



1 **D GRAHAM BOTHA, ESQ.**  
2 **General Counsel**  
3 **Guam Power Authority**  
4 **688 Route 15, Suite 302**  
5 **Mangialo, 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 Application of the Guam Power Authority )  
11 for Approving the Procurement of Phase IV )  
12 Renewable Acquisition for GPA. )

13 **GPA DOCKET NO. 23-01**

14 **PETITION FOR CONTRACT REVIEW**

15 **COMES NOW**, the GUAM POWER AUTHORITY (GPA), by and through its counsel  
16 of record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's Petition for the Public Utilities  
17 Commission of Guam to review and approve GPA's request for approval of the Procurement of  
18 Phase III Renewable Acquisition for GPA, as follows:

19 **BACKGROUND**

20 The Guam Power Authority intends to contract for an additional 180MW to 300MW of  
21 renewable energy with energy storage requirements for the primary purpose of shifting solar PV  
22 energy. The Phase IV Renewable Acquisition will require bidders to acquire property to build  
23 solar PV projects with energy storage. The CCU in Resolution FY2022-30 has approved GPA's  
24 request for approval of the procurement of the Phase IV Renewable Acquisition.

25 **DISCUSSION**

26 GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam  
27 Power Authority, approved by the PUC, to review and approve the procurement of Phase III  
28 Renewable Acquisition for GPA. In support of this Petition, GPA hereby provides the PUC with  
Consolidated Commission on Utilities (CCU) Resolution No. FY2022-30, which authorizes the  
General Manager to proceed with the procurement of Phase IV Renewable Acquisition for GPA,  
subject to PUC review and approval. Said resolution and its exhibits are attached herein as

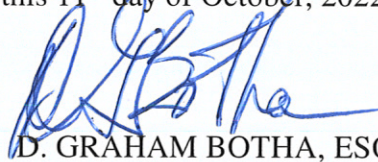


1 Exhibit A, and incorporated by reference herein as if fully set forth. The exhibits include a copy  
2 of the draft Invitation for Bid.

3 **CONCLUSION**

4 The PUC should approve GPA's request to proceed with the procurement of Phase IV  
5 Renewable Acquisition for GPA. The Phase IV Renewable Acquisition will enable GPA to meet  
6 its renewable energy goals, and is reasonable, prudent, and necessary.

7 **RESPECTFULLY SUBMITTED** this 11<sup>th</sup> day of October, 2022.

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10 D. GRAHAM BOTHA, ESQ.  
11 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)649-3002 | guamccu.org

RESOLUTION NO. FY2022-30

**AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY TO PETITION THE PUC FOR APPROVAL OF  
THE PHASE IV RENEWABLE ACQUISITION MULTISTEP BID DOCUMENTS UNDER THE PROCUREMENT  
PROTOCOL**

**WHEREAS**, Guam Public Law 35-46 established Guam's Renewable Portfolio Standard (RPS) with the ultimate RPS goal of 50% of GPA's net sales to come from renewable energy by 2035 and 100% by 2045; and

**WHEREAS**, Guam Public Law 30-66 established that the Guam Power Authority may enter into Long Term Contracts to make way for Power Purchase Agreements for renewable energy generation; and

**WHEREAS**, the previous Renewable Energy Resources Acquisitions were a result of GPA's 2008 Integrated Resource Plan and include the following projects:

- Under Renewable Energy Resource Acquisition Phase I, GPA entered into two Power Purchase Agreements with now GPS Solar Dandan, LLC to purchase renewable energy generated from the Solar PV farm in Dandan with the aggregate capacity of 25.65 MW in 2015; and
- Under Renewable Energy Resource Acquisition Phase II, GPA entered into Power Purchase Agreements with now KEPCO Mangilao Solar, LLC and HEC Guam, LLC to purchase renewable energy generated from the recently commissioned 60 MW Solar PV farm in Mangilao and a to-be-completed construction of 60 MW Solar PV farm in Malojloj, respectively; and
- Under Renewable Energy Resource Acquisition Phase III, GPA intended to acquire up to 60 MW of renewable capacity with energy storage, installed on predetermined military sites the U.S. Department of Navy has leased to GPA which has recently been cancelled due to Navy's need to use proposed leased lands; and

