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3 Guam Power Authority  
4 Gloria B. Nelson Public Building  
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9 *Attorney for Guam Power Authority*



10 **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

11 **IN THE MATTER OF:**

12 **GPA DOCKET NO. 24-15**

13 **GUAM POWER AUTHORITY**  
14 **AWARD OF 20 MW OF TEMPORARY**  
15 **POWER**

16 **SECOND AMENDED PETITION OF THE**  
17 **GUAM POWER AUTHORITY TO**  
18 **APPROVE THE AWARD OF 20 MW OF**  
19 **TEMPORARY POWER**

20 The Guam Power Authority hereby amends its amended petition to the Public Utilities  
21 Commission of Guam to review and approve GPA's request to award a contract to a vendor,  
22 Aggreko, to supply, install, operate and maintain 20MW of Temporary Power Services at the  
23 Yigo CT site. The amended petition adds two exhibits (Ex. D-1, Public Law 37-81 & Ex. D-2,  
24 Governor's Approval of Certificate of Emergency) and updates another exhibit (Ex. E, Draft  
25 Contract with signature line for Attorney General as requested by his office), and more accurately  
26 describes the some of the typhoon damage at the Ukudu Power Plant and the bidders.

27 **I. Background.**

28 A confluence of events in 2022 and 2023 greatly affected GPA's capacity to generate power  
29 and precipitated the need for this temporary power project. First, the promise of a 40MW solar PV  
30 project by Engie evaporated in mid-2022 when the contractor, following the conclusion of a meritless  
31 three-year protest by an unsuccessful bidder, withdrew due to its inability to honor its original pricing  
32



1 after the passage of so much time. Another 60MW solar PV project by Hanwha experienced  
2 significant delays due to pandemic-related supply chain costs; this project will not come online until  
3 early 2026. GPA's effort to overhaul the thirty-nine Yigo Diesel units to bring them from their current  
4 generation capacity of approximately 8MW back or close to their original capacity of approximately  
5 40MW was also thwarted by a bid protest of the performance management contract.  
6

7         At about the same time as that bid protest, Typhoon Mawar hit the island, striking a severe  
8 blow to two major GPA plants. The typhoon damaged the Yigo combustion turbine, taking that plant  
9 down hard and requiring GPA to transport the Yigo CT rotor to Texas for necessary repairs. Until the  
10 Yigo CT can be brought back to Guam and returned to service, another 20MW of generation capacity  
11 remains offline. Finally, the typhoon flattened four aboveground storage tanks (two for treated water,  
12 two for ULSD) under construction at the Ukudu Power Plant. This delayed by approximately  
13 eighteen months the commissioning date, from spring 2024 to early 2026 (but now pegged at autumn  
14 2025), at a time when Guam would have welcomed the new plant's promise of 198MW of generation  
15 capacity.  
16

17         In the meantime, the nearly fifty-year-old Cabras 1 & 2 plants continue to experience  
18 problems due to their great age, taking those baseloads offline from time to time. Their  
19 long-anticipated retirement must await the commissioning of the Ukudu plant.  
20

21         In the aftermath of the typhoon, GPA partnered with local customers in the Interruptible Load  
22 Program (ILP), a voluntary program that allows customers to reduce the power they draw from the  
23 grid when demand is high by using their own generators. The ILP assisted GPA in lowering the  
24 amount of load-shedding after the typhoon, but ILP partners have begun to drop out of the program  
25 as the increased wear and tear on their generators necessitates repairs. Thus, GPA must reduce its  
26 reliance on the ILP or risk significantly degrading ILP partner generation.  
27

28         As a result of all these events, GPA must undertake occasional load-shedding during peak  
29 hours. While load-shedding appears to have decreased in recent weeks and months, this is due to the  
30  
31  
32



1 nature of customer demand at this time of the year. As the weather grows warmer, given the  
2 constraints on GPA's generation capacity, load-shedding will likely return to previous levels,  
3 beginning in May. For this reason, the General Manager issued a certificate of emergency detailing  
4 the threats to public health, welfare and safety, as well as the health and safety of the environment.  
5  
6 *See* Ex. A (Certified Copy of Certificate of Emergency, dated Dec. 7, 2023) & Ex. B (Certified Copy  
7 of Determination of Need, dated Dec. 11, 2023). Certified copies of the certificate of emergency and  
8 determination of need were transmitted to the Governor of Guam and the Speaker of the Guam  
9 Legislature on February 22, 2024. *See* Ex. C (Transmittal to Governor, Transmittal to Speaker,  
10 Feb. 22, 2024).  
11

12  
13 The Guam Legislature enacted legislation that would extend the allowable length of an  
14 emergency from 90 days to two years for this procurement only. *See* Ex. D-1 (Public Law 37-81,  
15 Mar. 8, 2024). The Governor approved the General Manager's certificate of emergency. *See* Ex. D-2  
16 (Governor's Approval of Certificate of Emergency, Mar. 12, 2024). A copy of the procurement record  
17 was transmitted to the Attorney General earlier today for his review and approval.  
18

19 GPA solicited and advertised Temporary Power Services through GPA RFQ No. 38586 and,  
20 out of 22 potential bidders, received proposals from four vendors: APR Energy, Pacific Energy  
21 Corporation, Guam Shipyard, and Aggreko. GPA selected Aggreko as the most qualified and  
22 responsive of the four, able to supply the temporary power within 100 days of contract execution.  
23 GPA and Aggreko have negotiated a contract for 20MW of temporary power at a cost of  
24 approximately \$25 million over the two-year base period. The cost is based on GPA's estimate of the  
25 annual production of the temporary power at 105,120,000 kWh, which is 60% of the potential  
26 operating capacity. The terms of the contract provide for a capacity charge of \$27.35/kW/month; a  
27 fixed O&M charge of \$192,081.00/month; and an energy conversion rate of \$9.00/MWH. The cost  
28 also includes a one-time \$1 million fee for the initial mobilization of the project.  
29  
30  
31  
32



1 GPA is responsible for supplying \$4.3 million of urea over the two-year term for the purpose  
2 of supporting mandatory emission controls; GPA will do so using an existing contract with sufficient  
3 cushion to meet the needs of this contract and GPA's other needs. Aggreko will also assess up to  
4 eighteen of the existing Yigo Diesel units that are still capable of being repaired to supply up to an  
5 additional 20MW of generation capacity; GPA will seek a separate \$3 million procurement to deal  
6 with the overhaul of these units. A draft copy of the temporary power contract is attached. *See* Ex. E.  
7

8  
9 This contract will require an increase of GPA's IPP operations & maintenance (O&M) budget  
10 by \$8.1 million for FY2024 and \$10.1 million for FY2025 for the period of the contract within the  
11 approved budgets for these two fiscal years.  
12

## 13 **II. Request for Approval.**

14 The PUC's contract review protocol requires PUC authorization for all contracts in  
15 excess of \$1.5 million. In this case, the contract to supply, install, operate and maintain 20MW  
16 of temporary power services at the Yigo CT site will cost approximately \$25 million over two  
17 years. The cost includes mobilization, capacity charge, fixed O&M charge, and energy  
18 conversion charge. (Urea and the repair of the Yigo Diesel units are separate costs.) GPA  
19 requests the PUC's approval of the temporary power project now that the Governor has approved  
20 the General Manager's certificate of emergency.  
21  
22

23  
24 GPA also petitions the PUC to approve the increase of the IPP O&M Budget to  
25 accommodate the temporary power project. The Consolidated Commission on Utilities has  
26 reviewed the particulars of this project and authorized GPA to seek the PUC's approval. *See*  
27 Ex. F (CCU's GPA Resolution No. FY2024-16, Jan. 23, 2024).  
28

## 29 **III. Conclusion.**

30  
31 Based on the foregoing, GPA requests that the PUC grant its petition to proceed with the  
32 \$25 million temporary power services project with Aggreko, given the Governor's approval of  
the General Manager's certificate of emergency. This project will provide 20MW of Temporary



1 Power Services at the Yigo CT site. In addition, it will begin the first step in the process of  
2 overhauling the Yigo Diesel units to bring online up to 20MW. GPA also requests approval of  
3 the increase in its IPP O&M Budget for purposes of the temporary power procurement. The  
4 award is reasonable, necessary, and prudent.  
5

6 Respectfully submitted this 13th day of March, 2024.  
7

8 *Attorney for Guam Power Authority*

9  
10 By: 

11 Marianne Woloschuk  
12 GPA Legal Counsel  
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# GUAM POWER AUTHORITY

ATURIDĀT ILEKTRESEDĀT GUĀHAN  
P.O.BOX 2977 • HAGĀTŊA, GUAM U.S.A. 96932-2977

ACINIA7-101

December 7, 2023

## MEMORANDUM

To: Assistant General Manager, Administration  
Supply Management Administrator

From: General Manager

Subject: **Certificate of Emergency (5 GCA § 5215)**  
**Procurement to Increase Generation Capacity**

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Pursuant to 5 GCA § 5215 and for the reasons discussed below, I authorize emergency procurement of supplies, services, and minor construction work in support of such supplies and services necessary to increase the generation capacity of GPA's Diesel Generators, specifically Yigo Diesels, Tenjo Diesels, Manenggon Diesels, and Talo'fo'fo Diesels. Emergency procurement shall include:

1. Repair of Diesel Generators
2. Replacement of Diesel Generators
3. Temporary Power Services (40MW)

### FACTS

GPA's aged power generation infrastructure will be replaced by the planned commissioning of the new 198 MW Ukudu combined cycle power plant, several utility-scale renewable energy projects, and battery energy storage systems. The Integrated Resource Plan, also known as the Clean Energy Master Plan, confirms that these projects will improve reliability, resiliency, and affordability of clean energy on a sustainable basis.

As of December 2019, GPA forecasted the commissioning of 180+ MW of utility-scale renewable solar PV and the 198 MW Ukudu power plant by 2023. The new generation capacity would allow the retirement of the aged Cabras plants and reduced output of certain existing plants.

### Unforeseen Events Impacting Generation Projects

The global COVID-19 pandemic impacted material, equipment, and personnel supply chain delaying the project nearly 2 years. Delayed government permits and legislative approvals extended months to critical milestones completion dates and the loss of reserve generation capacity, with revised commissioning in 2024.

In late 2019, a procurement protest blocking GPA's award of a 40 MW renewable energy project was finally resolved in 2022. While the Public Auditor and Superior Court upheld GPA's procurement decision, the contract did not proceed due to the increased project costs.

*Original Certificate of Emergency*

*1/1/2024*

**EXHIBIT A**



In May 2023, Typhoon Mawar caused irreparable damage to the Ukudu project's nearly complete fuel and water tanks, requiring reconstruction and further delaying the power plant's commissioning to about January 2026. Typhoon Mawar also damaged the Yigo 20 MW combustion turbine significantly impacting its ability to meet demand. The unit is now under repair but the return to service is not expected at best February 2024, limiting reserve capacity evident by the increased load shedding frequency.

#### Impact on Generation Capacity

The delays to the Ukudu and renewable energy projects presents significant challenges for GPA to meet the demand over the next two years. The retirement of the nearly 50-year-old baseload Cabras plants is overdue; as such, the plants have decreased capacity and reliability, and increased repairs with longer completion timeframes.

GPA has been addressing the need for generation capacity by restoring down units and bringing in reasonably cost temporary power. As of today, the ongoing efforts include:

PLANT	ACTION	TARGET DATE
Yigo CT 20 MW	Typhoon damaged rotor under repair in Texas. GPA seeking assistance from federal partners to expedite return shipping.	Feb 2024
Yigo Diesels 40 MW	Award Performance Management Contract (PMC) to increase capacity by 22 MW. Alternative: expedite repairs with passage of Bill 201	ASAP if legal procurement constraints are lifted
Manenggon/Pulantat Diesels	Current plant capacity at 3 MW. Unit control system replacement to increase plant capacity to 8 MW	Apr 2024
Tenjo, Talo'fo'fo Diesels	Perform significant repairs and/or rehabilitate units to increase plant capacity from by 12 MW to 27 MW	Apr 2024
Hagåtña & Talo'fo'fo BESS	Utilize existing Battery Energy Storage System (ESS) to shift 40 MW energy during peak time	Reviewing feasibility
Interruptible Load (IL) Program	Expand participation. Currently at ~16 MW.	Ongoing
Temporary Power 40 MW	Procure 40 MW of temporary power generation. Expedite procurement with passage of Bill 206	May 2024, if no procurement protests or other delays

Ongoing supply chain delays, procurement protests (Yigo Diesels PMC), and limited on-island resources (parts, labor, technical assistance, etc.) continues to challenge GPA's efforts to provide an immediate increase in generation capacity.

#### Threats to Public Health, Welfare, or Safety, or the Health and Safety of the Environment

The threat of load shedding looms with the pending repairs to the diesel power plants and the projected increase in power demand beginning in May 2024. Monthly load shedding schedules have been and will continue to be issued monthly until sufficient backup generation capacity is achieved. A summary of load shedding (September – November 2023) is provided below:



Month	Feeders Impacted	Feeder Outages	Hours Outaged	Avg. MW/Feeder	Avg. Hrs/Feeder	Unserved kWh	% Energy Unserved	Days LS
Sep-23	49	370	290	2,860	5.9	792,367	0.59%	20
Oct-23	48	162	115	2,919	2.4	328,075	0.25%	11
Nov-23	49	349	301	2,860	6.1	867,119	0.70%	8

	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24
Net kWh Send-out	133,231,195	132,766,903	136,680,507	137,615,616	129,439,271	121,547,053	139,902,831	133,905,681	143,520,734
Avg MW Demand	219	224	233	225	218	221	232	226	240
Highest MW Demand	237	249	245	237	232	232	245	237	248

While the load shedding outages are designed to be brief (<1 hour or less), the frequency and duration is dependent on the generation capacity and demand. Frequent and prolonged outages negatively impact critical needs of residents and businesses, especially those dependent on powered medical devices; public infrastructure (traffic lights, streetlights, water and wastewater operations); telecommunication, etc.

