

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:**

10 The Guam Power Authority Filing of the
11 Increase in the FY2022 Residual Fuel Oil
(RFO) and Diesel Fuel Oil (DFO) Budget

) **GPA DOCKET NO. 22-12**

) **FILING OF GPA INCREASE IN RFO**
) **AND DFO BUDGET**

12
13 **COMES NOW**, the GUAM POWER AUTHORITY (GPA), by and through its counsel
14 of record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's increase in the Residual Fuel
15 Oil (RFO) and Diesel Fuel Oil (DFO) Budget for FY2022. The GPA Fuel budget has been
16 increased by approximately \$177M from \$249M to \$420M due to increases in the RFO and EFO
17 prices during FY2022.

18
19 **RESPECTFULLY SUBMITTED** this 2nd day of March, 2022.

20
21 
22 **D. GRAHAM BOTHA, Esq.**
23 **GPA General Counsel**
24
25
26
27
28



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

GPA RESOLUTION NO. FY2022-17

**AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO INCREASE THE
FY'2022 RESIDUAL FUEL OIL (RFO) and DIESEL FUEL OIL (DFO) BUDGET**

WHEREAS, the approved Revenue Budget for FY 2022 is \$406,324,000 with the adoption of Resolution 2021-23. The approved budget is comprised of the following: \$156,200,000 for Non-Fuel Revenue; \$2,160,000 for Miscellaneous Revenues; \$249,186,000 for the Fuel Revenue; less bad debts \$1,223,000; and

WHEREAS, out of the \$249,186,000 fuel revenue and expenditure forecast, \$150,977,210 is allocated to the Residual Fuel Oil No.6 (RFO) supply budget based on the commodity price forecast of \$60.569 per barrel, and \$66,876,618 is allocated to the Diesel Fuel Oil No.2 (DFO) supply budget based on the commodity price forecast of \$79.745 per barrel; and

WHEREAS, the fuel commodity price has risen and continues to rise due to the impact of world events including the Russia/Ukraine conflict and is projected to increase to \$130.00 per barrel for the RFO and up to \$150.00 per barrel for the DFO. The estimated shortfall for the RFO supply budget is anticipated at approximately \$52,000,000 and \$119,000,000 for the DFO, for an aggregate total fuel revenue budget shortfall of \$171,000,000 (Exhibit A); and

WHEREAS, GPA seeks authorization to increase the Authority's FY 2022 Revenue budget by \$171,000,000 to provide sufficient funding for the fuel expenditures.

NOW THEREFORE, BE IT RESOLVED, by the Consolidated Commission on Utilities, subject to the review and approval of the Public Utilities Commission, as follows:


1. The approved GPA Revenue budget for FY 2022 shall be increased to \$577,324,000.00 with following breakdown: \$156,200,000 for Non-Fuel Revenue; \$2,160,000 for Miscellaneous Revenues; \$420,186,000 for the Fuel Revenue (this includes the increase of the RFO & DFO supply budget by approximately \$171,000,000.00); and less bad debts of \$1,223,000.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 26th DAY OF APRIL 2022.

Certified by:

Attested by:


JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities


MICHAEL T. LIMTIACO
Secretary
Consolidated Commission on Utilities

SECRETARY'S CERTIFICATE

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 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:

Ayes: 5
Nays: 0
Absent: 0
Abstain: 0



1. Residual Feed Out No. 8 (RFO) Purchases
Cash Payments Dept. 7/1/02

* are added at the end of the table and are not shown.

Project Name	Quantity	Unit Price	Amount
Approved New Budget	Cash	\$5,000	CR
Fund Transfer Group 1-6	1 / 10 / 1%	\$4.98	DR \$75,125
Projected Expenses	1 / 10 / 1%	\$4.98	JR amount
Projected Profit	1 / 10 / 1%	\$4.98	credit 100%

	Left Account	Right Account
** 12 Approved Budget	\$791,000.00	\$600,000.00
differential of request	\$179,000.00	\$179,000.00
Net diff. left - right =		

4,000	(40)
2,500	70 11.1
8,500	
1,500	Pushing year
4,000	Same as

Reference: MS forecast (28Mar2022)

* ULSFO Unit cost calculation	BL Date	Reference: Gasoil MOPS			Premium	Unit Cost		
		\$/bbl (Avg)	Conversion bbl/MT	\$/MT	\$/MT	\$/MT	density (bbl/MT)	\$/bbl
RFO-FY22-06	06/15/22	122.670	7.45	913.892	79.000	992.892	6.360	156.115
RFO-FY22-07	09/11/22	130.970	7.45	975.727	79.000	1054.727	6.360	165.838

[illegible]

ULSFO 0.2%	3/1/2022	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
CONSUMPTION	0	0	0	0	0	0	10,296	85,932
RECEIPTS	0	0	0	0	100,000	0	250,000	0
ON-HAND	0	0	0	0	100,000	100,000	339,704	253,772

LSFO 1.19%	3/1/2022	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
CONSUMPTION	0	81,932	112,051	83,576	78,112	61,272	109,092	0
RECEIPTS	0	72,013	230,000	0	120,000	0	0	0
ON-HAND	104,023	94,104	212,052	128,477	170,365	109,092	0	0

HSFO 2.00%	3/1/2022	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
CONSUMPTION	0	58,125	28,421	89,541	83,187	58,116	0	0
RECEIPTS	0	177,474	0	0	0	0	0	0
ON-HAND	139,916	259,265	230,844	141,303	58,116	0	0	0

ULSD	3/1/2022	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
CONSUMPTION	0	0	0	0	0	79,906	60,011	81,601
RECEIPTS	0	0	55,000	0	55,000	0	139,917	0
ON-HAND	140,000	140,000	195,000	195,000	250,000	170,094	250,000	168,399