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BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

DOCKET NO. 22-02

The Application of the Guam Power Authority
Requesting Approval of the Procurement of a
Performance Management Contract (PMC) for
the Management, Operation and Maintenance
of the GPA Fuel Farm Bulk Storage Facility.

PETITION FOR CONTRACT REVIEW

COMES NOW, the GUAM POWER AUTHORITY (GPA), by and through its counsel of record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's Petition for the Public Utilities Commission of Guam to review and approve GPA's request for approval of the Procurement of a Performance Management Contract (PMC) for the Management, Operation and Maintenance of the GPA Fuel Farm Bulk Storage Facility, as follows:

BACKGROUND

The Guam Power Authority awarded pursuant to IFB GPA-014-17 a contract to Isla Petroleum and Energy, LLC (IP&E) for the Management, Operation, and Maintenance of the GPA Fuel Farm Bulk Storage Facility. The base period of the contract was from October 1, 2017 to September 30, 2020. The CCU and the PUC approved a two-year extension of the contract from October 1, 2020 to September 30, 2022. The CCU in Resolution FY2022-02 has approved GPA's request for approval of the procurement of a Performance Management Contract (PMC) for the Management, Operation and Maintenance of the GPA Fuel Farm Bulk Storage Facility.

ORIGINAL

1 **DISCUSSION**

2 GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam
3 Power Authority, approved by the PUC, to review and approve the procurement of a
4 Performance Management Contract (PMC) for the Management, Operation and Maintenance of
5 the GPA Fuel Farm Bulk Storage Facility. In support of this Petition, GPA hereby provides the
6 PUC with Consolidated Commission on Utilities (CCU) Resolution No. FY2022-02, which
7 authorizes the General Manager to proceed with the procurement of a Performance Management
8 Contract (PMC) for the Management, Operation and Maintenance of the GPA Fuel Farm Bulk
9 Storage Facility. Said resolution and its exhibits are attached herein as Exhibit A, and
10 incorporated by reference herein as if fully set forth. The exhibits include a copy of the draft
11 Invitation for Multi-Step Bid.

12 **CONCLUSION**

13 The PUC should approve GPA's request to proceed with the procurement of a
14 Performance Management Contract (PMC) for the Management, Operation and Maintenance of
15 the GPA Fuel Farm Bulk Storage Facility for Supply. This Fuel Farm PMC will contribute to
16 the efficient operation of the Cabras power plants, and a PMC is reasonable, prudent, and
17 necessary.

18 **RESPECTFULLY SUBMITTED** this 5th day of November, 2021.

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20 D. GRAHAM BOTHERA, ESQ.
21 GPA General Counsel
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GPA RESOLUTION NO. FY2022-02

**AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY TO SOLICIT A CONTRACT FOR THE
MANAGEMENT, OPERATION AND MAINTENANCE OF GPA'S FUEL BULK STORAGE FACILITY**

WHEREAS, the Guam Power Authority (GPA), through Resolution 2017-10 awarded IFB GPA-014-17 to Isla Petroleum and Energy, LLC ("IP&E"); and

WHEREAS, the contract with IP&E is expiring on September 30, 2022; and

WHEREAS, proper management, operation and maintenance of the Fuel Bulk Storage Facility is required to ensure uninterrupted, reliable fuel supply to GPA's Power Plants; and

WHEREAS, GPA intends to procure the services of a qualified firm for the Management, Operation and Maintenance of the Fuel Bulk Storage Facility; and

WHEREAS, approval is requested to allow the General Manager to solicit these services and petition the PUC to approve the solicitation for a contract with a base period of three (3) years with an option to extend for up to two (2) additional one-year extensions.

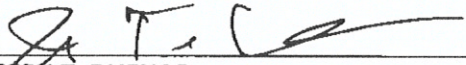
NOW THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES as the governing body of GPA, and subject to the review and approval of the Public Utilities Commission as follows:

1. The General Manager is authorized to proceed with the solicitation for a Contract for the Management, Operation and Maintenance of GPA's Fuel Bulk Storage Facility.

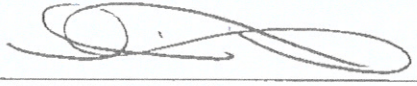
RESOLVED, that the Chairman of the Commission certifies and the Board Secretary attests the adoption of this Resolution.

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37 **DULY and REGULARY ADOPTED AND APPROVED THIS 26TH DAY of October, 2021**
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Certified by:


JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

Attested by:


