

**BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

**PETITION FOR APPROVAL TO  
AUTHORIZE GPA TO EXERCISE ITS  
OPTION TO RENEW UNARMED  
SECURITY GUARD SERVICES**

**GPA DOCKET 24-04**

**ORDER**



**INTRODUCTION**

This matter comes before the Guam Public Utilities Commission (the “PUC” or “Commission”) pursuant to the November 4, 2023 Petition (hereinafter referred to as the “Petition”) for approval to exercise options to renew Guam Power Authority’s (“GPA”) contract with Pacific Island Security Agency (“PISA”) related to unarmed security guard services.<sup>1</sup>

On November 28, 2023, the Administrative Law Judge of the PUC (the “ALJ”) assigned to this matter filed an ALJ Report that included his findings and recommendations based on the administrative record before the PUC. The ALJ found the following.

**DETERMINATIONS**

Back in 2022, GPA issued IFB GPA-033-22, which sought unarmed, uniformed security guard services for key assets and locations.<sup>2</sup> Thereafter, GPA entered into a contract with PISA, for an initial term of one year (with two year-long renewal options), at a cost of \$798,912.00.<sup>3</sup> Since the initial term of the contract expired in June 2023, GPA

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<sup>1</sup> Petition, p. 1.

<sup>2</sup> GPA Resolution No. 2023-22, issued by the Consolidated Commission on Utilities (“Resolution No. 2023-22”), p. 1 (July 25, 2023).

<sup>3</sup> Resolution No. 2023-22, p. 1.

has exercised a portion of the first option year at an additional cost of \$199,728.00, and which extended the contract through September 30, 2023.<sup>4</sup> On July 25, 2023, the Consolidated Commission on Utilities (hereinafter the “CCU”) issued GPA Resolution No. 2023-22, authorizing an extension of both renewal options through the end of the second option year, which adds an additional \$1,398,096.00 to the contract, and which totals \$2,396,736.00 for all three years.

Pursuant to 12 G.C.A. §12105, GPA may not enter into any contractual agreements or obligations which could increase rates and charges without the PUC’s express approval. Additionally, pursuant to GPA’s current Contract Review Protocol, “[a]ll professional services contracts in excess of \$1,500,000” . . . “shall require prior PUC approval . . . .” Contract Review Protocol, PUC Administrative Docket No. ADM 00-04, p. 1 (Feb. 15, 2008). GPA is seeking PUC review and approval of this contract since the exercise of the two option years will increase the total cost of the contract over \$1.5 million.

Based on the description indicated in the Purchase Order, PISA is tasked with providing unarmed uniformed security guard services to help protect GPA’s assets from theft, larceny, vandalism, terrorist and other illicit acts. Such services include the provision of posted guards and roving security services, twenty-four hours a day, seven days a week, 365 days a year. PISA’s security guards are specifically assigned to the following facilities: the Gloria B. Nelson building in Fadian; the Supply Warehouse and storage yards in Dededo; the Yigo Diesel/Yigo Combustion Turbine Power Plant compound; and the Cabras Power Plant compound in Piti. A list of their duties include: responding to security threats and breaches, and suspicious activity; securing entrance

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<sup>4</sup> Resolution No. 2023-22, p. 1.

points; providing immediate response during emergencies; assisting with access control measures; perimeter patrol; monitoring CCTV and responding to alarms, just to name a few.

The monthly cost for these services is \$66,576.00. GPA is requesting PUC approval for its contract since the total amount of the contract, with both option years exercised, will cost \$2,396,736.00. According to GPA, exercising these renewal options “work to GPA’s advantage, given the increased demand for unarmed uniformed security guard services” since Typhoon Mawar.<sup>5</sup>

### **CONCLUSION AND RECOMMENDATION**

Based on the documentation provided, the ALJ found that the subject contract is prudent, reasonable, and necessary. This Commission has recognized in prior dockets that the physical security of GPA’s assets, facilities, and certainly personnel are critical to its daily operations. Without a doubt, GPA should exercise its best efforts in obtaining security for GPA’s assets and personnel in order to protect its power-generation facilities from threats of damage, tampering, vandalism, theft, and even terrorist activities, most especially during these times where generation capacity is crucial and limited. Overlooking this need may risk potentially threatening the public health, welfare and safety of the island.

Furthermore, the ALJ found that GPA has made it a priority and is making strides to improve the physical security of its facilities, which includes this contract for unarmed security personnel. Exercising the two year-long options also appears reasonable based on

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<sup>5</sup> Petition, p. 2.

these circumstances; and that the issuance of a brand new procurement will not guarantee lower prices, and may likely result in higher rates.

Based on the documentation provided by GPA in this docket, and for the other reasons set forth herein, the ALJ recommended that the PUC approve GPA's contract with PISA, at a total cost of \$2,396,736.00.

The Commission hereby adopts the findings in the November 28, 2023 ALJ Report and therefore issues the following.

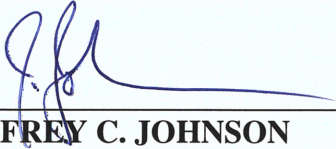
### **ORDERING PROVISIONS**

Upon careful consideration of the record herein, and for good cause shown, on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby ORDERS the following:

1. That the instant Petition is hereby APPROVED.
2. GPA is authorized to exercise both renewal options in its contract with Pacific Island Security Agency related to unarmed security guard services, for a total cost of \$2,396,736.00 for the entire 3 year contract.
3. GPA is ordered to pay the PUC's regulatory fees and expenses, including and without limitation, consulting and counsel fees, and the fees and expenses associated with this matter. Assessment of the PUC's regulatory fees and expenses is authorized pursuant to 12 G.C.A. §§ 12002(b) and 12024(b), and Rule 40 of the Rules of Practice and Procedure before the PUC.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

SO ORDERED this 30<sup>th</sup> day of November, 2023.

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**JEFFREY C. JOHNSON**  
Chairman

A blue ink signature of Rowena E. Perez-Camacho, featuring a large, circular flourish at the beginning.

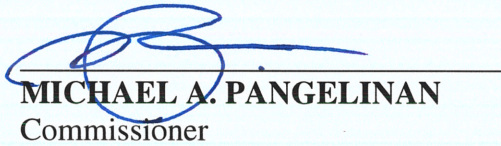
**ROWENA E. PEREZ-CAMACHO**  
Commissioner

A blue ink signature of Joseph M. McDonald, with a large, looping initial 'J'.

**JOSEPH M. MCDONALD**  
Commissioner

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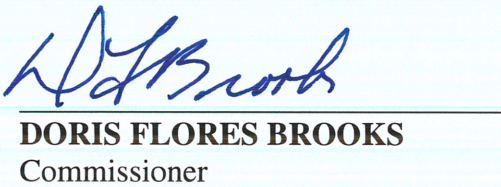
**PEDRO GUERRERO**  
Commissioner

A blue ink signature of Michael A. Pangelinan, with a large, circular flourish.

**MICHAEL A. PANGELINAN**  
Commissioner

A blue ink signature of Peter Montinola, consisting of a series of connected loops.

**PETER MONTINOLA**  
Commissioner

A blue ink signature of Doris Flores Brooks, with a large, stylized initial 'D'.

**DORIS FLORES BROOKS**  
Commissioner

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