**WHEREAS**, Guam Power Authority's Net Metering Program is currently comprised of 30+ MW of renewable generation; and

**WHEREAS**, under federal grant funding from the U.S. Department of Interior, Office of Insular Affairs GPA constructed its first wind turbine which added 275 KW of renewable energy capacity to GPA's generating fleet in 2017; and



1       **WHEREAS**, GPA intends to continue building its renewable capacity in order to meet the RPS goals set  
2 forth by Guam Public Law 35-46 and address the following goals discussed in the 2022 IRP:

- 3       • Meet or exceed the renewable energy resource portfolio standard adopted by the Guam Legislature;  
4       and
- 5       • Lower billing volatility by reducing fuel oil price impact on GPA's financial resources and working  
6       capital; and
- 7       • Diversify its fuel sources for generation and utilize renewables as a part of the implementation; and
- 8       • Acquire renewable resources that will result in cost savings to the customers of GPA; and

9       **WHEREAS**, the 2022 IRP recommends to initiate procurement for renewable energy contracts for  
10 additional annual 300,000 MWh by 2025 and another 300,000 MWh by 2029 to achieve 50% renewables by  
11 2030; and

12       **WHEREAS**, GPA has drafted bid documents for Phase IV Renewable Acquisition Multi-Step Bid  
13 procurement of renewable energy through a purchase power contract(s) which has been structured against the  
14 following:

- 15       • Delivery of firm, non-intermittent power from one, or more, renewable generation resources  
16       dispatchable with a combined minimum annual energy total of 300,000 MWh and up to  
17       530,000MWH; and
- 18       • Acceptable technologies include biomass, hydro, geothermal, solar, wind, ocean thermal, wave  
19       action and tidal action; and
- 20       • An energy storage system will be co-located with the renewable energy resource for energy shifting  
21       primarily to deliver energy produced at another time of the day and also for rapid reserve to respond  
22       to under-frequency events; and
- 23       • Project(s) must be commissioned within 36 months after contract award; and
- 24       • Minimum annual energy production guarantees are required with non-performance subject to a  
25       penalty; and
- 26       • Requires Bidder to be responsible for all costs related to the system integration study and  
27       recommendations from the study for project interconnection; and

28       **WHEREAS**, GPA believes these documents form the best procurement option by:

- 29       • Ensuring resource capital investment is recoverable through a minimum contract period that  
30       extends over a longer period of time; and
- 31       • Introducing price competitiveness by allowing various renewable technologies to compete amongst  
32       each other; and



- Placing construction risk on bidder which protects ratepayers against construction cost overruns; and
- Eliminating requirement for GPA to make upfront capital investment interconnection of renewable resources which will impact base rate requirements; and
- Evaluating the bid proposals against projected production costs used in the IRP to determine if the bid proposals are economical; and
- Allowing GPA to make selections by resource technology to meet fuel diversification goals; and

**WHEREAS**, GPA reserves the right to not select any bids that exceed projected production costs; and

**WHEREAS**, under procurement protocol ordered by PUC, GPA is required to obtain PUC approval for procurement documents for contracts in excess of \$1.5 million; and

**WHEREAS**, the anticipated annual minimum of 300,000 MWh and up to 530,000MWH over 25 years to be acquired under Phase IV of the Renewable Acquisition Project would exceed GPA's contracting authorization of \$1.5 million.

**NOW, THEREFORE, BE IT RESOLVED**, by the CONSOLIDATED COMMISSION ON UTILITIES as follows:


1. The General Manager is authorized to petition the PUC for review for approval of the Phase IV Renewable Acquisition Multi-Step Bid Documents as prepared by GPA.

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

**DULY and REGULARY ADOPTED this 27th day of September 2022.**

**Certified by:**

**Attested by:**

  
JOSEPH T. DUENAS  
Chairperson  
Consolidated Commission on Utilities

  
PETER ROY MARTINEZ  
Secretary  
Consolidated Commission on Utilities



I, **Peter Roy Martinez**, Secretary for the Consolidated Commission on Utilities do hereby certify  
as follow:

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

AYES:

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NAYS:

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ABSENT:

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ABSTAIN:

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