#### Emergency Procurement

Increasing the capacity of the Diesel Generators (Yigo Diesels, Tenjo Diesels, Manenggon Diesels, and Talo'fo'fo Diesels) through repair and replacement; and procure temporary power services will significantly increase generation capacity and mitigate load shedding. Further unforeseen challenges to GPA's ongoing efforts that delay the capacity increase beyond May 2024 (beginning of summer demand) will exacerbate the existing shortfall of generation. Thus, emergency procurement to increase the capacity of the Diesel Generators is necessary and prudent.

  
John M. Benavente, P.E.

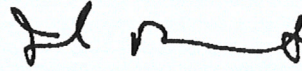
Cc: Legal Counsel  
CFO  
AGMO  
AGMETS



**Verification pursuant to 5 GCA § 5215(b)(2)(B)**

I declare under penalty of perjury that the foregoing Certificate of Emergency (5 GCA § 5215) for Procurement to Increase Generation Capacity dated December 7, 2023, is true, correct, and complete to my best, informed knowledge, and good faith belief.

Executed on February 1, 2024.



**John M. Benavente, P.E.**



# AFFIRMATION & VERIFICATION

WHEREFORE, the foregoing Certificate of Emergency for Procurement to Increase Generation Capacity dated December 7, 2023, expressly incorporates by reference the entire unaltered contents of the appended Determination of Need for Emergency Procurement, 5 GCA § 5215(b)(2)(A); and

WHEREFORE, I solemnly affirm that the contents of the appended Determination of Need for Emergency Procurement are true, correct, and complete to my best, informed knowledge, and good faith belief; and

THEREFORE, I declare under penalty of perjury that the foregoing Certificate of Emergency for Procurement to Increase Generation Capacity dated December 7, 2023, is true, correct, and complete to my best, informed knowledge, and good faith belief, 5 GCA § 5215(b)(2).



John M. Benavente, P.E.  
General Manager

Dated: February 19, 2024



Village of Mangilao )  
Island of Guam ) ss.

**ANTONIO S. GUMATAOTAO**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: **JAN. 09, 2027**  
P.O. Box 2977 Hagatna, Guam 96932





# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUÁHAN  
P.O.BOX 2977 • HAGÁTÑA, GUAM U.S.A. 96932-2977

## MEMORANDUM

TO: General Manager

FROM: SPORD Manager (A)

DATE: December 11th, 2023

SUBJECT: Planned Procurement / Determination of Need

REF.: OR No.: 38586 For: Temporary Power Services

With respect to the above described Guam Power Authority (GPA), I have made the following determinations:

Invitation For Bid (IFB) ☐ Multi-Step Bid (MSB) ☐ Request For Proposal (RFP) ☐

Emergency Procurement ☒

- o Description of Equipment / Service: Guam Power Authority seeks the services of a firm for the supply of temporary electric power service to GPA's grid for a firm capacity of approximately 40 MW under a lease agreement including the design, construction, operation and maintenance.
- o Why is the procurement required: (please explain in detail) Emergency procurement of 40 MW of Temporary Power Services is required to maintain sufficient reserves and prevent load shedding due to potential outages of the Cabras 1&2 units. The Ukudu Power Plant's 14.5-month delay and degradation of ILP participant generators further amplify the issue. The emergency generators must be operational by May 2024 to prevent extensive load shedding during the summer, which is typically the year's peak demand period.
- o Term of Contract: 2 years with an option to extend annually for three (3) additional one (1)-year terms upon mutual agreement
- o What is the funding source: CIP: \_\_\_\_\_ Revenue: X Account No.: 58410.555004.43
- o What is the government estimated cost: \$13,000,000 per year



○ If GRANT Funded, identify Grant Number: N/A

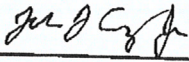
Expiration Date: \_\_\_\_\_

Roel A. Cahinhinan



Name of Division Manager/Signature

CONCURRED BY:



12/12/2023

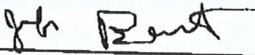
John J. Cruz Jr., P.E.

DATE

Assistant General Manager -E &TS

☒ APPROVED

☐ DISAPPROVED



12/11/2023

JOHN M. BENAVENTE, P.E. DATE

General Manager



## AFFIRMATION & VERIFICATION

WHEREFORE, the foregoing Determination of Need, in explaining why the procurement is required, having described with factual particularity, 5 GCA § 5215(c)(2):

- (a) the nature and apparent cause of the condition posing an imminent threat to public health, welfare, or safety, or the health and safety of the environment, namely, load-shedding;
- (b) which could not have been foreseen through the use of reasonable and prudent management procedures, namely, unplanned outages of aged Cabras 1&2 plants, typhoon-delayed Ukudu Power Plant, reduced participation of Interruptible Load Program (ILP) partners due to degradation of their generator equipment; and
- (c) which cannot be addressed by other procurement methods of source selection, because it entails swift provision of up to 40MW of temporary power generation under a lease agreement to include design, construction, operation and maintenance of the power plant; and

WHEREFORE, the foregoing Determination of Need, in explaining why the procurement is required, having stated that the threat is imminent because the danger of load-shedding occurs: (a) whenever Cabras 1&2 goes down, which can occur at any time, or (b) when demand peaks, beginning in May 2024, 5 GCA § 5215(c)(3); and

WHEREFORE, I solemnly affirm that this emergency procurement of Temporary Power Services in the face of the emergency described is not being used and will not be used, directly or indirectly, to avoid other methods of source selection or the purposes and policies of this Chapter, 5 GCA § 5215(c)(4);

THEREFORE, I declare under penalty of perjury that the foregoing Determination of Need for Temporary Power Services dated December 11, 2023, is true, correct, and complete to my best, informed knowledge, and good faith belief, 5 GCA § 5215(c)(1).



John M. Benavente, P.E.  
General Manager

Dated: February 19, 2024



**ANTONIO S. GUMATAOTAO**  
**NOTARY PUBLIC**  
 In and for Guam, U.S.A.  
 My Commission Expires: **JAN. 09, 2027**  
 P.O. Box 2977 Hagatna, Guam 96932





# GUAM POWER AUTHORITY

ATURIDÂT ILEKTRESEDÂT GUÅHAN  
P.O.BOX 2977 • HAGÂTÑA, GUAM U.S.A. 96932-2977

## LETTER OF TRANSMITTAL

**To:** Honorable Lourdes A. Leon Guerrero  
Governor of Guam  
Office of the Governor  
Ricardo J. Bordallo Complex  
513 West Marine Corps Drive  
Hagåtña, Guam 96910

**From:** Jennifer G. Sablan, P.E.  
General Manager (A)

**Date:** February 22, 2024

**Re:** Procurement to Increase Generation Capacity

**Via:** Hand Delivery

### THE FOLLOWING:

1. Certified copy of the Certificate of Emergency; and
2. Certified copy of the Determination of Need for Emergency Procurement.

### ARE TRANSMITTED HEREWITH:

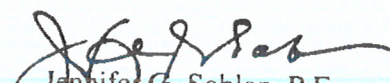
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| <input type="checkbox"/> For your information               | <input type="checkbox"/> Per our conversation               | <input type="checkbox"/> For payment                |
| <input type="checkbox"/> For your files                     | <input type="checkbox"/> For review & comment               | <input type="checkbox"/> For correction             |
| <input type="checkbox"/> Per your request                   | <input type="checkbox"/> For necessary action               | <input type="checkbox"/> For Signature & forwarding |
| <input checked="" type="checkbox"/> For your approval       | <input type="checkbox"/> For filing in court as noted below |   |
| <input type="checkbox"/> Return Executed copy to our office | <input type="checkbox"/> For signature & return             | <input type="checkbox"/> See remarks below          |

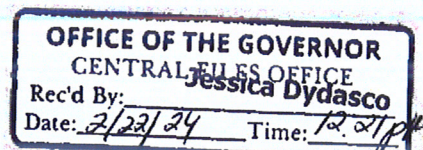
### REMARKS:

Håfa Adai Governor,

Respectfully requesting for your approval of Guam Power Authority's Certificate of Emergency and Determination of Need for Emergency Procurement in support of the procurement of temporary power to increase generation capacity, 5 GCA § 5215(b)(3).

Sincerely,

  
Jennifer G. Sablan, P.E.  
General Manager (A)



**EXHIBIT C**





# GUAM POWER AUTHORITY

ATURIDÂT ILEKTRESEDÂT GUÂHAN  
P.O.BOX 2977 • HAGÂTÑA, GUAM U.S.A. 96932-2977

## LETTER OF TRANSMITTAL

**To:** Honorable Therese M. Terlaje  
Speaker  
37<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96910

**From:** Jennifer G. Sablan, P.E.  
General Manager (A)

**Date:** February 22, 2024

**Re:** Procurement to Increase Generation Capacity

**Via:** Hand Delivery

OFFICE OF THE SPEAKER  
THERESE M. TERLAJE

FEB 22 2024

Time: 12:07 PM  
Received: J. ADRIE CRUZ  
*[Signature]*

### THE FOLLOWING:

1. Certified copy of the Certificate of Emergency; and
2. Certified copy of the Determination of Need for Emergency Procurement.

### ARE TRANSMITTED HEREWITH:

<input checked="" type="checkbox"/> (X) For your information	<input type="checkbox"/> ( ) Per our conversation	<input type="checkbox"/> ( ) For payment
<input type="checkbox"/> ( ) For your files	<input type="checkbox"/> ( ) For review & comment	<input type="checkbox"/> ( ) For correction
<input type="checkbox"/> ( ) Per your request	<input type="checkbox"/> ( ) For necessary action	<input type="checkbox"/> ( ) For Signature & forwarding
<input type="checkbox"/> ( ) For your approval	<input type="checkbox"/> ( ) For filing in court as noted below	
<input type="checkbox"/> ( ) Return Executed copy to our office	<input type="checkbox"/> ( ) For signature & return	<input type="checkbox"/> ( ) See remarks below

### REMARKS:

Håfa Adai Speaker,

Transmitted herewith are the Guam Power Authority's Certificate of Emergency and Determination of Need for Emergency Procurement for in support of the procurement of temporary power to increase generation capacity, 5 GCA § 5215(b)(3).

Sincerely,

*[Signature]*  
Jennifer G. Sablan, P.E.  
General Manager (A)



LOURDES A. LEON GUERRERO  
GOVERNOR



JOSHUA F. TENORIO  
LT. GOVERNOR

**UFISINAN I MAGA'HÅGAN GUÅHAN**  
OFFICE OF THE GOVERNOR OF GUAM

**Transmitted via email to: [speaker@guamlegislature.org](mailto:speaker@guamlegislature.org)**

March 8, 2024

The Hon. Therese M. Terlaje  
*Speaker, I Mina'trentai Siette Na Liheslaturan Guåhan*  
37<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96932

**RE: Bill No. 206-37 (LS) - AN ACT TO ADD A NEW § 8113.15 TO ARTICLE 1 OF CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING TEMPORARY EMERGENCY POWER CAPACITY**

*Håfa Adai* Madame Speaker:

In the aftermath of Typhoon Mawar, the Guam Power Authority ("GPA") rebuilt its critical power infrastructure to meet power generation demands. Although GPA has achieved some stability, the agency does not currently have the capacity to ensure uninterrupted service during the upcoming summer months when demand generally increases. In an effort to ease the looming threat of load-shedding during our warmest months, the Guam Legislature, in an emergency session, passed Bill No. 206-37 (LS).

This bill extends the ninety (90)-day limitation period provided in 5 GCA § 5215(e) applicable to all emergency procurements to two (2) years for GPA's provisional power procurement project relating to the installation and operation of approximately twenty (20) megawatts of temporary power generation. Further, specific to GPA's temporary power procurement, the bill removes the automatic stay requirement under 5 GCA § 5425(g) applicable to procurement protests. Lastly, the bill mandates the Attorney General's review and approval of the temporary power generation contract within five (5) of its receipt.

The status of the Attorney General's review of this important contract is unclear at present time, in light of recent communications indicating that he would not execute GPA contracts unless GPA acknowledges, agrees and consents to waive certain rights. Conversely, the Attorney General testified during the emergency session that he would review GPA's temporary power contract as to legality and form without indicating further conditions.



To: Therese M. Terlaje, Speaker  
Fr: Lourdes A. Leon Guererro, Governor of Guam  
Date: March 8, 2024  
Re: Bill 206-37 (LS)

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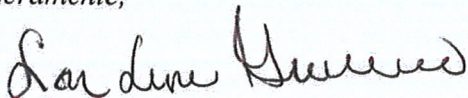
Page 2 of 2

Given the Attorney General's inconsistent statements on this issue, it remains to be seen whether he will, in fact, review and approve the contract as he now claims he will. In the event the Attorney General does withhold his review, I fully expect that the Guam Legislature will act immediately to ensure the contract may proceed without him.

