Tower 22	\$ 100,000
25	Water Systems	58500	107371	102	Renovation of Dededo Diesel Plant, removal of engines	\$ 100,000

**GUAM POWER AUTHORITY**  
**CAPITAL IMPROVEMENT PROJECTS (CIP) - Revenue Funded**  
**ATTACHMENT A.1: Engineering Projects**

No.	CIP DESCRIPTION	FY2021 APPROVED BUDGET
1	Predictive Based Maintenance - Island wide	\$ 650,000
2	T&D Master Plan (T&D Admin, Meter/Relay)	\$ 621,000
3	T&D Master Plan (Transportation)	\$ 560,000
4	LED Streetlight Conversion and T&D Line Maintenance Support	\$ 305,000
5	115 kV and 34.5 kV Breaker Upgrades	\$ 295,000
6	Tenjo Vista Firewall and Transformer Relocation	\$ 150,000
7	Typhoon Mangkhut Permanent Repairs (75% FEMA Funded)	\$ 125,000
8	GBNPSB - 2nd UPS System	\$ 100,000
9	Apra Heights Substation - 115/34.5 kV Transformer Upgrade	\$ 100,000
10	SEL RTAC and Port Server	\$ 100,000
11	Pole Numbering	\$ 65,000
12	Substation Snake Fence (All Outdoor Substations)	\$ 54,000
13	Substation and Transmission Improvements	\$ 35,000
14	Substation Navy Metering Changeout	\$ 20,000
	<b>Grand Total - Engineering Projects</b>	<b>\$ 3,180,000</b>



**CONSOLIDATED COMMISSION ON UTILITIES**  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

**GPA RESOLUTION 2020-18**

**RELATIVE TO THE ADOPTION OF A BUDGET FOR THE  
GUAM POWER AUTHORITY FOR FISCAL YEAR 2021**

**WHEREAS**, the Guam Power Authority (GPA) is a Public Corporation of the Government of Guam; and

**WHEREAS**, Section 8117 of Chapter 8 of Title 12 of Guam Code Annotated authorizes the Consolidated Commission on Utilities (CCU) to adopt an annual budget for the Authority; and

**WHEREAS**, Section 6.11 of the GPA Bond Indenture Agreement requires the Authority to provide a copy of an approved budget to the Bond Trustee prior to the beginning of each fiscal year; and

**WHEREAS**, the General Manager of the Guam Power Authority has reviewed and proposes the budget for Fiscal Year 2021 totaling \$347,138,000; and

**WHEREAS**, the General Manager has reviewed and proposes a Revenue Funded Capital Improvement Project (CIP) budget totaling \$25,700,800; and

**WHEREAS**, the General Manager has reviewed the budget to ensure that all budget expenditures are consistent with the strategic goals of the Authority; and

**NOW, THEREFORE BE IT RESOLVED BY THE CONSOLIDATED COMMISSION ON UTILITIES AS THE GOVERNING BODY OF THE GUAM POWER AUTHORITY, AS FOLLOWS:**

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1. The Fiscal Year 2021 Budget of \$347,138,000 is hereby approved. The Fiscal Year 2021 Budget is based on a Non-Fuel Revenue forecast of \$155,000,000, miscellaneous revenues of \$2,160,000 and a Fuel Revenue forecast of \$191,023,000 less bad debts of \$1,045,000 for total net operating revenues of \$347,138,000.

*The budget consists of:*

- a. Total Operations and Maintenance budget includes Labor and Retiree's benefit costs of \$50,254,251; Non-Labor cost of \$31,227,935 less Capitalized O&M of \$6,590,042 for total O&M Budget of \$74,892,144;
- b. Bad Debt expense of \$1,045,000;
- c. Independent Power Producers costs plus Aggreko Payments of \$22,600,000; Debt Service of \$47,763,000;
- d. Revenue Funded Capital Improvement Projects of \$25,700,800 is approved and the General Manager is authorized to petition the Public Utilities Commission (PUC) for approval.
- e. Expressed in the attached summary of Revenue Requirements dated August 7, 2020 is hereby adopted. Funds pledged for the Bond Reserves are not included in the overall budget amounts.

2. The authorized level of positions within the Authority shall be 490 FTEs.

3. The General Manager is authorized to transfer no more than 10% of the overall approved GPA Budget, exception that there shall be no transfer into the personnel account from other non-labor accounts.

**RESOLVED**, that the Chairman of the Commission certifies and the Board Secretary of this Resolution.

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DULY and REGULARY ADOPTED AND APPROVED THIS this 3RD DAY OF  
SEPTEMBER 2020

Certified by:

Attested by:

  
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JOSEPH T. DUENAS  
Chairman  
Consolidated Commission on Utilities

  
\_\_\_\_\_  
MICHAEL LIMTIACO  
Secretary  
Consolidated Commission on Utilities

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I, **Michael Limtiaco**, Secretary for the Consolidated Commission on Utilities (CCU), as  
evidenced by my signature above do certify as follows:

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The foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting  
of the members of Guam Consolidated Commission on Utilities, duly and legally held at the meeting  
place properly noticed and advertised at which meeting a quorum was present and the members who were  
present voted as follows:

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Ayes: 5  
Nays: Ø  
Absent: Ø  
Abstain: Ø

