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



BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:
The Guam Power Authority Filing of the
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

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

RESPECTFULLY SUBMITTED this 2nd day of March, 2022.

GRAHAM BOTHA, Esq. GPA General Counsel



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:

 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.

34	RESOLVED, that the Chairman of the Commission certifies and the Secretary of the Commission
35	attests the adoption of this Resolution.
36	
37	DULY AND REGULARLY ADOPTED AND APPROVED THIS 26th DAY OF APRIL 2022.
38	
	Certified by: Attested by:
	HOSSON A SUFFICION
	JOSEPH T. DUENAS MICHAEL T. LIMITACO Chairperson Secretary
	Chairperson Secretary Consolidated Commission on Utilities Consolidated Commission on Utilities
39	de la de la della de la della
40	
41	SECRETARY'S CERTIFICATE
42	
43	I, Michael T. Limtiaco, Secretary for the Consolidated Commission on Utilities (CCU), as
44	evidenced by my signature above do certify as follows: The foregoing is a full, true, and accurate
45	copy of the resolution duly adopted at a regular meeting of the members of Guam Consolidated
46	Commission on Utilities, duly and legally held at a place properly noticed and advertised at which
17	meeting a quorum was present and the members who were present voted as follows:
18	meeting a doctum was present and the members who were present voted as follows:
19	Ayes:
50	Nays:
51	Absent:
52	Abstain:
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Commodity Prices

Reference: MS forecast (28Mar2022)
Commodity MOPS Mar-2 Mar-222 Apr-22 May-22 Jun-22 Jul-22 Aug-22 Sep-22 Avg
147.87 139.87 130.37 122.67 130.97 130.97 130.97 133.384
110.475 109.439 106.491 104.171 106.700 106.700 106.700 107.239 Commodity Gasoil 10ppm \$/bbl HSFO 180cst \$/bbl

• ULSFO Unit cost	BL	Refer	ence: Gasoil	MOPS	Premium		Unit Cost	
calculation	Date	\$/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

* ULSD Unit Cost					T				Г			
Calculation (\$/bbl)	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
a. Commodity Price (Gasoil MOPS)	\$83.210	\$95.498	\$91.538	\$85.848	\$99.142	\$147.870	\$139.870	\$130.370	\$122.670	\$130.970	\$130.970	\$130.970
b. Premium Fee	\$8.778	\$7.065	\$9.259	\$9.446	\$9.436	\$11.004	\$11.004	\$11.004	\$11.004	\$11.004	\$11.004	\$11.004
Unit Cost (a+b)	\$91.988	\$102.563	\$100.797	\$95.294	\$108.578	\$158.874	\$150.874	\$141.374	\$133.674	\$141.974	\$141.974	\$141.974
Remarks	Actual	Actual	Actual	Actual	Actual	Proj						

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	1.1.22	A 22	C 22
CONSUMPTION	0	81,932	112,051	83,576	78,112	Jul-22 61,272	Aug-22 109.092	Sep-22
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-2
	3/1/2022	Mar-22 58,125	Apr-22 28,421	May-22 89,541	Jun-22 83,187	Jul-22 58,116	Aug-22	Sep-2
HSFO 2.00% CONSUMPTION RECEIPTS	-	The state of the s					THE RESERVE OF THE PERSON NAMED IN	Sep-22 0
CONSUMPTION	0	58,125	28,421	89,541	83,187	58,116	0	0
CONSUMPTION RECEIPTS	0	58,125 177,474	28,421 0 230,844	89,541	83,187 0 58,116	58,116 0 0	0	0
CONSUMPTION RECEIPTS ON-HAND	0 0 139,916	58,125 177,474 259,265	28,421	89,541	83,187	58,116	0 0 0	0 0 0 Sep-22
CONSUMPTION RECEIPTS ON-HAND ULSD	0 0 139,916	58,125 177,474 259,265 Mar-22	28,421 0 230,844 Apr-22	89,541 0 141,303 May-22	83,187 0 58,116 Jun-22	58,116 0 0 Jul-22	0	0