By adopting these critical measures, GPA will be able to respond to anticipated, rising power demands and prevent future load shedding.

For these reasons, I am signing Bill No. 206-37 (LS) into law as **Public Law No. 37-81**.

*Senseramente,*



**LOURDES A. LEON GUERRERO**

*Maga'hågan Guåhan*

Governor of Guam

Enclosure(s): Bill No. 206-37 (LS) nka P.L. 37-81

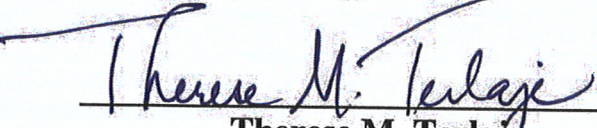
cc via email: The *Honorable* Joshua F. Tenorio, Lt. Governor of Guam  
Compiler of Laws



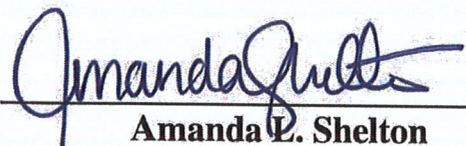
***I MINA 'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN***  
**2024 (SECOND) Regular Session**

**CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'HÅGAN GUÅHAN**

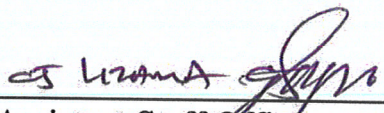
This is to certify that **Bill No. 206-37 (LS)**, "AN ACT TO ADD A NEW § 8113.15 TO ARTICLE 1 OF CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING TEMPORARY EMERGENCY POWER CAPACITY," was on the 7<sup>th</sup> day of March 2024, duly and regularly passed.

  
Therese M. Terlaje  
Speaker

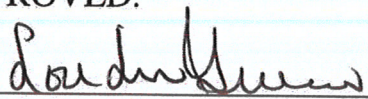
Attested:

  
Amanda L. Shelton  
Legislative Secretary

-----  
This Act was received by *I Maga'hågan Guåhan* this 7<sup>th</sup> day of MARCH,  
2024, at 6:12 o'clock P.M.

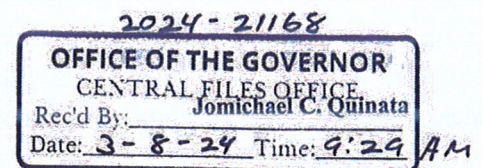
  
Assistant Staff Officer  
*Maga'håga's Office*

APPROVED:

  
Lourdes A. Leon Guerrero  
*I Maga'hågan Guåhan*

Date: 3/8/24

Public Law No. 37-81





***I MINA 'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN***  
**2023 (FIRST) Regular Session**

**Bill No. 206-37 (LS)**

As amended by the Committee on Environment,  
Revenue and Taxation, Labor, Procurement, and  
Statistics, Research, and Planning;  
and further amended on the Floor.

Introduced by:

William A. Parkinson  
Chris Barnett  
Frank Blas, Jr.  
Joanne Brown  
Christopher M. Dueñas  
Thomas J. Fisher  
Jesse A. Lujan  
Tina Rose Muña Barnes  
Roy A. B. Quinata  
Joe S. San Agustin  
Dwayne T.D. San Nicolas  
Amanda L. Shelton  
Telo T. Taitague  
Therese M. Terlaje

**AN ACT TO ADD A NEW § 8113.15 TO ARTICLE 1 OF  
CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED,  
RELATIVE TO PROVIDING TEMPORARY  
EMERGENCY POWER CAPACITY.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1.** A new § 8113.15 is hereby *added* to Article 1 of Chapter 8, Title  
12, Guam Code Annotated, to read as follows:

**“§ 8113.15. Temporary Emergency Power Capacity.**

The Guam Power Authority (GPA), with all deliberate speed, and with  
the consent of the Guam Public Utilities Commission (GPUC), shall proceed



1 with the emergency procurement under 5 GCA, Chapter 5, § 5215 for a vendor  
2 to provide, install, and operate approximately twenty (20) megawatts of  
3 temporary power generation on a two (2)-year base contract. The temporary  
4 power generation shall be sited at GPA's existing *Yigo* diesel site, located on  
5 Lot 7054-5 in *Yigo*, due to the proximity of existing critical power  
6 infrastructure and necessary permits. In view of the urgency for the  
7 procurement of temporary emergency power capacity and the length of time  
8 the emergency is expected to last, the ninety (90) day limitation on the  
9 emergency in 5 GCA, Chapter 5, § 5215(e) is extended to two (2) years for  
10 this procurement only and the stay of proceedings in the event of a protest in  
11 5 GCA, Chapter 5, § 5425(g) is hereby waived. The Attorney General of  
12 Guam's approval as to the contract's form and legality in 5 GCA, Chapter 5,  
13 § 5150 must be completed within five (5) calendar days of receipt of the  
14 procurement package from GPA, and GPA is hereby authorized to proceed  
15 with the emergency procurement, subject to the approval of the GPUC."

16 **Section 2. Severability.** If any provision of this Act or its application to any  
17 person or circumstance is found to be invalid or inorganic, such invalidity shall not  
18 affect other provisions or applications of this Act that can be given effect without  
19 the invalid provision or application, and to this end the provisions of this Act are  
20 severable.



# TRANSMITTAL ROUTING SLIP

## CENTRAL FILES

Office of the Governor

Prepared By: JCQ

CONTROL #	2024- 21067	RECEIVED DATE:	02/22/2024	<input type="checkbox"/> URGENT Deadline:
TYPE OF DOCUMENT:	<input type="checkbox"/> MOU/MOA <input checked="" type="checkbox"/> MEMO <input type="checkbox"/> LTR <input type="checkbox"/> REPORT <input type="checkbox"/> T/A <input type="checkbox"/> CONTRACT <input type="checkbox"/> GGI <input type="checkbox"/> LEAVE FORM <input type="checkbox"/> TIMESHEET <input type="checkbox"/> CARD <input type="checkbox"/> LEGISLATIVE BILL <input type="checkbox"/> OTHER:			
RECEIVED FROM:	Guam Power Authority			
DESCRIPTION OF DOCUMENT	<del>Procurement</del> RE: <del>Procurement</del> To Increase Generation Capacity			
SPECIAL NOTES OR INSTRUCTIONS:	<input checked="" type="checkbox"/> For Review <input type="checkbox"/> For Process & Signature <input type="checkbox"/> For Review & Signature <input type="checkbox"/> Other:			

	FROM - TO - NOTES - STATUS	INITIAL	DATE & TIME
1.	FROM CFO TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input checked="" type="checkbox"/> Legal <input type="checkbox"/> EMO <input type="checkbox"/> Federal Programs <input type="checkbox"/> Guam State Clearinghouse <input type="checkbox"/> Other:	Kur	2/23/24 8:18am
2.	FROM <u>Legal</u> TO: <input checked="" type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input type="checkbox"/> Other:	DB	3-12-24 2:21p
3.	FROM <u>Gov</u> TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Other:	Kur	3/12/24 4:35pm
4.	FROM <u>Legal</u> TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Other: CFO		
5.	FROM <u>CFO</u> TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Other: GPA		
6.	FROM _____ TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input type="checkbox"/> Other:		
7.	FROM _____ TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input type="checkbox"/> Other:		
8.	FROM _____ TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input type="checkbox"/> Other:		
9.	FROM _____ TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input type="checkbox"/> Other:		
10.	FROM _____ TO: <input type="checkbox"/> Gov <input type="checkbox"/> Lt. Gov <input type="checkbox"/> COS <input type="checkbox"/> DCOS <input type="checkbox"/> Legal <input type="checkbox"/> Other:		

EXHIBIT D-2





## OFFICE OF LEGAL COUNSEL

*Ufsinan I Maga'hågan Guåhan*  
OFFICE OF THE GOVERNOR

LOURDES A. LEON GUERRERO  
GOVERNOR OF GUAM

JOSHUA F. TENORIO  
LIEUTENANT GOVERNOR OF GUAM

### TRANSMITTED VIA CENTRAL FILES

March 12, 2024

**JOHN M. BENAVENTE, P.E.,** *General Manager*

GUAM POWER AUTHORITY

*Aturidåt Ilektoresedåt Guåhan*

P.O. BOX 2977

HAGÁTÑA, GUAM 96932-2977

(671) 648-3225 | TELEPHONE

(671) 648-3290 | FAX

**RE: EMERGENCY CERTIFICATE PROCUREMENT | CF#2024-21067**

*Håfa Adai* General Manager Benavente:

The following document is transmitted with the signature of *I Maga'hågan Guåhan*:

**GUAM POWER AUTHORITY (GPA) | CF#2024-21067**

Certificate of Emergency (5 GCA § 5215)

Procurement to Increase Generation Capacity

Any questions or concerns can be sent directly to the Legal Counsels via email at: [leslie.travis@guam.gov](mailto:leslie.travis@guam.gov), [jeffrey.moots@guam.gov](mailto:jeffrey.moots@guam.gov), [joseph.perez@guam.gov](mailto:joseph.perez@guam.gov), or [janice.camacho-perez@guam.gov](mailto:janice.camacho-perez@guam.gov), or you may call our office at (671) 473-1117/8.

*Sensaramente,*

**JANICE M. CAMACHO-PEREZ**

*Associate Legal Counsel*

Enclosure(s): Certificate of Emergency | CF#2024-21067

cc via email: *Maga'hågan Guåhan*  
*Sigundo Maga'låhen Guåhan*





# GUAM POWER AUTHORITY

ATURIDAT ILEKTRESEDAT GUAHAN  
P.O. BOX 2977 • HAGATÑA, GUAM U.S.A. 96932-2977

## LETTER OF TRANSMITTAL

**To:** Honorable Lourdes A. Leon Guerrero  
Governor of Guam  
Office of the Governor  
Ricardo J. Bordallo Complex  
513 West Marine Corps Drive  
Hagatña, Guam 96910

**From:** Jennifer G. Sablan, P.E.  
General Manager (A)

**Date:** February 22, 2024

**Re:** Procurement to Increase Generation Capacity

**Via:** Hand Delivery

### THE FOLLOWING:

1. Certified copy of the Certificate of Emergency; and
2. Certified copy of the Determination of Need for Emergency Procurement.

### ARE TRANSMITTED HEREWITH:

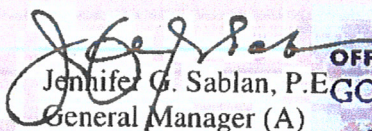
- |   |   |   |
|---|---|---|
| <input type="checkbox"/> For your information               | <input type="checkbox"/> Per our conversation               | <input type="checkbox"/> For payment                |
| <input type="checkbox"/> For your files                     | <input type="checkbox"/> For review & comment               | <input type="checkbox"/> For correction             |
| <input type="checkbox"/> Per your request                   | <input type="checkbox"/> For necessary action               | <input type="checkbox"/> For Signature & forwarding |
| <input checked="" type="checkbox"/> For your approval       | <input type="checkbox"/> For filing in court as noted below |   |
| <input type="checkbox"/> Return Executed copy to our office | <input type="checkbox"/> For signature & return             | <input type="checkbox"/> See remarks below          |

### REMARKS:

Håfa Adai Governor,

Respectfully requesting for your approval of Guam Power Authority's Certificate of Emergency and Determination of Need for Emergency Procurement in support of the procurement of temporary power to increase generation capacity, 5 GCA § 5215(b)(3).

Sincerely,

  
Jennifer G. Sablan, P.E.  
General Manager (A)

OFFICE OF THE GOVERNOR  
GOVERNOR'S CHAMBER

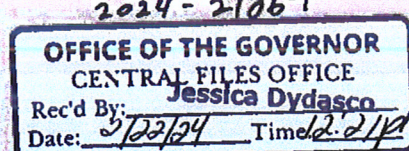


DATE: 3-12-24

TIME: 2:21p

RECEIVED BY: DB

GC2024-03064







# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUÁHAN  
P.O. BOX 2977 • HAGÁTÑA, GUAM U.S.A. 96932-2977

AGMA2403  
December 7, 2023

## MEMORANDUM

To: Assistant General Manager, Administration  
Supply Management Administrator

From: General Manager

Subject: **Certificate of Emergency (5 GCA § 5215)  
Procurement to Increase Generation Capacity**

---

Pursuant to 5 GCA § 5215 and for the reasons discussed below, I authorize emergency procurement of supplies, services, and minor construction work in support of such supplies and services necessary to increase the generation capacity of GPA's Diesel Generators, specifically Yigo Diesels, Tenjo Diesels, Manenggon Diesels, and Talo'fo'fo Diesels. Emergency procurement shall include:

1. Repair of Diesel Generators
2. Replacement of Diesel Generators
3. Temporary Power Services (40MW)

### FACTS

GPA's aged power generation infrastructure will be replaced by the planned commissioning of the new 198 MW Ukudu combined cycle power plant, several utility-scale renewable energy projects, and battery energy storage systems. The Integrated Resource Plan, also known as the Clean Energy Master Plan, confirms that these projects will improve reliability, resiliency, and affordability of clean energy on a sustainable basis.

As of December 2019, GPA forecasted the commissioning of 180+ MW of utility-scale renewable solar PV and the 198 MW Ukudu power plant by 2023. The new generation capacity would allow the retirement of the aged Cabras plants and reduced output of certain existing plants.

