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BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:

GPA DOCKET NO. 24-11

GUAM POWER AUTHORITY RELOCATION OF YIGO DIESEL GENERATORS PETITION OF THE GUAM POWER AUTHORITY TO APPROVE THE RELOCATION OF THE YIGO DIESEL GENERATORS

The Guam Power Authority hereby files its petition for the Public Utilities Commission of Guam to review and approve GPA's request to procure services to repair or replace up to twenty Yigo Diesel Units and relocate, install, commission, and operate and maintain these units adjacent to the Tenjo Vista Power Plant.

I. Background.

The Yigo Diesel generators have significantly declined in capacity due to delays in performing required overhaul and repair or replacement as a result of procurement protests. Damage from Typhoon Mawar has delayed the commissioning of the Ukudu Power Plant until late 2025. Together these events have adversely affected overall generation capacity.

GPA has solicited a project to supply 20MW of temporary power within 100 days to bridge the temporary gap in generation capacity. GPA has determined that the Yigo Diesel site

is the optimal site for permitting and commissioning the temporary power project within the 100-day timeline. The temporary power project will therefore imminently displace the Yigo Diesel units.

Until the Ukudu Plant is commissioned, the Yigo diesels remain an essential part of GPA's generation capacity. GPA has identified an alternate site that it owns adjacent to the Tenjo Vista Power Plant. The alternate site has access to a transmission line and can accommodate an additional 20MW of power to export to the grid, most especially to serve the southern villages and Naval Station Guam. The Tenjo-adjacent property can temporarily accommodate up to 20MW of Yigo Diesel units once they have been repaired or replaced.

GPA requires a contractor, first to repair or replace twenty of the thirty-nine 1MW Yigo Diesel units, a total of 20MW, and then to relocate, install, commission, and operate and maintain the units for a three-year base period, with two optional one-year extensions.

II. Request for Approval

The PUC's contract review protocol requires PUC authorization for all contracts in excess of \$1.5 million. The estimated cost to restore capacity by repairing or replacing twenty Yigo Diesel units amount to up to \$7 million, with annual operating costs of \$2-3 million, for a total base contract price of \$13 million for the three-year base period of the contract. The contract price requires the PUC's review and approval. In support of this petition, GPA avers that the Consolidated Commission on Utilities has approved GPA's request to repair or replace and relocate the Yigo Diesel generators in a recent resolution. *See* Ex. A (CCU's GPA Resolution No. FY2024-11, Jan. 23, 2024).

III. Conclusion.

Based on the foregoing, GPA requests that the PUC approve GPA's request to procure services to repair or replace up to twenty Yigo Diesel Units and relocate, install, commission, and operate and maintain these units at a site adjacent to the Tenjo Vista Power Plant. The contract is reasonable, necessary, and prudent.

Respectfully submitted this 14th day of February, 2024.

Attorney for Guam Power Authority

By:

Marianne Woloschuk GPA Legal Counsel

M. Woloselik

CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority P.O. Box 2977 Hagåtña, Guam 96932 | (671) 648-3002 | guamccu.org

GPA RESOLUTION NO. FY2024-11 RELATIVE TO APPROVAL FOR RELOCATION OF YIGO DIESELS

WHEREAS, generation capacity shortfall due to Typhoon damage and units requiring repair prompted GPA to solicit for 40 MW (Megawatts) of temporary power to bridge generation capacity support until the delayed commissioning of the Ukudu Power Plant by late 2025; and

WHEREAS, the Yigo Diesel site was determined to be the optimal site for permitting and commissioning the Temporary Power within the required 100 days; and

WHEREAS, the existing Yigo Diesel units remain an essential part of GPA's generation capacity until the commissioning and operation of the Ukudu Power Plant; and

WHEREAS, the Temporary Power will displace 39 existing Yigo Diesel units which have significantly declined in operating capacity due to required major overhauls or replacement, which has been held up by procurement protest; and

WHEREAS, GPA intends to repair or replace 20 of the 39 1-MW Yigo Diesel units to provide critical generation capacity until the commissioning of the Ukudu Power Plant; and

WHEREAS, GPA owns property adjacent to the Tenjo Vista Power Plant which has access to transmission line which can accommodate an additional 20 MW of power to export to the grid, most especially to serve the southern villages and Naval Station Guam; and

WHEREAS, the repaired or new units will be temporarily located and operated on adjacent property to the Tenjo Vista Power Plant; and

WHEREAS, GPA estimates the total cost for this project to be over \$1.5M based on estimated costs for overhauls or replacement exceeding \$5M-7M and estimated annual operating costs of \$2-3M, totaling and estimated of \$13M for the base term; and

WHEREAS, this procurement will exceed the GPA General Manager procurement authority.

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

1. The GPA General Manager is authorized to procure the services for the repair or replacement of up to 20 Yigo Diesel Units and relocation, installation, commissioning and the operation and maintenance of these units adjacent to the Tenjo Vista Power Plant.

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

DULY AND REGULARLY ADOPTED, this day of 23rd of January, 2024.

Certified by:

FRANCIS E. SANTOS

Vice Chairman

Attested by:

PEDRO ROY MARTINEZ

Secretary

I, **Pedro Roy Martinez**, Secretary of the Consolidated Commission on Utilities (CCU) as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the 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:	4	
NAYS:	0	
ABSTAIN:	0	
ABSENT:	3	