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10 *Attorney for the Guam Power Authority*

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13 **BEFORE THE GUAM PUBLIC UTILITY COMMISSION**

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15 )  
16 ) **DOCKET NO. 21-05**  
17 **IN THE MATTER OF** )  
18 )  
19 **Guam Power Authority's Filing** )  
20 **of FY2020 Approved Contracts and** )  
21 **Obligations** )  
22 \_\_\_\_\_ )  
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25 **COMES NOW, GUAM POWER AUTHORITY (GPA),** by and through its  
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27 **Counsel of Record, D. GRAHAM BOTHA, ESQ.,** and hereby files GPA's FY2020 Approved  
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29 **Contracts and Obligations, pursuant to the Contract Review Protocol. The report shows the**  
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31 **Amounts approved by the PUC and the actual expenditures incurred during the preceding fiscal**  
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33 **year for GPA's contracts and obligations. Exhibit A lists fuel contracts, fixed management fees,**  
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35 **and insurance contracts. Exhibit B lists engineering and plant Capital Improvement Projects**  
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37 **(CIP's).**

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40 **RESPECTFULLY SUBMITTED** this 4<sup>th</sup> day of December 2020.

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46 **D. GRAHAM BOTHA, ESQ.**  
47 **Legal Counsel for GPA**  
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# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

December 1, 2020

Guam Public Utilities Commission  
Mr. Fred Horecky, Legal Counsel  
Guam Public Utilities Commission  
643 Chalan San Antonio, Suite 102B  
Tamuning, Guam 96913

**SUBJECT: Fiscal Year 2020 Contracts & Capital Improvement Projects (CIP)  
Variance Report (Un-Audited)  
Docket No. 21-05 FY2020 Contracts & Obligations**

Dear Judge Horecky:

Attached are Guam Power Authority's Fiscal Year 2020 Approved Contracts & Obligations (Exhibit A) and CIP Variance Report (Exhibit B) information for your perusal.

As per the Contract Review Protocol: Section 9 – "GPA shall, on or before December 1 of each year, file a report on the contracts and obligations approved by PUC for the prior fiscal year pursuant to this protocol. This report shall show the amount approved by PUC and the actual expenditures incurred during the preceding fiscal year for each such contract and obligation and other changes from the prior filing in cost estimates, start dates and in service or completion dates."

Should you have any questions, please contact Mr. John J.E. Kim, Chief Financial Officer at 648-3120.

Sincerely,

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

cc: Mr. John J.E. Kim, Chief Financial Officer  
Pamela Aguigui, Chief Budget Officer

GUAM POWER AUTHORITY  
 FY2020 PUC CONTRACTS VARIANCE REPORT (FUEL, O&M, & CIP)  
 EXCEEDS \$1.5M Including multi-year  
 BUDGET VS ACTUAL

**EXHIBIT A**  
 12/1/2020

Prepared By: Budget Staff

CONTRACTS CATEGORY	VENDOR	OP No.	FY2020 ADJUSTED BUDGET	FY2020 UNAUDITED ACTUALS as of 09/30/20	BUDGET BALANCE	CONTRACT YR	TERMS	Remarks
<b>A Fuel Related Contracts</b>								
<b>Residual Fuel:</b>								
A.1 Residual Fuel	Mobil	27343	\$ 147,838,166	\$ 105,724,762	\$ 42,113,404		Two (2) years with option to extend for 3 additional 1 year contract term upon mutual agreement of both parties	
<b>TOTAL RESIDUAL FUEL</b>			<b>\$ 147,838,166</b>	<b>\$ 105,724,762</b>	<b>\$ 42,113,404</b>			
<b>Diesel Fuel:</b>								
A.2 Temas CT Plant (Piti 7)	Mobil Oil Guam Inc.	27086 / 27661	\$ 6,256,319	\$ 5,418,489	\$ 839,830		3 Year Base Contract + 2 - One Year Options to Renew	
A.3 Dededo/Machcheche/VigouAggreko (CT plants)	Mobil Oil Guam Inc.	27087 / 27663 / 27680	\$ 30,136,461	\$ 30,102,987	\$ 33,474		3 Year Base Contract + 2 - One Year Options to Renew	
A.4 GPA Plants (Various) - Diesel	Mobil Oil Guam	27095	\$ 7,518,780	\$ 2,710,576	\$ 4,808,204		3 Year Base with two (2) Year Extension Options	Bulk Diesel Fuel Delivery to GPA Plants (Ref: MS FB GPA-029-14)
<b>Total Diesel Fuel</b>			<b>\$ 43,913,560</b>	<b>\$ 28,232,052</b>	<b>\$ 5,681,508</b>			
<b>Renewables:</b>								