### Unforeseen Events Impacting Generation Projects

The global COVID-19 pandemic impacted material, equipment, and personnel supply chain delaying the project nearly 2 years. Delayed government permits and legislative approvals extended months to critical milestones completion dates and the loss of reserve generation capacity, with revised commissioning in 2024.

In late 2019, a procurement protest blocking GPA's award of a 40 MW renewable energy project was finally resolved in 2022. While the Public Auditor and Superior Court upheld GPA's procurement decision, the contract did not proceed due to the increased project costs.

*Verified Certificate of Emergency*

1 / Page



In May 2023, Typhoon Mawar caused irreparable damage to the Ukudu project's nearly complete fuel and water tanks, requiring reconstruction and further delaying the power plant's commissioning to about January 2026. Typhoon Mawar also damaged the Yigo 20 MW combustion turbine significantly impacting its ability to meet demand. The unit is now under repair but the return to service is not expected at best February 2024, limiting reserve capacity evident by the increased load shedding frequency.

#### Impact on Generation Capacity

The delays to the Ukudu and renewable energy projects presents significant challenges for GPA to meet the demand over the next two years. The retirement of the nearly 50-year-old baseload Cabras plants is overdue; as such, the plants have decreased capacity and reliability, and increased repairs with longer completion timeframes.

GPA has been addressing the need for generation capacity by restoring down units and bringing in reasonably cost temporary power. As of today, the ongoing efforts include:

PLANT	ACTION	TARGET DATE
Yigo CT 20 MW	Typhoon damaged rotor under repair in Texas. GPA seeking assistance from federal partners to expedite return shipping.	Feb 2024
Yigo Diesels 40 MW	Award Performance Management Contract (PMC) to increase capacity by 22 MW. Alternative: expedite repairs with passage of Bill 201	ASAP if legal procurement constraints are lifted
Manenggon/Pulantat Diesels	Current plant capacity at 3 MW. Unit control system replacement to increase plant capacity to 8 MW	Apr 2024
Tenjo, Talo'fo'fo Diesels	Perform significant repairs and/or rehabilitate units to increase plant capacity from by 12 MW to 27 MW	Apr 2024
Hagåtña & Talo'fo'fo BESS	Utilize existing Battery Energy Storage System (ESS) to shift 40 MW energy during peak time	Reviewing feasibility
Interruptible Load (IL) Program	Expand participation. Currently at ~16 MW.	Ongoing
Temporary Power 40 MW	Procure 40 MW of temporary power generation. Expedite procurement with passage of Bill 206	May 2024, if no procurement protests or other delays

Ongoing supply chain delays, procurement protests (Yigo Diesels PMC), and limited on-island resources (parts, labor, technical assistance, etc.) continues to challenge GPA's efforts to provide an immediate increase in generation capacity.

#### Threats to Public Health, Welfare, or Safety, or the Health and Safety of the Environment

The threat of load shedding looms with the pending repairs to the diesel power plants and the projected increase in power demand beginning in May 2024. Monthly load shedding schedules have been and will continue to be issued monthly until sufficient backup generation capacity is achieved. A summary of load shedding (September – November 2023) is provided below:



Month	Feeders Impacted	Feeder Outages	Hours Outaged	Avg. MW/Feeder	Avg. Hrs/Feeder	Unserved kWh
Sep-23	49	370	290	2,860	5.9	792,367
Oct-23	48	162	115	2,919	2.4	328,075
Nov-23	49	349	301	2,860	6.1	867,119

% Energy Unserved	Days LS
0.59%	20
0.25%	11
0.70%	8

	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24
Nat kWh Send-out	133,231,195	132,766,903	136,680,507	137,615,616	129,439,271	121,547,053	139,902,831	133,905,681	143,520,734
Avg MW Demand	219	224	233	225	218	221	232	226	240
Highest MW Demand	237	249	245	237	232	232	245	237	248

While the load shedding outages are designed to be brief (<1 hour or less), the frequency and duration is dependent on the generation capacity and demand. Frequent and prolonged outages negatively impact critical needs of residents and businesses, especially those dependent on powered medical devices; public infrastructure (traffic lights, streetlights, water and wastewater operations); telecommunication, etc.

#### Emergency Procurement

Increasing the capacity of the Diesel Generators (Yigo Diesels, Tenjo Diesels, Manenggon Diesels, and Talo'fo'fo Diesels) through repair and replacement; and procure temporary power services will significantly increase generation capacity and mitigate load shedding. Further unforeseen challenges to GPA's ongoing efforts that delay the capacity increase beyond May 2024 (beginning of summer demand) will exacerbate the existing shortfall of generation. Thus, emergency procurement to increase the capacity of the Diesel Generators is necessary and prudent.

  
John M. Benavente, P.E.

Cc: Legal Counsel  
CFO  
AGMO  
AGMETS



Month	Feeders Impacted	Feeder Outages	Hours Outaged	Avg. MW/Feeder	Avg. Hrs/Feeder	Unservd kWh
Sep-23	49	370	290	2,860	5.9	792,367
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0.70%	8

	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24
Net kWh Send-out	133,231,195	132,766,903	136,680,507	137,615,616	129,439,271	121,547,053	139,902,831	133,905,681	143,520,734
Avg MW Demand	219	224	233	225	218	221	232	226	240
Highest MW Demand	237	249	245	237	232	232	245	237	248

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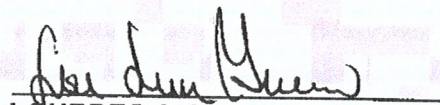
#### Emergency Procurement

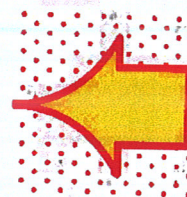
Increasing the capacity of the Diesel Generators (Yigo Diesels, Tenjo Diesels, Manenggon Diesels, and Talo'fo'fo Diesels) through repair and replacement; and procure temporary power services will significantly increase generation capacity and mitigate load shedding. Further unforeseen challenges to GPA's ongoing efforts that delay the capacity increase beyond May 2024 (beginning of summer demand) will exacerbate the existing shortfall of generation. Thus, emergency procurement to increase the capacity of the Diesel Generators is necessary and prudent.

  
John M. Benavente, P.E.

Cc: Legal Counsel  
CFO  
AGMO  
AGMETS

APPROVED:

  
**LOURDES A. LEON GUERRERO**  
Governor of Guam

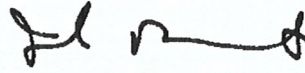




**Verification pursuant to 5 GCA § 5215(b)(2)(B)**

I declare under penalty of perjury that the foregoing Certificate of Emergency (5 GCA § 5215) for Procurement to Increase Generation Capacity dated December 7, 2023, is true, correct, and complete to my best, informed knowledge, and good faith belief.

Executed on February 1, 2024.

A handwritten signature in black ink, appearing to read 'John M. Benavente', written in a cursive style.

**John M. Benavente, P.E.**



# AFFIRMATION & VERIFICATION

WHEREFORE, the foregoing Certificate of Emergency for Procurement to Increase Generation Capacity dated December 7, 2023, expressly incorporates by reference the entire unaltered contents of the appended Determination of Need for Emergency Procurement, 5 GCA § 5215(b)(2)(A); and

WHEREFORE, I solemnly affirm that the contents of the appended Determination of Need for Emergency Procurement are true, correct, and complete to my best, informed knowledge, and good faith belief; and

THEREFORE, I declare under penalty of perjury that the foregoing Certificate of Emergency for Procurement to Increase Generation Capacity dated December 7, 2023, is true, correct, and complete to my best, informed knowledge, and good faith belief, 5 GCA § 5215(b)(2).



---

John M. Benavente, P.E.  
General Manager

Dated: February 19, 2024



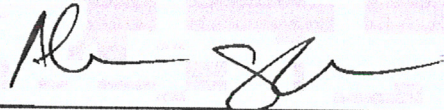
## CERTIFICATION OF COPY

Village of Mangilao)

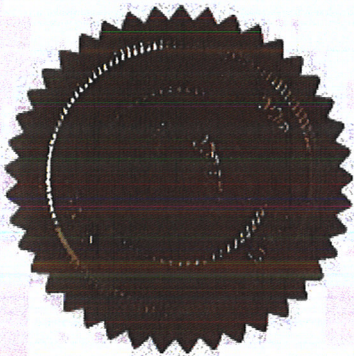
) ss.

Island of Guam )

On this 20th day of February, 2024, I certify that the preceding or attached document, is a true, exact, complete, and unaltered copy made by me of Certificate of Emergency (5 GCA § 5215 Procurement to Increase Generation Capacity, presented to me by the document's custodian, Selma H. Guerrero Blas, Administrative Officer, and that, to the best of my knowledge, the photocopied document is neither a public record nor a publicly recordable document, certified copies of which are available from an official source other than a notary.



ANTONIO S. GUMATAOTAO, Notary Public  
My commission expires \_\_\_\_\_



**ANTONIO S. GUMATAOTAO**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: JAN. 09, 2027  
P.O. Box 2977 Hagatna, Guam 96932





# GUAM POWER AUTHORITY

ATURIDĀT ILEKTRESEDĀT GUĀHAN  
P.O. BOX 2977 • HAGĀTŊA, GUAM U.S.A. 96932-2977

## MEMORANDUM

TO: General Manager

FROM: SPORD Manager (A)

DATE: December 11th, 2023

SUBJECT: Planned Procurement / Determination of Need  
REF.: OR No.: 38586 For: Temporary Power Services

With respect to the above described Guam Power Authority (GPA), I have made the following determinations:

Invitation For Bid (IFB) ☐ Multi-Step Bid (MSB) ☐ Request For Proposal (RFP) ☐

Emergency Procurement ☒

- o Description of Equipment / Service: Guam Power Authority seeks the services of a firm for the supply of temporary electric power service to GPA's grid for a firm capacity of approximately 40 MW under a lease agreement including the design, construction, operation and maintenance.
- o Why is the procurement required: (please explain in detail) Emergency procurement of 40 MW of Temporary Power Services is required to maintain sufficient reserves and prevent load shedding due to potential outages of the Cabras 1&2 units. The Ukudu Power Plant's 14.5-month delay and degradation of ILP participant generators further amplify the issue. The emergency generators must be operational by May 2024 to prevent extensive load shedding during the summer, which is typically the year's peak demand period.
- o Term of Contract: 2 years with an option to extend annually for three (3) additional one (1)-year terms upon mutual agreement
- o What is the funding source: CIP: \_\_\_\_\_ Revenue: X Account No.: 58410.555004.43
- o What is the government estimated cost: \$13,000,000 per year



o If GRANT Funded, identify Grant Number: N/A

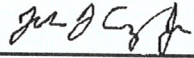
Expiration Date: \_\_\_\_\_

Roel A. Cahinhinan



\_\_\_\_\_  
Name of Division Manager/Signature

CONCURRED BY:



12/12/2023

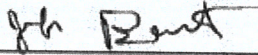
John J. Cruz Jr., P.E.

DATE

Assistant General Manager -E &TS

[ x ] APPROVED

[ ] DISAPPROVED



12/11/2023

JOHN M. BENAVENTE, P.E. DATE

General Manager



## AFFIRMATION & VERIFICATION

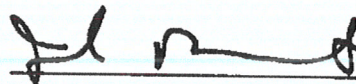
WHEREFORE, the foregoing Determination of Need, in explaining why the procurement is required, having described with factual particularity, 5 GCA § 5215(c)(2):

- (a) the nature and apparent cause of the condition posing an imminent threat to public health, welfare, or safety, or the health and safety of the environment, namely, load-shedding;
- (b) which could not have been foreseen through the use of reasonable and prudent management procedures, namely, unplanned outages of aged Cabras 1&2 plants, typhoon-delayed Ukudu Power Plant, reduced participation of Interruptible Load Program (ILP) partners due to degradation of their generator equipment; and
- (c) which cannot be addressed by other procurement methods of source selection, because it entails swift provision of up to 40MW of temporary power generation under a lease agreement to include design, construction, operation and maintenance of the power plant; and

WHEREFORE, the foregoing Determination of Need, in explaining why the procurement is required, having stated that the threat is imminent because the danger of load-shedding occurs: (a) whenever Cabras 1&2 goes down, which can occur at any time, or (b) when demand peaks, beginning in May 2024, 5 GCA § 5215(c)(3); and

WHEREFORE, I solemnly affirm that this emergency procurement of Temporary Power Services in the face of the emergency described is not being used and will not be used, directly or indirectly, to avoid other methods of source selection or the purposes and policies of this Chapter, 5 GCA § 5215(c)(4);

THEREFORE, I declare under penalty of perjury that the foregoing Determination of Need for Temporary Power Services dated December 11, 2023, is true, correct, and complete to my best, informed knowledge, and good faith belief, 5 GCA § 5215(c)(1).



John M. Benavente, P.E.  
General Manager

Dated: February 19, 2024



## CERTIFICATION OF COPY

Village of Mangilao)

) ss.

Island of Guam )

On this 20th day of February, 2024, I certify that the preceding or attached document, is a true, exact, complete, and unaltered copy made by me of Planned Procurement/Determination of Need under OR 38586 for Temporary Power Services, presented to me by the document's custodian, Selma H. Guerrero Blas, Administrative Officer, and that, to the best of my knowledge, the photocopied document is neither a public record nor a publicly recordable document, certified copies of which are available from an official source other than a notary.



A handwritten signature in black ink, appearing to read 'Antonio S. Gumataotao', written over a horizontal line.