MICHAEL LIMTIACO
Secretary
Consolidated Commission on Utilities

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

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

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49 Ayes: 3

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51 Nays: 0

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53 Absent: 2

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55 Abstain: 0



GPA-014-17: IP&E Holdings, LLC. dba IP&E Guam

CONTRACT ITEMS (BREAKDOWN)		Contract Year		OPTIONAL Contract Extension Years		
PERIOD		1	2	1st Extn	2nd Extn	3rd Extn
		(10/01/17 TO 09/30/18)	(10/01/18 TO 09/30/19)	(10/01/19 TO 09/30/20)	(10/01/20 TO 09/30/21)	(10/01/21 TO 09/30/22)
MANDATORY	1 Management and Administration Fees (Include all expenses for staffing, office maintenance, expenses for utilities and communications, management fees and administration fees)	\$ 516,560.00	\$ 532,056.80	\$ 548,018.50	\$ 564,459.06	\$ 581,392.83
	2 Security Contractor	\$ 144,540.00	\$ 148,876.20	\$ 153,342.49	\$ 157,942.76	\$ 162,681.04
	3 Spill Response Company Membership Fees	\$ 35,000.00	\$ 36,050.00	\$ 37,131.50	\$ 38,245.45	\$ 39,392.81
	4 Insurance Fees (Volume I - 5.41A)	\$ 20,400.00	\$ 21,012.00	\$ 21,642.36	\$ 22,291.63	\$ 22,960.38
	5 Inventory - Environmental / Oil Spill Equipment <small>*Oil Spill Response & Environmental Compliance (OPA 90, SPCC and FRP, etc.)</small>	\$ 2,500.00	\$ 2,575.00	\$ 2,652.25	\$ 2,731.82	\$ 2,500.00
	6 Operation and Maintenance Budget Plus 6% GRT	\$91,000.00 \$5,460.00 \$ 96,460.00	\$93,730.00 \$5,623.80 \$ 99,353.80	\$96,541.90 \$5,792.51 \$ 102,334.41	\$99,438.16 \$5,966.29 \$ 99,438.16	\$102,421.30 \$6,145.28 \$ 108,566.58
TOTAL BUDGET		\$ 815,460.00	\$ 839,923.80	\$ 865,121.51	\$ 885,108.88	\$ 917,493.64
ACTUAL EXPENDITURES		\$ 765,464.29	\$ 787,000.26	\$ 792,445.65	\$ 799,985.66	
BUDGET SURPLUS/(SHORTFALL)		\$ 49,995.71	\$ 52,923.54	\$ 72,675.86	\$ 85,123.22	

EXHIBIT B

CONTRACT HISTORY REPORT - FUEL HANDLING

1. GPA FUEL FARM FACILITY MANAGEMENT AND OPERATION

CONTRACT NO.	CONTRACTOR	CONTRACT PERIOD	REMARKS	COST (\$/Month)	\$/yr
GPA-014-17	IP&E	OCT 01, 2021 - SEP 30, 2022	3rd of 3 Year Extn Period	\$76,483.95	\$ 917,807.41
GPA-014-17	IP&E	OCT 01, 2020 - SEP 30, 2021	2nd of 3 Year Extn Period	\$74,256.26	\$ 891,075.17
GPA-014-17	IP&E	OCT 01, 2019 - SEP 30, 2020	1st of 3 Year Extn Period	\$71,610.75	\$ 859,329.00
GPA-014-17	IP&E	OCT 01, 2018 - SEP 30, 2019	2nd of 2 Year Base Period	\$69,525.00	\$ 834,300.00
GPA-014-17	IP&E	OCT 01, 2017 - SEP 30, 2018	1st of 2 Year Base Period	\$67,500.00	\$ 810,000.00
GPA-032-12	Vital Energy	JUN 01, 2017 - SEP 30, 2017	3 Months extn	\$57,004.70	
GPA-032-12	Vital Energy	JUN 01, 2016 - MAY 31, 2017	2nd of 2 Year extn	\$57,004.70	\$ 684,056.47
GPA-032-12	Vital Energy	JUN 01, 2015 - MAY 31, 2016	1st of 2 Year extn	\$56,147.95	\$ 673,775.40
GPA-032-12	Vital Energy	JUN 01, 2012 - MAY 31, 2015	3 Years Base Period	\$56,272.79	\$ 675,273.48
GPA-008-07	Peterra, Inc.	OCT 01, 2011 - MAY 31, 2012	7 months of 3rd Year Extension	\$54,356.00	\$652,272.00
GPA-008-07	Peterra, Inc.	MAY 01, 2011 - SEP 30, 2011	5 months of 3rd Year Extension	\$54,356.00	\$652,272.00
GPA-008-07	Peterra, Inc.	MAY 01, 2010 - APR 30, 2011	2nd of 2 Year Extension	\$54,356.00	\$652,272.00
GPA-008-07	Peterra, Inc.	MAY 01, 2009 - APR 30, 2010	1st of 2 Year Extension	\$54,356.00	\$652,272.00
GPA-008-07	Peterra, Inc.	MAY 01, 2007 - APR 30, 2009	3 Years Base Period	\$54,356.00	\$652,272.00
GPA-014-01	Peterra, Inc.	MAY 01, 2001 - APR 30, 2004	3 Years Base Period	\$59,000.00	\$708,000.00
GPA-RFP-94-010	Peterra, Inc.	MAY 03, 1998 - APR 30, 2001	3 Years Extension	\$50,000.00	\$600,000.00
GPA-RFP-94-010	Peterra, Inc.	JAN 01, 1996 - APR 02, 1998	2 Years Base Period	\$50,000.00	\$600,000.00
GPA-RFP-94-010	PEDCO	JAN 01, 1995 - DEC 31, 1996	2 Years Base Period	\$50,000.00	\$600,000.00

* Per Contract Mgt. Fee Schedule (\$/Month)

Mon 11/8/2021 2:57 PM



Bernadette Lou Sablan

ELECTRONIC FILING: GPA DOCKET 22-02 APPROVAL TO PROCURE PMC FOR GPA FUEL FARM BULK STORAGE FACILITY

To: Fred Horecky (fhorecky@tele.guam.net); Cynthia Brown; 'Lou Palomo'

Cc: Graham Bodha; John J Cruz, Jr.; Jennifer G Sablan; Albert N. Florencio; Chiland F Unpingco

This message was sent with High importance.

11.8.21 Docket 22-02 Pr... 859 KB
11.8.21 Docket 22-02 Pr... 3 MB

Dear PUC:

This is an ELECTRONIC FILING.

- GPA Docket 22-02 Approval to Procure Performance Management Contract [PMC] for the Management, Operation and Maintenance of the GPA Fuel Farm Bulk Storage Facility

A hard copy follows in 24-48 hours.

Respectfully,

Bernadette Lou Sablan

Board Secretary
Consolidated Commission on Utilities
Admin Asst., Legal Counsel, GPA
GLORIA B. NELSON PUBLIC SERVICE BLDG.

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