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**12/1/2020**  
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CONTRACTS CATEGORY	VENDOR	OP No.	FY2020 ADJUSTED BUDGET	FY2020 UNAUDITED ACTUALS as of 09/30/20	BUDGET BALANCE	CONTRACT YR	TERMS	Remarks
A.8 5.6MW Renewable Energy Contract (Multi-Step Bid GPA-027-11)	NRG Solar Dandan	27488	\$ 2,200,000	\$ 2,107,998	\$ 92,002	FY2015: 01/01/2015-09/30/2015; 9 Months of 1st Year of 3 Year Contract Term. FY2016: 10/01/2015 - 12/31/2015; 1st Year of 3 Year Contract Term Completed. 01/01/2016 - 09/30/2016; 9 Months of 2nd Year of 3 Year Contract Term. FY2017: 10/01/2016 - 12/31/2016; 2nd Year of 3 Year Contract Term Completed. 01/01/2017 - 09/30/2017; 9 Months of 3rd Year of 3 Year Contract Term. FY2018: 10/01/2017 - 12/31/2017; 3rd Year of 3 Year Base Contract Completed. 01/01/2018 - 09/30/2018; 9 Months of 1st Year of 2 Year Option to Renew. FY2019: 10/01/2018 - 12/31/2018; Last 3 months of 1st year of 2nd year Option to renew completed. 01/01/2019 - 09/30/2019; 9 Months of 2nd Year of 2 Year Option to Renew. FY2020: Contract year 5 of 25. Contract Year 5 starts on October 30, 2019.	3 Year Base Contract + 2 - one Year Options to Renew	
A.9 200MW Renewable Energy Contract (Multi-Step Bid GPA-027-11)	NRG Solar Dandan	27489	\$ 8,263,361	\$ 7,812,026	\$ 451,335	FY2015: 01/01/2015-09/30/2015; 9 Months of 1st Year of 3 Year Contract Term. FY2016: 10/01/2015 - 12/31/2015; 1st Year of 3 Year Contract Term Completed. 01/01/2016 - 09/30/2016; 9 Months of 2nd Year of 3 Year Contract Term. FY2017: 10/01/2016 - 12/31/2016; 2nd Year of 3 Year Contract Term Completed. 01/01/2017 - 09/30/2017; 9 Months of 3rd Year of 3 Year Contract Term. FY2018: 10/01/2017 - 12/31/2017; 3rd Year of 3 Year Base Contract Completed. 01/01/2018 - 09/30/2018; 9 Months of 1st Year of 2 Year Option to Renew. FY2019: 10/01/2018 - 12/31/2018; Last 3 months of 1st year of 2nd year Option to renew completed. 01/01/2019 - 09/30/2019; 9 Months of 2nd Year of 2 Year Option to Renew. FY2020: Contract Year 5 starts on October 30, 2019.	3 Year Base Contract + 2 - One Year Options to Renew	
<b>Total Renewables</b>			<b>\$ 10,463,361</b>	<b>\$ 9,920,024</b>	<b>\$ 543,337</b>			
<b>Fuel Handling:</b>								
A.10 Storage Tank Lease Fees	Tristar Terminals Guam	27352	\$ 1,461,750	\$ 1,247,438	\$ 214,313	FY2014 - 10/01/2013 - 08/31/2014; 1st Year of 5 Year Base Contract Completed. 09/01/2014 - 09/30/2014; 1 Month of 2nd Year of 5 Year Base Contract. FY2015: 10/01/2014 - 08/31/2015; 2nd Year of 5 Year Base Contract Completed. 09/01/2015 - 09/30/2015; 1 Month of 3rd Year of 5 Year Base Contract. FY2016: 10/01/2015 - 08/31/2016 3rd Year of 5 Year Base Contract Completed. 09/01/2016 - 09/30/2016; 1 Month of 4th Year of 5 Year Base Contract. FY2017: 10/01/2016 - 08/31/2017 4th Year of 5 Year Base Contract Completed. 09/01/2017 - 09/30/2017; 1 Month of 5th Year of 5 Year Base Contract. FY2018: 10/01/17 - 08/31/2018; 5 Year Contract Completed. Amd.: 1-Extend Expiration Date to 09/30/2018. Ref: Contract No.: TTGI-SA-2018-01. FY2019: 10/01/2018 - 09/30/2019; 4 Year Extension (01/01/2019 - 12/31/2022). Ref: TTGI-SA-2018-01.	5 Year Agreement.	To cover payment of invoices for the period thru September 30, 2016 relative to the recovery, removal and disposal of the bottom product deadstock from the leased Tank 1902
A.11 Storage Tank Lease Fees	Tristar Terminals Guam	27351	\$ 1,793,866	\$ 1,700,413	\$ 93,472	FY2018: 10/01/2017 - 08/31/2018; 5 Year Storage Agreement Completed. 9/1/18 - 9/30/18 - 1st Month of 1st year of 4 year contract extension. FY2019 - 10/01/2018 - 08/31/2019; 1st Year of 4 Year Contract Extension completed. 09/01/2019 - 09/30/2019; 1st Month of 2nd Year of 4 Year Contract Extension. (CCU Resolution 2017-43, PUC GPA Docket 18-10)	5 Year Agreement.	Storage Agreement (TTGI-SA-2013)



