RIGINA

D GRAHAM BOTHA, ESQ. General Counsel Guam Power Authority 688 Route 15, Suite 302 Mangilao, Guam 96913 Ph: (671) 648-3203/3002

Fax: (671) 648-3290

E-mail: gbotha@gpagwa.com



### **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF:

The Application of the Guam Power
Authority for Approving the Contract with
TEMES, Inc. for the Cabras 2 Overhaul.

**GPA DOCKET NO. 22-07** 

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 Contract with TEMES, Inc. for the Cabras 2 Overhaul, as follows:

### **BACKGROUND**

The Guam Power Authority contracted with TEMES, Inc. for PMC services for Cabras 1 and 2, which contract expires September 2023. The generator at Cabras 2 needs an overhaul, and the overhaul is scheduled to begin September 2022 and last 50 days. The last overhaul was completed in April 2016, and a turbine overhaul is recommended every 5 years, but was rescheduled due to the pandemic. The overhaul will include the replacement of archway tubes, replacement of gas and air duct expansion joints, maintenance of air preheaters and burner fronts, replacement of safety valves; overhaul of the turbine, cleaning of the condenser, and maintenance of ancillary services including the boiler feed pumps, force draft fans, and cooling water pipes. The CCU in Resolution FY2022-07 has approved GPA's request for approval of the Contract with TEMES, Inc. for the Cabras 2 Overhaul in the amount of \$4,960,602 using revenue funds.

2

3

5

67

8

9

10

12

15

14

16 17

18

19 20

2122

23

24

26

27

28

## **DISCUSSION**

GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam Power Authority, approved by the PUC, to review and approve the Contract with TEMES, Inc. for the Cabras 2 Overhaul in the amount of \$4,960,602. In support of this Petition, GPA hereby provides the PUC with Consolidated Commission on Utilities (CCU) Resolution No. FY2022-07, which authorizes the General Manager to proceed with the Contract with TEMES, Inc. for the Cabras 2 Overhaul. Said resolution and its exhibits are attached herein as Exhibit A, and incorporated by reference herein as if fully set forth.

### CONCLUSION

The PUC should approve GPA's request to proceed with the Contract with TEMES, Inc. for the Cabras 2 in the amount of \$4,960,602. The Cabras 2 until is essential to the island wide power, system, and the contract is reasonable, prudent, and necessary.

RESPECTFULLY SUBMITTED this 27th day of January, 2022.

D. GRAHAM BOTHA, ESQ. GPA General Counsel



## **GPA RESOLUTION NO. FY2022-07**

## AUTHORIZING THE GUAM POWER AUTHORITY TO SEEK APROVAL FROM THE PUC TO PROCEED WITH THE CABRAS UNIT 2 MAJOR OVERHAUL

WHEREAS, GPA entered into a Performance Management Contract (PMC) with Taiwan Electrical and Mechanical Engineering Services, Inc. (TEMES) to manage the Cabras 1&2 power plant; and

WHEREAS, TEMES has been the PMC for Cabras 1&2 power plant since 2002 and the last contract was entered into on October 1, 2020 and expires September 2023; and

WHEREAS, the last boiler and turbine overhaul for Cabras Unit 2 was completed in April 2016; and

WHEREAS, a boiler overhaul for the unit is recommended every 18 months and a turbine overhaul is recommended every 5 years; and

WHEREAS, the overhaul was scheduled in March 2020, but was postponed due to the pandemic, and

WHEREAS, since the last overhaul, Cabras Unit 2 has experienced unit outages and significant unit down time caused by boiler tube failures; plant safety valve failures; as well as insufficient air flow caused by gas and air duct leakage which has restricted unit output; and

WHEREAS, the overhaul will ensure the unit is available, reliable, efficient, and most importantly safe to operate until the new Ukudu power plant is commissioned; and

WHEREAS, major overhaul activities include replacement of archway tubes in the rear water wall and boiler water wall areas; replacement of gas and air duct expansion joints; maintenance of air preheaters and burner fronts; replacement of safety valves; overhaul of the turbine; cleaning of the condenser, and maintenance of ancillary services including the boiler feed pumps, force draft fans, and cooling water pipes; and

WHEREAS, the overhaul is scheduled for September 2022 and will last approximately 50 days; and

