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8 **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

9 IN THE MATTER OF:

) **GPA DOCKET NO. 22-19**

10 The Application of the Guam Power Authority)

) **PETITION FOR CONTRACT REVIEW**

11 for Approving the Contract with TEMES, Inc.)

12 for Macheche CT Repairs.)

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 Petition for the Public Utilities
15 Commission of Guam to review and approve GPA's request for approval of the contract with
16 TEMES, Inc. for the Macheche CT Repairs, as follows:

17 **BACKGROUND**

18 The Guam Power Authority contracted with TEMES, Inc. for PMC services for
19 Macheche CT. The Macheche Combustion Turbine (CT) is available but limited in operation to
20 emergency use. The turbine generator has exceeded the recommended service life of 25,000
21 hours. TEMES, the PMC contractor for the Macheche CT has recommended the replacement of
22 the turbine package with a fully refurbished gas turbine to prevent catastrophic failure caused by
23 extending operations over the maximum run time. The CCU in Resolution FY2022-28 has
24 approved GPA's request to contract for the generator repairs for Macheche CT through the PMC,
25 TEMES, Inc., in the amount of \$3,953,417.60 using revenue funds.

26 **DISCUSSION**

27 GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam
28 Power Authority, approved by the PUC, to review and approve the contract with TEMES, Inc.

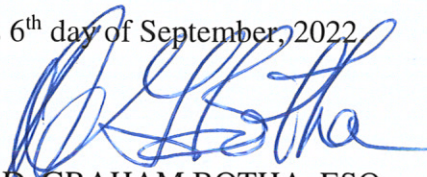
ORIGINAL

1 for generator repairs for Macheche CT. In support of this Petition, GPA hereby provides the
2 PUC with Consolidated Commission on Utilities (CCU) Resolution No. FY2022-28, which
3 authorizes the General Manager to proceed with the contract with the PMC, subject to PUC
4 approval. Said resolution and its exhibits are attached herein as Exhibit A, and incorporated by
5 reference herein as if fully set forth.

6 CONCLUSION

7 The PUC should approve GPA's request to proceed with the contract with TEMES, Inc.
8 in the amount not to exceed \$3,953,417.60 for the generator repairs of Macheche CT. The
9 Macheche CT unit is essential to the island wide power system, and the contract is reasonable,
10 prudent, and necessary.

11 **RESPECTFULLY SUBMITTED** this 6th day of September, 2022

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14 **D. GRAHAM BOTHA, ESQ.**
15 GPA General Counsel
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CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

GPA RESOLUTION NO. FY2022-28

AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY TO IMPLEMENT AND COMPLETE THE TURBINE EXCHANGE FOR THE MACHECHE COMBUSTION TURBINE POWER PLANT

WHEREAS, the Macheche Combustion Turbine (CT) power plant was commissioned in 1993 and has been in operation for approximately 29 years; and

WHEREAS, the Macheche CT is used to support peak loads and base load unit outages as well as to respond to the intermittency of solar generation when necessary; and

WHEREAS, the power plant is rated at 22 MW and consists of one GE LM2500 combustion turbine generator with 26,757 operating hours which is beyond the recommended service life of 25,000 hours; and

WHEREAS, the Macheche unit is available but limited in operation to only emergency use; and

WHEREAS, TEMES, the Performance Management Contractor (PMC) for the CT has recommended the replacement of the turbine package with a fully refurbished gas turbine to prevent catastrophic failure caused by extending operations over the maximum run time; and

WHEREAS, TEMES issued a request for bids for this project and 3 bids were submitted for consideration from Field Source-Energy Services, TransCanada Turbine, and Gas Turbine Investments; and

WHEREAS, a GPA/TEMES evaluation committee determined Gas Turbine Investments to be the lowest responsive bidder at a cost of \$3,953,417.60; and

WHEREAS, GPA and the PMC intend to minimize the downtime of the unit, complete the necessary work, and return the unit to service as soon as possible to support the IWPS; and

WHEREAS, GPA has identified revenue funds to support this project; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to approve the Gas Turbine Exchange project for the Macheche CT.

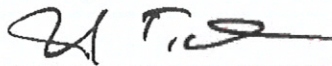
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30 **NOW, THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on Utilities, subject to
31 the review and approval of the Public Utilities Commission as follows:
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- 33 1. The General Manager is authorized an increase in obligating authority in the amount of
34 \$3,953,417.60 to implement and complete the Gas Turbine Exchange project for the
35 Macheche CT through the CT PMC contract with TEMES, Inc.
36 2. The General Manager is authorized to utilize capital improvement project funds for the
37 Macheche CT Turbine Exchange project.

38
39 **RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the
40 Commission attests the adoption of this Resolution.

41
42 **DULY AND REGULARLY ADOPTED THIS 23rd DAY OF AUGUST 2022.**
43

Certified by:



JOSEPH T. DUENAS
Chairman
Consolidated Commission on Utilities

Attested by:



MICHAEL T. LIMTIACO
Secretary
Consolidated Commission on Utilities

SECRETARY'S CERTIFICATE

44 I, MICHAEL T. LIMTIACO, Secretary for the Consolidated Commission on Utilities do hereby
45 certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular
46 meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the
47 meeting place thereof on August, 2022, at which meeting of all said members had due notice and at
48 which at least a majority thereof were present, and

49 At said meeting said resolution was adopted by the following vote:

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51 Ayes: 4

52 Nays: 0

53 Absent: 0

54 Abstain: 0