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**EXHIBIT A**  
 12/1/2020

Prepared By: Budget Staff

CONTRACTS CATEGORY	VENDOR	OP No.	FY2020 ADJUSTED BUDGET	FY2020 UNAUDITED ACTUALS as of 09/30/20	BUDGET BALANCE	CONTRACT YR	TERMS	Remarks
A.12	F-1 Dock Facility	Tristar Terminals Guam	27354	\$ 1,797,597	\$ 1,212,655	\$ 584,942	5 Year Lease Contract.	Dock Agreement (TTG-DA-2013) Amendment No. 1
A.13	Pipeline Fees	Tristar Terminals Guam	27355	\$ 525,368	\$ 525,368	\$ (0)	5 Year Lease Contract.	Pipeline Agreement (TTG-PA-2013) Amendment No. 1 4 Years Extension (09/01/2018 - 09/31/2022)
A.14	Fuel Farm Management	IP&E Holdings	27397	\$ 1,922,362	\$ 792,446	\$ 1,129,916	2 Year Base Contract + 3 - One Year Options to Renew.	
A.15	DEF Charges (\$5.80/MWH and 8.098 MWH minimum energy offtake under the Aggreko's Contract Extension)	Aggreko	27550	\$ 929,886	\$ 771,204	\$ 158,682	4 Year (Extended Operational Service Period)	Temporary Power Agreement dated 30th of November 2016
<b>Total Fuel Handling</b>			\$ 6,430,789	\$ 6,249,523	\$ 2,181,265			
<b>B</b>	<b>IPP</b>							
B.1	IPP - Energy Conversion	MEC	27479	\$ 10,245,826	\$ 9,135,527	\$ 1,110,299	5 Year Contract Extension.	

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 12/1/2020

Prepared By: Budget Staff

CONTRACTS CATEGORY	VENDOR	OP No.	FY2020 ADJUSTED BUDGET	FY2020 UNAUDITED ACTUALS as of 09/30/20	BUDGET BALANCE	CONTRACT YR	TERMS	Remarks
B.2	IPP - Recaptalization	MEC	27478	\$ 3,764,000	\$ 3,863,180	\$ 100,820	5 Year Contract Extension.	
B.3	IPP - Principal, Interest, Energy Conversion	Aggreko	27550	\$ 12,298,000	\$ 11,986,777	\$ 311,223	4 Year (Extended Operational Service Period)	Temporary Power Agreement dated 30th of November 2016
<b>Total IPP</b>			<b>\$ 28,307,826</b>	<b>\$ 24,785,484</b>	<b>\$ 1,522,342</b>			
<b>C FIXED MANAGEMENT FEES:</b>								
C.1	PMC - Cabras 1 & 2 (Fixed Management Fees)	Temes	27280	\$ 1,806,639	\$ 1,806,639	\$ -	5 Year Base Contract + Option for 5 Additional Years	
C.2	PMC - CT	Temes	27277	\$ 696,815	\$ 696,815	\$ -	5 Year base contract + option for 5 additional years	
<b>Total Fixed Management Fees</b>			<b>\$ 2,503,454</b>	<b>\$ 2,503,454</b>	<b>\$ -</b>			
<b>D PMC O&amp;M EXPENSE:</b>								
D.1	PMC - Cabras 1 & 2 (Routine Operation & Maintenance Expenses)	Temes	27281	\$ 1,387,964	\$ 1,387,910	\$ 54		
D.2	PMC - CT #1, #2, Machete CT, Vigo CT	Temes	27278 / 27284 / 27283 / 27279	\$ 544,387	\$ 544,294	\$ 93	5 Year Base Contract w/ Option to Extend for One (1) Additional Three-Year Terms and One (1) Additional Two-Year Term.	