ANTONIO S. GUMATAOTAO, Notary Public

My commission expires \_\_\_\_\_

**ANTONIO S. GUMATAOTAO**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: JAN. 09, 2027  
P.O. Box 2977 Hagatna, Guam 96932



**TEMPORARY POWER RENTAL AGREEMENT**

**BETWEEN**

**GUAM POWER AUTHORITY**

**AND**

**AGGREKO INTERNATIONAL PROJECTS LIMITED**

**FOR**

**Generation of 20 MW of installed capacity at 34.5 kV 60 Hz**

**For a period of 2 years**

**AT**

**Yigo CT, Guam**

**Contract no. GPA-RFQ-38586**

**Dated: X February, 2024**



THIS AGREEMENT is made on x February, 2024 between

AGGREKO INTERNATIONAL PROJECTS LIMITED, a company incorporated in Scotland, having its registered office at 8th Floor, 120 Bothwell Street, Glasgow, Scotland, G2 7 JS United Kingdom (hereinafter referred to as "Aggreko", which expression, unless the context requires otherwise, shall include its successors and permitted assignees); and

GUAM POWER AUTHORITY, a public corporation registered in the Guam, having its registered office at the Gloria B. Nelson Public Utilities Complex, 688 Route 15 Fadian, Mangilao, Guam, 96913 (hereinafter referred to as "Customer", which expression, unless the context requires otherwise, shall include its successors and permitted assignees).

#### WHEREAS

- A. The Customer has issued an Emergency Procurement under a Request for Quotation bearing no. RFQ# 38586 December 2023 for providing temporary power through the provision of temporary power generation equipment and services ("RFQ") for its Yigo Diesel Plant in Guam; and
- B. Aggreko is engaged in the business of providing temporary power generation equipment and services and had responded to the Request for Quotation by submitting a proposal for providing temporary power through the provision of temporary power generation equipment and services; and
- C. The Customer, upon evaluation of the submitted proposals, determined that Aggreko is the most qualified and responsive vendor to provide the services set forth in the Solicitation Requirements; and
- D. The Customer now requires Aggreko to provide temporary power to it through the provision of certain temporary power generation equipment and services; and
- E. Aggreko has agreed to provide such temporary power generation equipment and services to the Customer on the terms and conditions of this Contract and the Notice to Proceed dated xx February, 2024.

NOW THEREFORE in consideration of the mutual covenants and consideration herein contained, the Parties agree as follows:

#### 1 INTERPRETATION

- 1.1 In this Contract the following words and expressions shall, unless the context otherwise requires, have the following meanings:



- "Affiliate" shall mean any subsidiary, branch or parent or ultimate holding company or a subsidiary of such parent or ultimate holding company;
- "Aggreko Personnel" shall mean all personnel provided by Aggreko in connection with the performance of this Contract;
- "Applicable Law" means any decree, resolution, statute, act, order, rule, ordinance, law, decision, code, legislation, regulation (including any implementing regulation), treaty or directive (to the extent having the force of law), and Consents as in force from time to time;
- "Authority" shall mean the Government, or any ministry, department or political subdivision thereof, any court or tribunal or any governmental entity, instrumentality, agency, authority, committee or commission, under the direct or indirect control of the Government, or any department or political subdivision thereof, or any independent regulatory authority relating thereto, having jurisdiction under Applicable Law over Aggreko and/or the Customer;
- "Claim" shall mean any and all claims, demands, liens, judgments, awards, remedies, debts, liabilities, damages, injuries, costs, losses, legal and other expenses, or causes of action of whatsoever nature;
- "Capacity Charge" shall mean the fixed charge payable in US Dollars by the Customer to Aggreko in respect of the provision of the Plant and Services during the Operational Service Period;
- "Change in Law" shall mean the occurrence of any of the following after Signature Date in the Guam:
- (a) the enactment, promulgation, execution, ratification, issue or coming into force of any new Applicable Law or Consent;
  - (b) the change, amendment, alteration, modification, repeal or change in interpretation or application of any existing Applicable Law by any competent court or Authority of any Applicable Law; or
  - (c) the imposition of a new requirement for a Consent or, after the grant of any Consent, a change in the terms and conditions attaching to such Consent or the attachment of any new terms or conditions (including terms relating to renewal of an existing Consent), provided such change in the terms and conditions is not due to breach of an Applicable Law by Aggreko or its Affiliates (including their respective contractors, directors, officers or employees);



"Change Order" shall mean a written instrument to Aggreko signed by the Customer authorizing an addition, deletion, or revision in the Plant or services, or an adjustment in the purchase order price or the delivery time, issued after the effective date of the Contract;

"Commercial

Operation Date" shall mean the date that the Plant is commissioned by Aggreko and has the capacity to produce electrical energy;

"Consents" shall mean any permit, consent, approval, authorization, certificate, waiver, clearances or license which must be obtained from any person (including private persons and any Authority) in order for this Contract to be performed;

"Contract" shall mean this agreement, as the same may be amended or varied in accordance with its terms and shall include all Schedules and Attachments;

"Contract Maximum Demand" shall mean 20 MW;

"Dispute" shall mean any and all disputes, controversies or Claims arising out of or relating to this Contract or the breach, termination or invalidity thereof;

"Early Power Charge" shall mean the fixed charge payable in US Dollars by the Customer to Aggreko in respect of the provision of the Plant and Services prior to the Operational Service Period;

"Effective Date" shall mean the date when the 2 (two) conditions (Mobilization Charge and Payment Bank Guarantee) specified in clauses 2.4.1 and 2.4.2 have been met;

"Energy Conversion Charge" shall mean the amount payable in US Dollars by the Customer to Aggreko in respect of the electrical energy produced by the Plant;

"Event of Default" shall mean when one of the grounds for termination in accordance with clause 20 has been met or any matter described as an Event of Default in this Contract;

"Extended Operational Service Period" shall have the meaning set out in clause 2.5;

"Fixed O&M Charge" shall mean the fixed amount payable in US Dollars by the Customer to Aggreko in respect of the operation and maintenance of the Plant;



"Forced Outage" shall mean the removal of service availability of the Aggreko installation for emergency reasons for equipment within Aggreko's Scope of Supply;

"Forced outage rate" shall mean  $FOR = ((\text{Period of time within any month in hours when no supply is available}) / \text{numbers of hours in the month}) \times 100\%$

"Force Majeure" shall have the meaning set out in clause 19.1;

"Fuel" shall mean ultra-low sulfur diesel (ULSD) fuel meeting the Operating Products Specifications;

"Government" shall mean the Government of the United States of America, or where applicable, any state, regional or local government or authority, inclusive of any ministry, department, agency, authority or other entity controlled by the same;

"Government Tax Authority" shall mean any local or national government or authority of any country, competent to levy any Tax;

"Minimum Operational Service Period" shall have the meaning set out in clause 20.1.1;

"Mobilization" shall mean activation of logistics for procurement, transportation and shipment of the Plant, and employment contract for the project team including all associated costs.

"Month" shall mean a month according to the Gregorian Calendar, and "Monthly" shall be construed accordingly.

"Operational Service Period" shall have the meaning set out in clauses 2.2, 2.5 and 2.6 and shall include any Extended Operational Service Period;

"Operating Products Specifications" shall mean the fuel specifications set out in Schedule 5;

"Party" shall mean either the Customer or Aggreko as the context so permits and, as expressed in the plural, shall mean the Customer and Aggreko collectively;

"Performance Guarantee" shall mean the performance guarantee referred to in 4B;

"Plant" shall mean the plant, equipment, materials and supplies provided by Aggreko in connection with the performance of this Contract, or any part thereof including,



without limitation, the items detailed in Schedule 3 - Scope of Work and all spare parts and consumables necessary for performance of the Services. For avoidance of doubt, any existing generators (operational or non-operational) as owned by Customer shall not form any part of the Plant.

"Scope of Work" shall mean the scope of work set out in Schedule 3 - Scope of Work and any amendment thereto made in accordance with the terms of this Contract;

"Schedule(s)" shall mean the schedule(s) to this Contract as referred to numerically and exhaustively therein;

"Scheduled Commercial Operation Date" shall mean the date in accordance with Clause 2.8;

"Services" shall mean the services and/or work to be performed by Aggreko as provided for under this Contract, including, without limitation, the performance of the Scope of Work and the provision of the Plant and any supporting activity in respect thereof;

"Signature Date" shall mean date that this Contract is signed by the Parties on the same date or on the latest date of signature if this Contract is signed by the Parties on different dates;

"Site" shall mean the operating site at Yigo Diesel Plant, Guam where Aggreko is performing the Services and/or any supporting activity in respect thereof and includes the fenced area, lay down area, transport storage area, lifting equipment area, accommodation area and general storage area on which the Plant shall be located;

"Specification" shall mean those requirements regarding the standard of the Plant, as set out in the Scope of Work;

"System availability" shall mean the percentage of time, the installation is capable of supplying the Contract Maximum Demand (20 MW), irrespective of whether this demand is called for by the customer. This is defined as:

$$(((\text{Total hours in month}) - (\text{hours in month output capacity} < \text{Contract Maximum Demand})) / \text{Total hours in month}) * 100\%$$

"Tax" shall mean direct and indirect taxes, levies, duties, fees, charges and contributions that are due in accordance with the Applicable Law arising out of



the performance of this Contract or the income derived therefrom and any interest thereon;

"Temporary Storage Area" shall refer to the adjacent location to the existing Yigo Diesel Plant identified by the Customer for the purpose of relocating the existing infrastructure and equipment from Yigo Diesel Plant.

"Week" shall mean a period of seven days.

"Year" shall mean a period of 365 (three hundred and sixty-five) days for non-Leap years and 366 (three hundred and sixty-six) days for Leap years.

1.2 Words denoting the singular shall include the plural and vice versa, where the context requires.

1.3 The documents comprising this Contract are complementary of one another, but in case of ambiguities, discrepancies or inconsistencies among them, the following order of priority shall apply:

1.3.1 Clauses 1 to 26 (inclusive) of this Contract;

1.3.2 Schedule 1;

1.3.3 Schedule 2;

1.3.4 Schedule 3;

1.3.5 Schedule 4;

1.3.6 Schedule 5;

1.3.7 Schedule 6.

1.3.8 Schedule 7;

1.3.9 Schedule 8;

1.3.10 Attachment 1;

1.3.11 Attachment 2- and all Amendments;

## 2 DURATION

2.1 In consideration of the payments to be made to Aggreko by the Customer for the Services to be supplied hereunder, Aggreko hereby agrees to duly provide the Services to the Customer in accordance with the Specification in all material respects.

2.2 Unless this Contract is terminated earlier in accordance with clause 19 (Force Majeure) or clause 20 (Termination), the operation service period of the Plant shall commence on the Commercial Operation Date and shall continue for 2 (two) Years (the "Operational Service Period").



2.3 On the Signature Date, only Clause 1 (Interpretation), this Clause 2 and Clauses 22 (Confidentiality and Publicity) to 26 (Governing Law) (inclusive) will become effective.

2.4 The remaining provisions of this Contract, including any obligation on Aggreko to provide the Services to the Customer and any obligation to ship, book shipping of the Plant or operate the Plant will not become effective until the following conditions have been fulfilled by Customer or waived in writing by Aggreko:

2.4.1 Mobilization Charge has been paid to Aggreko;

2.4.2 the original Payment Bank Guarantee has been delivered to Aggreko or the advance payment deposit has been made in accordance with Clause 4A;

In the event that such conditions are not fulfilled by the Customer or waived by Aggreko or by such later date as Aggreko may in its absolute discretion determine, Aggreko may by notice charge a reservation fee of [US\$15,000] per Week and capped to a total aggregate of US\$120,000 in respect of the Plant or terminate this Contract in which case the Customer shall pay a termination fee as per clause 20.

2.5 The Customer shall have the right to request for an extension of the Operational Service Period, for a period to be mutually agreed in writing between the parties (the "Extended Operational Service Period"), provided always that the Customer shall provide Aggreko with at least 3 (three) Months' written notice before the end of the Operational Service Period or the then-current Extended Operational Service Period for such Plant, as the case may be. For the avoidance of doubt, Aggreko shall reserve the right to a pricing revision in the event of any request by Customer of an extension of the Operational Service Period or the then-current Extended Operational Service Period for such Plant, as the case may be and that neither party shall be bound by any request for an extension in the event that parties are not able to mutually agree upon the price revision for the extended period.

2.6 Unless the Operational Service Period is extended by the Parties in accordance with clause 2.5, or is terminated earlier in accordance with clause 19 or clause 20, the Operational Service Period shall expire automatically without notice at its end or at the end of an Extended Operational Service Period.

2.7 In the event that the Plant is capable of producing power prior to commencement of the Operational Service Period and such power is delivered to the Customer, then the Customer shall pay the Early Power Charge in respect of such power, pro-rated for the time period between the date of production of power and the Scheduled Commercial



Operation Date. It is clarified for the avoidance of doubt that the Early Power Charge equivalent to the Monthly Capacity Charge shall be pro-rated if the Plant is available for operation at less than the Contract Maximum Demand.

- 2.8 The Parties agree that the Scheduled Commercial Operation Date for the Aggreko Plant shall be 100 days from the Effective Date. The commissioning of the GPA plant and the delivery by the Customer of the GEPA Title V Permit, with the assumption this is an extension to the previous condition, is the responsibility of the Customer and is not included in Aggreko's 100 day delivery plan. The delivery of the GEPA Title V Permit is an obligation prior to initiating COD.