1	WHEREAS, the overhaul is necessar	ary to maintain the reliability, availability, and safety of
2	Cabras Unit 2, restore overall plant e	fficiency, and support economic dispatching of the
3	generation system; and	
4	WHEREAS, the total overhaul cost	is anticipated to be \$4,960,602; and
5	WHEREAS, this project is budgeted	d under capital improvement funds; and
6	WHEREAS, approval is requested	to petition the PUC to utilize CIP funds for the Cabras
7	Unit 2 Overhaul in the amount of \$4,960,	602.
8	NOW, THEREFORE, BE IT RESOLV	/ED, by the Consolidated Commission on Utilities as
9	follows:	
10	<ol> <li>After careful consideration,</li> </ol>	the Consolidated Commission on Utilities finds the
11	Cabras Unit 2 overhaul to b	e reasonable, prudent and necessary for the reliable
12	operation of the generating p	plant.
13	2. The General Manager of the	ne Guam Power Authority is hereby authorized to
14		revenue funds in the amount of \$4,960,602 for the
15	Cabras Unit 2 overhaul	
16		rtifies and the Secretary attests the adoption of this
17	Resolution.	
18		AND APPROVED THIS 25 <sup>TH</sup> DAY OF JANUARY, 2022.
19		
20	Certified by:	Attested by:
21		
22	SIT. Q_	
24	JOSEPH T. DUENAS	Michael T. Limtiaco
25	Chairperson	Secretary
26	Consolidated Commission on Utilities	Consolidated Commission on Utilities
27		
28		
29		
30 31		
32		

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

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

7	Ayes:	
8	Nays:	Φ
9	Absent:	
10	Abstain:	<b>Ø</b>



# CABRAS 2 MAJOR OVERHAI

# Scope of Work & Costs

System	Description	Est. Cost
Boiler	Safety Valve Repair/Replacement	\$98,630
Boiler	Boiler Casing and Refractory Renewal, Including Soot Disposal	\$59,400
Boiler	Archway Tubes - 50%; Rear Water wall tubes and Boiler Water wall tube replacement	\$31,574
Boiler	Gas and Air Duct Expansion Joint Replacement	\$191,321
Boiler	2A & 2B APH Maintenance	\$87,102
Boiler	Stack Refurbishment and Support Structure Rehabilitation	\$104,578
Boiler	Burner Front Components Renovation	\$545,745
Turbine	Condenser A&B banks and service water cooler inspection and jet cleaning	\$58,744
Turbine	Condenser Expansion Joint Replacement	\$84,842
Turbine	Turbine Generator Overhaul	\$2,875,000
Ancillary	Space Heater Installation for 2PT, PPT NGR; CWP control cable replacement, Inverter #2 Maintenance, misc motor inspections	\$98,754
Ancillary	Service Water Cooler Cooling Water Pipes and Drain Lines Replacement	\$52,779
Ancillary	125 VDC Battery Bank Replacement	\$9,474
Ancillary	Fire Pump	\$162,660
	TOTAL COST	TOTAL COST \$4,960,602

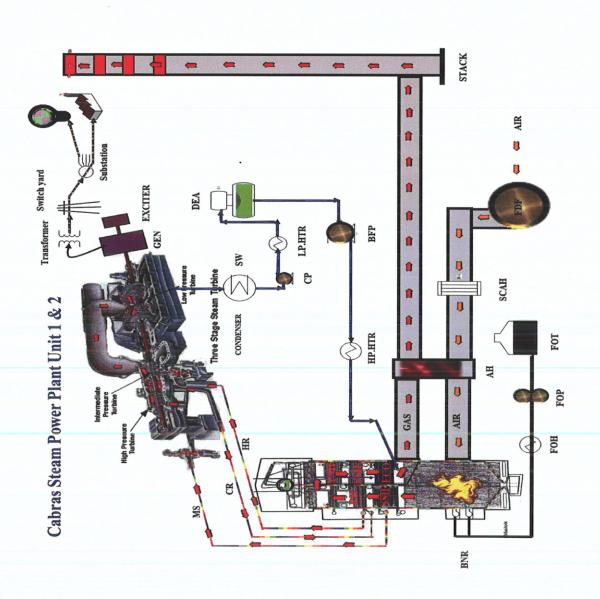
## Cost Summary

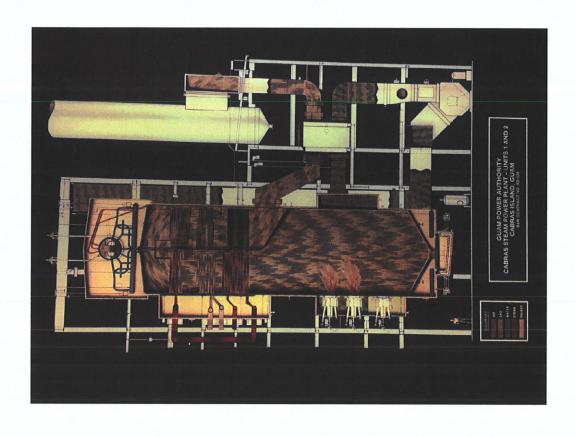
SUMMARY Cabras 2 Overhaul	\$1,618,350	\$3,018,586	\$323,667	\$4,960,602
<b>SUMMARY Cal</b>	Boiler	Turbine	Ancillary	TOTAL