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**EXHIBIT A  
 12/1/2020**

Prepared By: Budget Staff

CONTRACTS CATEGORY	VENDOR	OP No.	FY2020 ADJUSTED BUDGET	FY2020 UNAUDITED ACTUALS as of 09/30/20	BUDGET BALANCE	CONTRACT YR	TERMS	Remarks
<b>Total PUC O&amp;M Expense</b>			\$ 1,992,351	\$ 1,992,204	\$			
<b>E INSURANCE PREMIUM</b>								
E.1 Property - Boiler, Machinery, Terrorism	AM Insurance	27340	\$ 5,550,713	\$ 5,290,520	\$ 260,193	FY 2019: OP NO: 25845 - 11/01/2018 - 09/30/2019; 11 Months of 1st Year of 3 Year period; FY2020 PO# 27340: 10/01/2019 - 10/31/2019; 1st. Year of 3 Year Period Completed 11/01/2019 - 09/30/2020; 11 Months of 2nd. Year of 3 Year period	3 year base contract + 2 additional years.	Multi-Step GFA-077-18: A. Property (Policy Limit \$300 Million) \$4,322,692.00; - Terrorism (\$200 million limit); - Business Interruption (\$5 million sublimit); B. Cyber Liability - \$32,308,000; C. Gloria B. Nelson Public Service Building - Building & Structure: TOTAL: \$4,455,000.00
<b>Total Insurance Premium</b>			\$ 5,550,713	\$ 5,290,520	\$ 260,193			
<b>F Capital Improvement Projects</b>								
F.1 Major Overhauls - Diesel	Dooking Eng CO Ltd	27616	\$ 799,078	\$ 799,058	\$ 20	FY2017: 03/01/2017 - 09/30/2017; 7 Months of 3 Year Base Contract. FY2018: 10/01/2017 - 02/28/2018; 1st. Year Base Contract Completed. 03/01/2018 - 09/30/2018; 7 Months of 2nd Year of 3 Year Base Contract. FY2019: 10/01/2018 - 02/28/2019; 2nd. Year of 3 Year Base Contract Completed. 03/01/2019-09/30/2019; 7 Months of 3 Year Base Contract; FY2020: Completion of Warsila units	3 Year Base Contract	
<b>Total CIP</b>			\$ 799,078	\$ 799,058	\$ 20			

EXHIBIT B

**GUAM POWER AUTHORITY (GPA)  
FY2020 CIP VARIANCE REPORT  
PUC CAPITAL IMPROVEMENT PROJECTS REVIEW DOCKET**

<b>CIP SUMMARY</b>	<b>FY 2020 ADJUSTED BUDGET</b>	<b>FY 2020 UN-AUDITED ACTUALS</b>	<b>% Used</b>	<b>VARIANCE</b>
<b><u>REVENUE FUNDED :</u></b>				
<b>LINE EXTENSIONS:</b>	<b>\$ 3,840,293</b>	<b>\$ 2,631,914</b>	<b>68.53%</b>	<b>\$ 1,208,379</b>
<b>GENERAL PLANT:</b>	<b>\$ 20,311,663</b>	<b>\$ 8,083,741</b>	<b>39.80%</b>	<b>\$ 12,227,922</b>
<b>ENGINEERING PROJECTS:</b>	<b>\$ 3,468,615</b>	<b>\$ 864,751</b>	<b>24.93%</b>	<b>\$ 2,603,864</b>
<b>TOTAL REVENUE FUNDED CIP:</b>	<b>\$ 27,620,571</b>	<b>\$ 11,580,406</b>	<b>41.93%</b>	<b>\$ 16,040,165</b>

**NOTE:**

- 1) Reflects "un-audited" actual expenditures at the end of fiscal year (9/30/19)
- 2) \$6 million obligated in FY20, carried into FY21 (i.e. Heavy equipment vehicles, Continuation Generation Overhauls and Engineering Projects)

**Prepared by:**  
Monica C. Calvo, Budget Analyst  
11/30/2020