### 3 PAYMENT

- 3.1 The Customer shall pay Aggreko for the Services in accordance with this clause 3 and as set out in Schedule 1 - Compensation.
- 3.2 Aggreko shall submit to the Customer within 3 (three) business days from the Signing Date an invoice for the Mobilization Charge and Customer shall make such payment to Aggreko within 7 (seven) business days from the invoice date.
- 3.3 For all other charges payable by the Customer, Aggreko shall submit to the Customer an invoice by the 10<sup>th</sup> day of the current Month detailing the amounts payable to Aggreko under this Contract in respect of the preceding Month.
- 3.4 The Customer will have a period of 5 (five) business days from the date of any invoice to review the invoice and to communicate in writing to Aggreko any disputed amounts or calculations that the Customer deems inconsistent with the terms of this Contract (each, an "Invoice Dispute"). If the Customer fails to provide Aggreko with notice of an Invoice Dispute within this period, the Customer shall be deemed to have accepted such invoice.
- 3.5 The Customer shall pay each invoice submitted by Aggreko within 30 (thirty) days of the date of the receipt of the invoice unless such invoice is subject to an Invoice Dispute, in which case the Customer shall be obligated to pay the undisputed portion of the invoice within such 30 (thirty) day period, and to pay the remaining disputed portion of the invoice, which is determined to be due, within 5 (five) business days after the resolution of the Invoice Dispute. Any Invoice Dispute will be promptly reviewed by Aggreko with the Customer and any resulting adjustments, if agreed upon in writing by the Parties, will be applied to the invoice in question. If any Invoice Dispute is not resolved by the Parties within 10 (ten) business days after the notice of an Invoice Dispute is delivered by the



Customer to Aggreko, the Invoice Dispute shall be resolved through the dispute resolution process provided in clause 24 of this Contract.

3.6 The Customer shall pay each invoice submitted by Aggreko in US Dollars in immediately available funds to a bank account of Aggreko nominated in writing by Aggreko. Aggreko may at any time direct the Customer to make payments into any other account of Aggreko which can be opened in the books of any other U.K. bank to which the Customer is able to make direct wire transfer payments on a timely basis.

3.7 Without limiting any other right or remedy of Aggreko and in addition to Aggreko's rights and remedies set out in clauses 10.2 and 20.3, if the Customer fails to make any payment due to Aggreko under this Contract by the due date for payment set out in clause 3.5 ("Due Date"), Aggreko shall have the right to:

3.7.1 charge interest on the overdue amount at the rate of 6% per cent per annum accruing on a daily basis from the Due Date until the date of actual payment of the overdue amount together with any interest accrued, whether before or after judgment, and compounding quarterly;

3.7.2 suspend all or part of the Services until payment has been made in full. In the event of such suspension, Aggreko shall continue to charge interest on overdue amounts and to charge Capacity Charges and the Customer agrees to pay such interest and full Capacity Charges to Aggreko throughout such period of suspension; and/or

3.7 The Customer shall pay all amounts due under this Contract in full without any deduction or withholding except as required by law and the Customer shall not be entitled to assert any credit, set-off or counterclaim against Aggreko in order to justify withholding payment of any such amount in whole or in part.

#### 4 GUARANTEES

4A. Payment Bank Guarantee or Standby Letter of Credit

4A.1 As security for its financial obligations under this Contract, and as a condition precedent to this Contract, prior to Mobilization of the Plant from the Aggreko Equipment Nominated Depot the Customer shall either (i) make an advance cash payment by deposit into a bank account nominated by Aggreko in writing for the maximum amount of US\$500,000 (five hundred thousand US Dollars) being the equivalent of 4 (four) Weeks' Capacity Charges or (ii) procure the issue of and deliver to Aggreko an irrevocable on demand bank



guarantee in the form set out in Schedule 6 (*Form of Payment Bank Guarantee*) (the "Payment Bank Guarantee").

- 4A.2 The bank guarantee shall be issued by an international bank acceptable to Aggreko at the time of issue with the Required Credit Rating for the maximum amount of US\$500,000 (five hundred thousand US Dollars), which amount or part thereof will be paid forthwith upon first demand of Aggreko in accordance with the Payment Bank Guarantee.
- 4A.3 Except where the advance cash deposit has been made in accordance with clause 4A.1 above, the Customer shall maintain the Payment Bank Guarantee valid throughout the Operational Service Period and until such time as the Plant and each part thereof has been returned safely to the Aggreko Equipment Nominated Depot and the payment obligations of the Customer have been discharged in full.
- 4A.4 If the issuer of the Payment Bank Guarantee:

4A.4.1. has duly served notice that the expiration date thereof will not be extended from its then current expiry date and/or such Payment Bank Guarantee has not been replaced by the Customer, by the date 30 (thirty) Business Days prior to the then current expiry date; or

4A.4.2 ceases to have the Required Credit Rating, and the Customer has failed to procure, within 10 (ten) Business Days of the issuer's credit rating downgrade, the issue of a replacement Payment Bank Guarantee complying with this Clause 4A5,

then Aggreko may make a demand on the Payment Bank Guarantee in accordance with the Payment Bank Guarantee and retain such amounts in a bank account as security against the Customer's financial obligations under this Contract. The occurrence of either event envisaged in Clauses 4A.4.1 or 4A.4.2 shall also constitute an Event of Default.

#### 4B. Performance Guarantees

- 4B.1 Aggreko shall utilize best operation and maintenance practices to accomplish the performance guarantees for the Services including:
- a. System availability greater than 95% nominal;
  - b. Forced Outage Rate less than 2% nominal or unavailability less than 5%;
  - c. Net Heat Rate not greater than 10,300 Btu/KWh (HHV), run in the emissionized mode with a maximum ambient temperature of 88 degrees Fahrenheit, and a maximum altitude of 254 feet above sea level, at the connection point.



4B.2 It is agreed between the Parties that in the event Aggreko fails to meet the performance standards specified in this clause 4B.1(a) and (b), then Aggreko's invoice shall be reduced by the amount of shortfall.

4B.3 In the event that the Plant fails to meet the Net Heat Rate, as per clause 4B.1(c), Aggreko shall reduce its invoice to the Customer by the difference between the verified measured fuel consumption and 10,300 Btu/KWh (HHV) x the actual kilowatt hours (kwh) generated in the calendar month ÷ Heating Value of the Customer's ULSD fuel x the fuel price (\$/bbl) paid by the Customer for Plant. It is clarified that the total Net Heat Rate penalty shall be capped at \$300,000 during the Operational Service Period. The Parties shall undertake an annual performance test within a month prior to the COD anniversary to determine the performance of the Plant.

## 5 THE PLANT

5.1 Erection, commissioning and dismantling of the Plant shall be performed by Aggreko Personnel with the reasonable assistance of the Customer in arrangement of unskilled labor, craneage and transport paid for by Aggreko.

5.2 Aggreko confirms that the Plant shall comply with the Specification. The Customer shall check the Specification and the designs and drawings submitted by Aggreko for errors, omissions and to ensure compliance with the requirements of this Contract. The Customer acknowledges that the Specification and the designs and drawings provided by Aggreko to the Customer are based on the accuracy of the information and documentation provided by the Customer to Aggreko. As such, Aggreko shall not be responsible for any damages, deficiencies, incomplete works, variations or additional costs caused or necessitated by incomplete or inaccurate information and documentation provided by the Customer or the failure by the Customer to provide such information and documentation on a timely basis to Aggreko. Any such changes required to make good the deficiencies will be covered by a Change Order.

5.3 Aggreko shall supply and connect to the Customer system at its own cost all high-voltage cables.

5.4 The Customer shall provide a main earthing connection terminal point for Aggreko to connect the Plant at the Customer's cost.

5.5 Aggreko shall ensure that Aggreko's operational base at the Site is at all times stocked with spare parts for the Plant to meet the requirements of this Contract.



- 5.6 Aggreko shall have the right to carry out routine service, maintenance and repairs for the Plant and shall notify the Customer at least 7 (seven) days in advance of any such activities. Aggreko shall make reasonable attempts to perform routine service, maintenance and repairs so as to minimize downtime. Capacity Charges shall continue to accrue during any period of downtime due to routine service, maintenance and repairs of transformers or switchgear.
- 5.7 In the event of a total loss or irreparable failure of any part of the Plant during the term of this Contract, Aggreko shall, immediately upon notification by the Customer forthwith make a replacement available at Aggreko's nominated depot. In the event that such loss or irreparable failure has been caused by the Customer, the Customer shall be responsible for the cost of transporting such replacement Plant to the Site. In the event the total loss or irreparable failure is attributable to Aggreko, then Aggreko shall be responsible for the transportation.
- 5.8 The Customer acknowledges and agrees that the Plant is the exclusive property of Aggreko, unless otherwise agreed between the Parties, and undertakes:
- 5.8.1 not to lease, lend or dispose of the Plant in any way;
  - 5.8.2 not to infringe against Aggreko's rights of ownership of the Plant;
  - 5.8.3 to protect the Plant against any attachment, confiscation or any other enforcement procedure under Applicable Law and to inform Aggreko of any threatened attachment, confiscation or any other enforcement procedure without delay; and
  - 5.8.4 not to repair, improve, move, interfere with, deface, or otherwise interact or attempt to interact with the Plant, without the express written consent of Aggreko.
- 5.9 Except as set out in this Contract, all warranties, conditions and other terms implied by statute or common law are, to the fullest extent permitted by law, excluded from this Contract.
- 6 IMPORTATION AND EXPORTATION OF THE PLANT
- 6.1 Aggreko is responsible for the importation and exportation of the Plant into and out of Guam with the assistance of the Customer and shall further be responsible for clearing the Plant through customs and for ensuring that relevant importation and exportation documentation for the Plant is correct and stored safely for the duration of this Contract.



- 6.2 All charges, customs examination expenses, clearance costs and charges set out in the Applicable Law relating to the importation and/or exportation of the Plant will be paid by Aggreko including all demurrage costs and storage costs incurred during the importation/exportation process. The Customer shall provide all reasonable assistance to Aggreko in the process of importation and/or exportation of the Plant.

## 7 AGGREKO PERSONNEL

- 7.1 Subject to clause 7.4, Aggreko shall provide and keep available for the Services the Aggreko Personnel who will operate and maintain the Plant with the assistance of additional manpower provided by the Customer. The number of Aggreko Personnel deployed on the Site shall be in accordance with Schedule 8 – Aggreko Personnel. The Aggreko Personnel deployed on Site shall be dependent on the number of hours the Plant is in operation.
- 7.2 Aggreko shall provide accommodation and food to all Aggreko Personnel visiting the Site throughout the duration of this Contract together with access to telephone, fax and e-mail facilities for business communications. Aggreko shall also provide a kitchen diner, a mess hall, ablution facilities and laundry facilities to which Aggreko Personnel shall have full access.
- 7.3 Aggreko shall ensure that the Aggreko Personnel shall be sufficient in number and quality to carry out the Services in accordance with the terms and conditions of this Contract and will be suitably qualified to perform the tasks required to complete the Services.
- 7.4 Aggreko may, at any time during the term of this Contract including after the commencement of the Services and at its sole discretion, remove any member of the Aggreko Personnel from the Site and shall, as soon as reasonably practicable, replace such person with another person suitably qualified.
- 7.5 Aggreko, along with reasonable assistance from the Customer, shall be responsible for and bear the cost of obtaining all visas, work permits, entry permits and other Consents (including clearance from the Government where applicable) required to enable Aggreko's Personnel to proceed to and work at the Site.

## 8 TRANSPORTATION

- 8.1 Aggreko shall be responsible for transporting the Plant from Aggreko's nominated depot to the Site and following termination of this Contract for transporting the Plant from the Site to Aggreko's nominated depot.



- 8.2 On both the outward (from Aggreko's nominated depot to the Site) and return (from the Site to Aggreko's nominated depot) journeys Aggreko shall be responsible for all handling, loading and unloading of the equipment at Guam port and all costs thereof, including the cost of craneage and inland transport for all spare parts, consumables and other materials required for maintenance of the Plant throughout the service period.
- 8.3 Aggreko shall be responsible for all travel arrangements for Aggreko's Personnel required in connection with the performance of the Services.

## 9 APPLICABLE LAW

Aggreko shall have the right to make any changes to the Plant or Services which are necessary to comply with Applicable Law or a change in the Applicable Law, including any safety or environmental requirements, and which affect the Services (nature, quality, etc.), and Aggreko shall notify the Customer in any such event. No amendment or variation to this Contract will be required for Aggreko to undertake such changes in accordance with this Clause.

Neither party shall be liable for any breach of this Contract resulting from a Change in Law.

The Customer shall pay any expenses and increase in costs to Aggreko occasioned by Aggreko complying with the Applicable Law or with a Change in Law under this Clause, including the payment of any local taxes. Such expenses and costs shall be properly vouched by Aggreko and shall be paid for by the Customer within 30 (thirty) days of invoicing.

## 10 CUSTOMER RESPONSIBILITIES

- 10.1 The Customer shall comply with its obligations as set out in this Contract in all material respects.
- 10.2 If Aggreko's performance of any of its obligations in respect of the Services is prevented or delayed by any act or omission by the Customer and/or if any Event of Default occurs:
- 10.2.1 Aggreko shall without limiting its other rights or remedies have the right to suspend performance of all or part of the Services until such act or omission or Event of Default is remedied by the Customer;



10.2.2 the Customer shall indemnify Aggreko against any costs or losses sustained or incurred by Aggreko arising directly or indirectly from such failure or delay; and

10.2.3 Aggreko shall charge, and the Customer shall agree to pay Capacity Charges / Energy Conversion Charges throughout any such period of prevention or delay.