## CABRAS 2 OUTAGES

	10	
	AYS	S
	1	9.
S	0	A
<b>DUTAGES</b>		0
d	27	4
	$\overline{}$	
5		
U		
		2
	2	2
Acid	0	0
	2021	2022

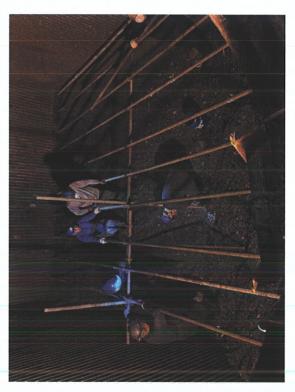
OUTAGES Days Reason	Days	Reason
2/20/2021	13	13 APH Cleaning, FDF Troubleshooting, Inspection
4/4/2021	4	Boiler Tube Leaks
4/18/2021	12	Boiler Tube Leaks
4/23/2021	7	Boiler Tube Leaks
E/1E/2021	33	Condenser cleaning, APH Cleaning, Soot blowing,
1707/61/6	C C	Turbine and Generator Inspection
1/202/1/	36	Boiler Tube Leaks
100/1/01	70	APH Basket Replacement 2A Hot End, Turbine &
17/1/2021	70	Generator Inspection
12/25/2021	2	Boiler Tube Leaks

