

**BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF: )  
The Application of the Guam Power ) GPA Docket 10-09  
Authority Requesting Approval of the )  
Procurement of Environmental )  
Engineering and Technical Services. )  
\_\_\_\_\_ )

**ORDER**

**INTRODUCTION**

1. This matter comes before the Guam Public Utilities Commission [PUC] upon the Application of the Guam Power Authority [GPA] requesting approval of the Contract for Environmental Engineering and Technical Services.<sup>1</sup>
2. On December 15, 2010, the PUC approved GPA’s Application for Approval of the Procurement for Environmental Engineering and Technical Services. There the PUC found that GPA had demonstrated a need to procure services for Ambient Air Quality Monitoring, Air Quality Modeling for purposes related to redesignation of non-attainment areas to attainment areas, evaluation and reporting on fuel switching compliance for plant operations, and other engineering/technical services.<sup>2</sup>

**BACKGROUND**

3. The Background of this matter has been set forth in the PUC Counsel Report issued herein on June 14, 2011, which Report is adopted by the Commission.

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<sup>1</sup> GPA Application Requesting Approval of the Contract for Environmental Engineering and Technical Services, GPA Docket No. 10-09, filed May 13, 2011.

<sup>2</sup> PUC Order, GPA Docket 10-09, filed December 15, 2011.

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4. GPA now seeks approval from the PUC to allow the Authority to proceed with the award of a multi-year contract for Environmental Engineering and Technical Services to TRC Environmental Corporation.<sup>3</sup>
5. GPA has provided documentation which establishes that TRC was ranked by GPA as the most qualified proposer for the contract.

**DETERMINATIONS**

6. GPA has demonstrated a need for these consulting services.
7. In accordance with the authorization of the Consolidated Commission on Utilities, GPA Management should be authorized to award a multi-year contract to TRC Environmental in the amount of \$313,000 for the first year. The contract should be approved in the form submitted by GPA.<sup>4</sup>
8. The proposed term of the Contract, providing for a base contract of five years, and, upon mutual agreement of the parties, a contract extension for an additional five year period, should be approved.<sup>5</sup>

**ORDERING PROVISIONS**

Upon consideration of the record herein, the Petition of GPA, the PUC Legal Counsel Report, and for good cause shown, upon motion duly made, seconded, and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS THAT:

1. GPA's Award of the Contract for Environmental Engineering and Technical Services to TRC Environmental Corporation is hereby approved.

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<sup>3</sup> Memorandum from Joaquin C. Flores, P.E., General Manager, Guam Power Authority to the Guam Public Utilities Commission, Re: Request for PUC Approval for the Award of a Multi-Year Contract for Environmental Engineering and Technical Services, dated May 11, 2011.

<sup>4</sup> Id. at pgs. 1-2.

<sup>5</sup> Contract for Technical Services, attached to the November 15, 2010, Application of GPA Requesting Approval of the Procurement of Environmental Engineering and Technical Services, at p. 21.

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2. GPA Management is authorized to enter into the Contract for Technical Services (a copy of which is attached to its Application) with TRC Environmental Corporation. GPA is authorized to expend the negotiated price of \$313,000 for the initial tasks identified in Exhibits B and C to the contract for the first contract year.
3. GPA has demonstrated the need for such contract, and there are already available rate funds and bond funds for implementation of these contract services without the necessity for a rate increase.
4. In the event GPA determines that the multi-year contract will exceed the contract review threshold of \$1.5M over the five year contract period, or bond funds are to be used for the contract, further review and approval will be required by the PUC.
5. GPA must file an annual cost estimate for the contract in accordance with paragraph 4d) of the Contract Review Protocol for Guam Power Authority.
6. 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 20<sup>th</sup> day of June, 2011.

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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