## 11 SITE

11.1 Aggreko, along with reasonable assistance from the Customer, shall prepare and maintain the Site and all civil works for the erection and operation of the Plant at its own expense. The security arrangements, to be undertaken from the Commercial Operation Date onwards, for such Site works, including the erection of a security fence with lockable gate enclosing the Plant, shall be the responsibility of the Customer, to be undertaken at its own expense. The Site works will become the property of the Customer after expiry or upon termination of this Contract. It is clarified for the avoidance of doubt that for any incidental requirements with respect to the Site, the Customer shall provide assistance to Aggreko to ensure that the Site works can be undertaken.

11.2 Aggreko shall undertake the removal, relocation and reconnection of the existing operational GPA generator units maintained and owned by Customer to the area of the Yigo Diesel Plant specified by the Customer.

11.3 Aggreko shall be responsible for the removal and relocation of all non-operational generator units maintained and owned by Customer and other specified existing infrastructure and equipment, as designated by the Customer, from Yigo Diesel Plant to the Temporary Storage Area.

11.4 Customer acknowledges that save for the removal , relocation and reconnection, as required to be undertaken by Aggreko under clause 11.2 and 11.3 above, all existing generators units (operational or non-operational) are maintained and owned by Customer and that Aggreko shall not be responsible for any liability arising from these existing generators unless such liability arises from the negligent act/omission of Aggreko in the course of its removal and relocation, as required to be undertaken by Aggreko under clause 11.2 and 11.3 above. Customer agrees that it shall indemnify Aggreko against any losses, liabilities, damages, costs (including but not limited to legal fees) and expenses incurred from any such claims and actions arising from the use of Customer's existing generators units to be installed or stored at Site.

## 12 OPERATING PRODUCTS

12.1 The Customer shall be responsible for the supply of Fuel to the Plant in accordance with the Operating Products Specifications.



12.2 In the event that the Fuel supplied to the Plant by the Customer does not meet the Operating Products Specification or in the event that the supply of any of these items is interrupted or prevented from reaching the plant for any reason whatsoever ("Fuel Default"), Aggreko may:

12.2.1 suspend performance of all or any part of the Services until such time as the Fuel Default has been remedied; and/or

12.2.2 rely on this clause 12 to relieve it from the performance of any of its obligations to the extent that the Fuel Default prevents or delays Aggreko's performance of any of its obligations; and/or

12.2.3 charge full Capacity Charges to the Customer irrespective of the fact that the Services cannot be provided in full or in part as a result of the Fuel Default.

### 13 HEALTH, SAFETY AND ENVIRONMENT

13.1 Aggreko shall observe and comply with the health, safety and environmental requirements set out in the Scope of Work.

13.2 It shall be Aggreko's obligation to determine at all times whether the Services can be safely continued or undertaken including, without limiting the generality of the foregoing, determining by Aggreko's own inspection that the Plant is loaded and/or stored in a proper and safe manner and that the Plant is in all respects suitable to undertake the Services in the then-existing conditions.

13.3 Aggreko shall ensure that all waste originating from the Plant or Services will be collected promptly in a place at the Site suitable for ready and prompt removal. The Customer shall be responsible for disposal of waste including used engine oil, drums, hazardous waste and filters, in a manner that meets the requirements of Applicable Law. The costs of such disposal shall be paid for by the Customer.

13.4 Notwithstanding any other provisions of this Contract, Aggreko shall be entitled in the event of any emergency (including, without limitation, in the event of an explosion, fire or other circumstances beyond its control), with immediate effect, to direct Aggreko Personnel to vacate the Site and to deal with the Plant as it considers fit.

13.5 Aggreko shall comply with the requirements of the Guam Environmental Protection Agency (GEPA) Title V permit.



## 14 VARIATION AND AMENDMENT

- 14.1 If the Customer requests a change to the Scope of Work or execution of the Services, Aggreko shall, within a reasonable time, provide a written estimate to the Customer of the likely time required to implement the change, any necessary variations to Aggreko's charges arising from the change and any other impact of the change on this Contract or the Project.
- 14.2 Aggreko shall have no obligation to proceed with any change or variation to this Contract unless and until the Parties have agreed to the necessary variations to its charges, the Services and any other relevant terms of this Contract to take account of the change and this Contract has been varied in accordance with clause 25.1.
- 14.3 Notwithstanding any other provisions of this Contract, Aggreko shall be entitled to change any part of the Plant at any time provided always that Aggreko generates continuous electrical power as defined in the Scope of Work - Schedule 3.

## 15 TAXATION

- 15.1 Each Party shall be responsible for:
- 15.1.1 the payment of all Taxes now or hereafter levied or imposed by any Government Tax Authority on it or on its Personnel in respect of any wages, salaries and other remuneration paid directly or indirectly to persons engaged or employed by it;
- 15.1.2 the payment of all Taxes now or hereafter levied or imposed by any Government Authority on the actual/assumed profits and gains made by such Party;
- 15.2 If, after the Effective Date of this Contract, there is any change in the Applicable Law which results in a change in the rate of any Tax included in Aggreko's prices or rates or the introduction of a new Tax and such change results in an increase in the cost to Aggreko of performing this Contract then the Parties shall agree to a revision in pricing upwards to reflect such change.

## 16 INDEMNITIES

- 16.1 To the extent permitted by Applicable Law, the Customer shall be solely responsible for and shall hold Aggreko fully indemnified against any loss or damage arising out of the negligent or intentional acts or omissions of the Customer in connection with this Contract. To the extent permitted by Applicable Law, the Customer shall fully and completely



indemnify Aggreko on demand in respect of all Claims by any person whatsoever for injury to person or property arising out of the negligent or intentional acts or omissions of the Customer in connection with this Contract.

- 16.2 To the extent permitted by Applicable Law, the Customer, as the Party responsible for allocation of the Site, assumes responsibility for and shall be liable for, and shall defend, indemnify and hold Aggreko harmless on demand from and against any Claim resulting from pollution and/or contamination including but not limited to noise pollution and gaseous emissions, which originates, arises out of or in connection with the performance of this Contract, unless such Claim has directly resulted from a breach by Aggreko of its express obligations hereunder.

## 17 LIMITATION OF LIABILITY

- 17.1 Notwithstanding any provision to the contrary in this Contract and to the fullest extent permitted by Applicable Law, Aggreko shall not be liable to the Customer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss of production, loss of revenue, financial loss or for any indirect or consequential loss in each case, arising under or in connection with this Contract.
- 17.2 Notwithstanding any provision to the contrary in this Contract and to the fullest extent permitted by Applicable Law, Aggreko's total liability to the Customer in respect of all other losses, damages and penalties arising under or in connection with this Contract, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, including losses caused by a deliberate breach of this Contract by Aggreko, its employees, agents or subcontractors shall not exceed 75% of the aggregate value of the annual value of all Capacity Charges payable by the Customer to Aggreko under this Contract.

## 18 INSURANCE

- 18.1 Aggreko shall procure and maintain, at its sole expense, in full force and effect throughout the duration of this Contract, the insurances set out below: -
- 18.1.1 Employers Liability and/or Workers' Compensation insurance to the full extent required by the Applicable Law;
- 18.1.2 Comprehensive General Third Party Liability insurance with a limit of not less than US\$5,000,000 per occurrence;



18.1.3 Any other insurance which Aggreko is obliged to cover under Applicable Law.

18.1.4 Aggreko agrees to include the Customer as an additional insured and agrees to waive the right of subrogation on the abovementioned insurance.

18.2 Each Party shall afford the other all such reasonable assistance as may be required for the preparation and negotiation of insurance claims.

## 19 FORCE MAJEURE

19.1 With the exception of payment obligations on the part of the Customer, neither Party shall be liable to the other Party as a result of any delay or failure to perform its obligations under this Contract as a result of unforeseeable events, circumstances or causes beyond its reasonable control ("Force Majeure") and each Party shall be relieved from the consequences of its failure to perform that obligation, to the extent that such failure arises as a result of the event of Force Majeure. In such circumstances the time for performance by the affected Party of its obligations shall be extended by a period equivalent to the period during which performance of the obligation has been delayed or failed to be performed.

19.2 The term "Force Majeure", as used in this Contract, shall include but not be limited to:

19.2.1 riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, civil commotion, rebellion, revolution, military invasion; or

19.2.2 ionizing radiation or contamination by radioactivity from any nuclear waste, or radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof (other than arising out of any radiation source used by Aggreko in relation to the Services); or

19.2.3 any epidemic, pandemic (including coronavirus COVID-19), plague, lightning, earthquake, tempest, flooding, fire, cyclone, hurricane, typhoon, tidal wave, whirlwind, storm, volcanic eruption and other unusual and extreme adverse weather or environmental conditions or action of the elements, meteorites, collision or impact by any vehicle, vessel or aircraft or objects falling from aircraft or other aerial devices or the occurrence of pressure waves caused by aircraft or other aerial devices travelling at supersonic speed; or



- 19.2.4 fire or explosion (being fire or explosion not caused by the negligence of the affected Party or its subcontractors); or
- 19.2.5 acts of Government which could not have been reasonably anticipated or controlled which makes performance impossible or impracticable.
- 19.3 The Party prevented from performing due to Force Majeure shall promptly notify the other Party of the nature and anticipated duration thereof and shall use all reasonable endeavors to resume performance of this Contract as soon as reasonably possible. The Party prevented from performing due to any such cause shall, in addition, furnish the other Party with such information in respect of such cause as the other Party may reasonably require.
- 19.4 If Aggreko suspends, totally or partially, performance of the Services under this Contract as a result of an event of Force Majeure and/or the Customer's failure to fulfill any of its obligations under this Contract, then Aggreko shall be entitled to extend the Operational Service Period for a period of time equivalent to the period for which performance of the Services has been suspended.
- 19.5 Should any circumstance of Force Majeure continue for a period equal to or more than fourteen (14) days then either Party may terminate this Contract with immediate effect by notice in writing to the other Party. The Customer's liability in respect of such termination shall be to pay to Aggreko all sums properly due to Aggreko under this Contract in respect of the Services up to the date of termination.

## 20 TERMINATION

### 20.1 Termination for Convenience

- 20.1.1 The Customer acknowledges that the prices set out in Schedule 1 – Compensation are based on a minimum Operational Service Period of 2 (two) Years (the "Minimum Operational Service Period"). The Customer may, when the interest of the Customer so requires, terminate this Contract in whole or in part, for the convenience of the Customer. The Customer shall give written notice of the termination to Aggreko specifying the part of the Contract terminated and when termination becomes effective. Any such termination shall be effected by delivery to Aggreko of a written notice of termination specifying the extent to which this Contract is terminated and the Contract shall be terminated effective ninety (90) days after receipt of notice by Aggreko. In the case of termination of this Contract, the Customer shall reimburse the Aggreko all sums properly due to Aggreko under this Contract until the date of such termination for convenience. Further, the



Customer shall provide Aggreko with an early termination fee which shall be equivalent to the maximum Capacity Charge for 20MW that would otherwise be payable by the Customer in respect of the entire Minimum Operational Service Period, 50% of the balance Fixed O&M Fee (in the event the Contract is terminated within the initial six months) or 30% of the balance Fixed O&M Fee (in the event the Contract is terminated after the initial six months) towards termination for convenience.

20.1.2 Aggreko's Obligations. Aggreko shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination Aggreko will stop work to the extent specified. Aggreko must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

20.1.3 Aggreko shall submit a termination claim specifying the amounts due together with supporting documents because of the termination for convenience. Should the Customer disagree with Aggreko's calculation on the termination claim as submitted, Customer shall notify Aggreko within 14 (fourteen) days of receipt of the termination claim and set out its reasoning behind its objection in writing. If no objection is received after 14 (fourteen) days from receipt of the termination claim, Customer shall be deemed to have accepted the termination claim amount as submitted by Aggreko.

## 20.2 Termination for Default.

20.2.1 If Aggreko refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the Customer may notify Aggreko in writing of the delay or non-performance and if not corrected in thirty (30) days or any longer time specified in writing by the Customer, Customer may terminate Aggreko's right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. It is clarified that Aggreko shall be paid all such amounts due to Aggreko until the termination.

20.2.2 Excuse for Non-Performance or Delayed Performance. Aggreko shall not be in default by reason of any failure in performance of this Contract in accordance with its terms (including any failure by Aggreko to make progress in the prosecution of the work hereunder which endangers such performance) if Aggreko has notified the Customer within fifteen (15) days after the cause of the delay and the failure arises out of causes constituting a "Force Majeure" or "act of god" as defined in Clause 19 – Force Majeure of this Contract.