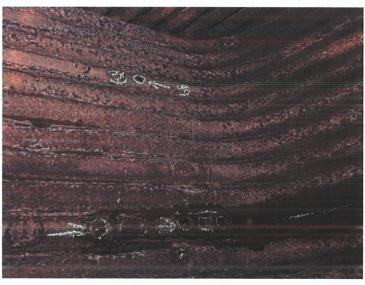


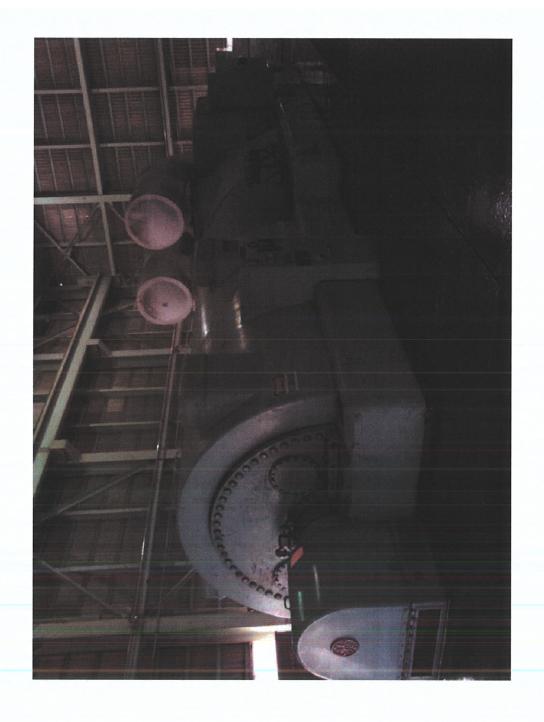


## BOILER

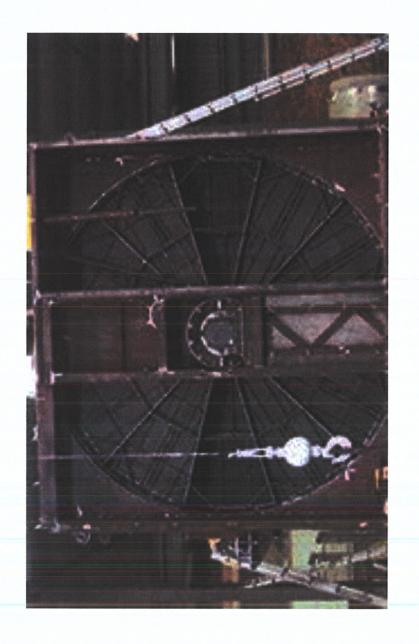
# BOILER TUBE LEAKS





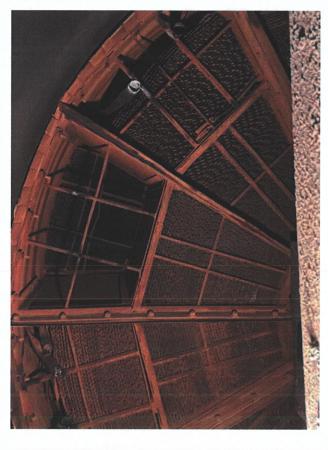


## TURBINE

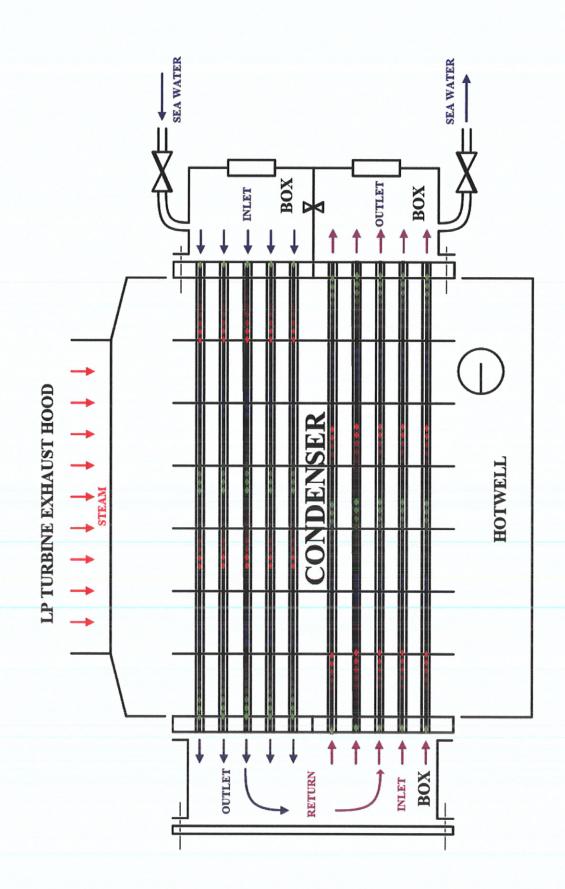


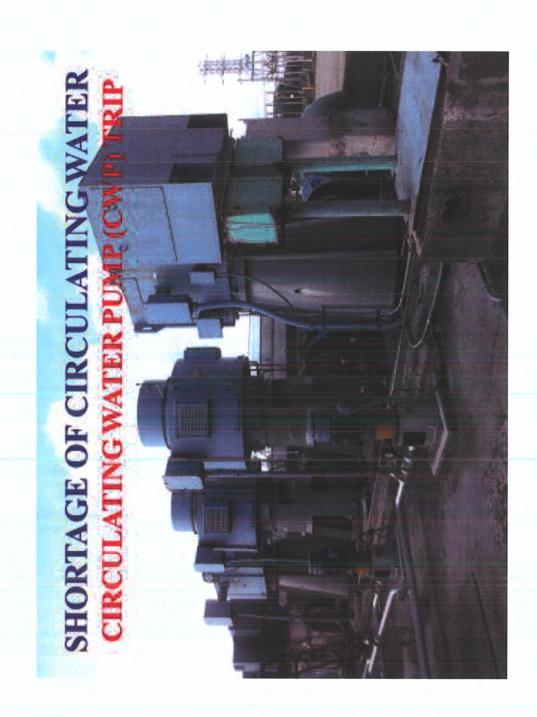
## AIR PREHEATER

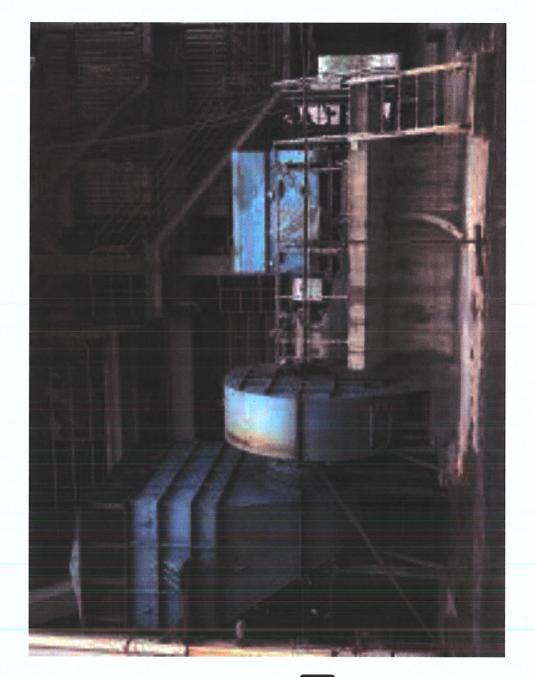
## AIR PREHEATER REPAIRS NEEDED











FORCE DRAFT FAN

## SEAWATER PIPE LEAK



## CONDENSER REPAIR AND CLEAN

FORCE DRAFT FAN REPAIRS