- 20.3 Aggreko may at any time terminate this Contract with immediate effect by giving written notice to the Customer if:
- 20.3.1 the Customer fails to pay any amount due under this Contract on the Due Date for payment and remains in default for more than 30 (thirty) days after the Due Date; or
  - 20.3.2 the Customer commits a breach of any term of this Contract (other than failure to pay any amounts due under this Contract) and, if such breach is remediable, fails to remedy that breach within a period of 30 (thirty) days after being notified in writing to do so; or
  - 20.3.3 the Customer suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business; or
  - 20.3.4 an event of total loss or irreparable breakdown of all or part of the Plant occurs which is not attributable to Aggreko; or
  - 20.3.5 the Customer breaches any obligation undertaken in clause 5.8 and, if such breach is remediable, fails to remedy that breach within a period of 7 (seven) days after being notified in writing to do so.
  - 20.3.6 if the total Reservation Fee reaches the capped amount and the Effective Date hasn't occurred 7 days later.
- 20.4 In the event that either Party, at any time during the term of this Contract, becomes insolvent under any of the provisions of any applicable statute or makes a voluntary assignment of its assets for the benefit of creditors, is adjudged bankrupt, either upon its voluntary petition in bankruptcy or upon the petition of its creditors, or any of them, or should a judgment be executed on any of its goods or equipment, or if either Party shall have a receiver, administrator, administrative receiver and/or manager appointed in respect of all or any of its assets, an application or order is made or a resolution is passed to wind up either Party or if either Party shall go into liquidation (whether voluntarily or otherwise) or if either Party becomes subject, under the applicable laws of any jurisdiction, to any event having an analogous effect to any of the foregoing, the other Party may terminate this Contract with immediate effect by notice in writing to that Party or to the receiver or liquidator or to any person in whom this Contract may become vested.
- 20.5 The termination or expiry of this Contract shall be without prejudice to the rights and obligations of the Parties up to and including the date of such termination or expiry, and



shall not affect or prejudice any term of this Contract that is expressly or by implication provided to come into effect on, or continue in effect after, such termination or expiry.

20.6 In the event of termination under any provision of this Contract, Aggreko shall promptly cease performance of the Services (or relevant part thereof) and shall remove all Plant and Aggreko Personnel from the Site. The Customer hereby authorizes Aggreko to enter the Customer's premises and take possession of all Plant in the event of termination. Until the Plant has been returned to Aggreko, the Customer shall be solely responsible for its safe keeping.

20.7 On termination of this Contract for any reason,

20.7.1 the Customer shall immediately pay to Aggreko all of Aggreko's outstanding unpaid invoices together with any interest accrued and, in respect of Services supplied but for which no invoice has yet been submitted, Aggreko shall submit an invoice, which shall be payable by the Customer immediately on receipt;

20.7.2 the accrued rights and remedies of the Parties as at termination shall not be affected, including the right to claim damages in respect of any breach of this Contract which existed at or before the date of termination.

20.8 The following provisions shall survive the expiry or termination of this Contract and shall remain in full force and effect after such date: Clauses 3 (Payment), 4 (Guarantees), 8 (Transportation), 15 (Taxation), 16 (Indemnities), 17 (Limitation of Liability), 20 (Termination), 22 (Confidentiality and Publicity), 24 (Dispute Resolution), 25 (General Legal Provisions) and 26 (Governing Law).

## 21 PERMITS, LAWS AND REGULATIONS

21.1 Except to the extent that any Consents are expressly required to be obtained by Aggreko under this Contract as identified in Schedule 2, or which Aggreko already holds and has so advised the Customer in writing, the Customer shall, at its own cost, be responsible for obtaining all Consents required for the performance of the Contract and in respect of the Plant and Aggreko Personnel and for all approvals and permits required for Aggreko to engage in business and provide services of the nature contemplated by this Contract, in Guam. For the avoidance of doubt, the provisions of this Clause 21 pertain not only to the present legal and Government requirements, but also to the legal and Government requirements for the entire period of the Contract (including any extension thereof).



- 21.2 Both Parties shall observe and comply with all applicable laws including, without limitation, health and safety, labor, immigration and marine laws, whether of Government/statutory or other authority or agency having jurisdiction in relation to the Parties, the Services or the Site.
- 21.3 In its performance of this Contract the Parties shall comply with all applicable laws, regulations and sanctions relating to bribery and corruption including but not limited to the Bribery Act 2010 of UK Law. Either Party shall immediately notify the other Party of any investigation or enquiry by or on its behalf or any governmental, regulatory or other body in relation to any allegation or suspicion of any offence under any applicable laws and regulations involving the Party and/or its employees; and co-operate fully with any investigation or enquiry by or on behalf of either Party or any governmental, regulatory or other body in relation to any allegation or suspicion of any offence under any applicable laws and regulations. Without prejudice to any other rights it may have, either Party may terminate this Agreement with immediate effect by notice in writing to the other Party in the event of a breach by either Party of this Clause 21.3 of this Contract. Without prejudice to any other rights it may have, the violating Party shall indemnify the other Party against any losses, liabilities, damages, costs (including but not limited to legal fees) and expenses incurred by or awarded against the other Party as a result of any breach of this Clause 21.3.

## 22 CONFIDENTIALITY AND PUBLICITY

- 22.1 The Customer undertakes to keep confidential all techniques, know-how, methods and processes which are the property of or are proprietary to Aggreko. The Customer shall also treat as confidential and shall not, without Aggreko's prior written consent, disclose to any third party any other information which is clearly marked as confidential by Aggreko.
- 22.2 The provisions of this clause 22 shall not apply to information which:
- 22.2.1 is part of the public domain; or
  - 22.2.2 was in the possession of the relevant Party prior to the Effective Date and which was not subject to any obligation of confidentiality owed to the other Party; or
  - 22.2.3 was received from a third party whose possession is lawful and who is under no obligation not to disclose; or



22.2.4 is required to be disclosed in order to comply with the requirements of any law, rule or regulation of any governmental or regulatory body having jurisdiction over the Services or the relevant Party, or of any relevant stock exchange.

## 23 ASSIGNMENT

Neither Party shall be entitled to assign or sublet either this Contract or any part of it or any benefit or interest in or under it without the prior written approval of the other Party.

## 24 DISPUTE RESOLUTION

24.1 A Party may raise any dispute by serving written notification of the Dispute on the other party (a "Dispute Notice"). Within 30 days of the service of a Dispute Notice, a director or other representative of each Party with authority to settle the Dispute shall meet to seek to resolve the dispute in good faith. In the event that within 30 days of service of a Dispute Notice, no meeting has taken place or the Dispute has not been resolved, either Party shall be entitled to refer the Dispute to mediation.

24.2 Any Dispute which is not resolved in accordance with Clause 24.1 above shall be finally settled, to the extent permitted by law, by arbitration under the Rules of Arbitration of the International Chamber of Commerce ("ICC") at the time being in force. The arbitral tribunal shall consist of three (3) arbitrators who shall be appointed by the ICC.

24.3 The Parties agree that the seat of the arbitration shall be New York and that the language of the arbitration shall be English.

24.4 To the extent permitted by law, the arbitration award shall be final and binding on the Parties and the Parties waive irrevocably their right to any form of appeal, review or recourse in respect of any such award to any state or court or other judicial authority, in so far as such waiver may be validly made. Each Party hereby consents to the recognition and/or enforcement of the arbitration award in courts in either Party's home jurisdiction or in any jurisdiction where such Party maintains assets or operations and hereby waives any rights to object to such recognition and/or enforcement. The right to refer any Dispute to arbitration pursuant to this Clause 24 (Dispute Resolution) shall survive the expiry or termination of this Contract.

24.5 The law of the arbitration agreement shall be the law of New York.

## 25 GENERAL LEGAL PROVISIONS



#### 25.1 Amendment

This Contract shall not be amended except by an instrument in writing expressed to be an amendment or variation hereto and executed by the Parties.

#### 25.2 Waiver

No failure or delay by a Party to exercise any right or remedy provided under this Contract or by the Applicable Law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.

#### 25.3 Third party rights

No person other than a Party to this Contract shall have any rights to enforce any term of this Contract and the Customer shall not hire, let or rent the Plant or any part thereof to any third party without the written consent of Aggreko

#### 25.4 Retention of Rights

Unless otherwise specifically stated, both the Customer and Aggreko shall retain all rights and remedies, both under this Contract and in accordance with Applicable Law, which either may have against the other.

#### 25.5 Language

The language of this Contract shall be English and all meetings and other communications shall be in English.

#### 25.6 Notices

25.6.1 Any notice or other communication required to be given or made under this Contract shall be in writing and shall be delivered personally, or sent by pre-paid first-class post or recorded delivery or by commercial courier, to each Party required to receive the notice or communication as set out below:

To Aggreko:

The Company Secretary



Aggreko International Projects Limited  
Lomondgate, Stirling Road,  
Dumbarton, Scotland, G82 3RG

Copy to:

The Regional Managing Director - APAC  
01 Woodlands Drive, Braeside 3195, Victoria  
Australia

To Customer:

General Manager  
Guam Power Authority  
Gloria B Nelson Public Utilities Complex  
688 Route 15 Fadian  
Mangilao, Guam  
96913

or as otherwise specified by the relevant Party by notice in writing to each other Party.

25.6.2 Any notice shall be deemed to have been duly received:

25.6.2.1 if delivered personally, when left at the address and for the contact referred to in this clause; or

25.6.2.2 if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second Business Day after posting; or

25.6.2.3 if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.

25.6.3 A notice required to be given under this Contract shall be validly given if sent by e-mail.

25.6.4 The provisions of this clause shall not apply to the service of any proceedings or other documents in any legal action.

25.7 Invalidity



If any provision of this Contract shall be held to be invalid or unenforceable by a judgment or decision of any court of competent jurisdiction or any authority, the same shall be deemed severable and the remainder of this Contract (including the remainder of the affected provision) shall remain valid and enforceable to the fullest extent permitted by law. In any such case, the Parties will negotiate in good faith with a view to agreeing one or more provisions which may be substituted for such invalid or unenforceable provision in order to give effect, so far as practicable, to the spirit of this Contract.

#### 25.8 Entire Agreement

This Contract with its appendices contains the entire agreement and understanding between the Parties and supersedes any previous understandings, commitments, agreements or representations whatsoever, oral or written, pertaining to the subject matter hereof.

#### 25.9 Counterparts

This Contract may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this Contract, but all the counterparts shall together constitute the same Contract. No counterpart shall be effective until each Party has executed at least one counterpart.

#### 25.10 Independent Contractor

Aggreko shall at all times be an independent contractor with respect to performance of the Services and neither Aggreko nor any person employed by Aggreko shall, other than as expressly authorized by the Customer in writing, either represent itself or himself (as appropriate) as, or be deemed for any purpose to be, an employee, agent, or representative of the Customer in the performance of the Services. Nothing in this Contract shall be deemed to create a joint venture, partnership or agency between the Parties.

#### 25.11 No Waiver of Sovereign Immunity

The Parties expressly agree that no provision of the Contract is in any way intended to constitute a waiver by the Customer of any immunities from suit or from liability that the Customer may have by operation of law.

#### 26 GOVERNING LAW



Subject to clause 24, this Contract and any Dispute or Claim arising out of or in connection with it or its subject matter or formation (including non-contractual Disputes or Claims) shall be governed by and construed in accordance with laws of Guam.



For: Aggreko International Projects Ltd.

For: Guam Power Authority

Signed: \_\_\_\_\_

Name: George Whyte

Position: Managing Director, APAC

Signed: \_\_\_\_\_

Name: John M. Benavente, P.E.

Position: General Manager

Witness:

\_\_\_\_\_

\_\_\_\_\_

APPROVED AS TO FORM  
& LEGALITY

Signed: \_\_\_\_\_

Name: Douglas B. Moylan

Position: Attorney General of Guam

Date: \_\_\_\_\_



## SCHEDULE 1 – COMPENSATION

The Customer shall pay the following charges to Aggreko for the Operational Service Period.

### 1 Capacity Charge

The Customer shall pay the Capacity Charge to Aggreko from the Commercial Operation Date until expiry of the Operational Service Period or Extended Operational Service Period.

### 2 Energy Conversion Charge

The Customer shall pay the Energy Conversion Charge to Aggreko in respect of the electrical energy produced by the Plant during the Operational Service Period.

### 3 Fixed O&M Charge

The Customer shall pay the Fixed O&M Charge to Aggreko from [the Commercial Operation Date until expiry of the Operational Service Period or Extended Operational Service Period].

### 4. Mobilization Charge

The Customer shall pay an upfront Mobilization Charge of \$1,000,000 to Aggreko within 7 (seven) days of receipt of invoice issued by Aggreko.

The Customer shall pay the Mobilization Charge to Aggreko in full prior to Mobilization of the Plant from the Aggreko Equipment Nominated Depot.

### 5. Table of Charges

The Parties agree that the following prices and rates shall apply for the duration of this Contract

Name of Charge	Rate	Amount (US\$)
Capacity Charge	Per KW Per Month	27.35
Energy Conversion Charge	Per Megawatt Hour	9.00
Fixed O&M Charge	Per Month	192,081.00
Mobilization Charge	Single Payment	1,000,000.00



6. Price Adjustment

6.1 All charges, except for the Capacity Charge, under this agreement shall be subject to an annual escalation. This escalation shall be equivalent to 100% of the Consumer Price Index for All Urban Consumers (CPI-U) as published by the US Bureau of Labor Statistics. The escalation shall be applied on each anniversary of the contract's execution, with the base date being September 2023, provided that such charges cannot be increased more than once in any 1 (one) Year period. Aggreko will give the Customer written notice of any such increase one Month before the proposed date of the increase.

6.2 Aggreko may request for a revision of the Capacity Charge by giving four Weeks' written notice to the Customer to reflect any increase in the cost of the Services to Aggreko that is due to:

6.2.1 any agreement with the Customer to change the delivery date(s), quantities or Scope of Work, or the Specification in respect of the Plant;

6.2.3 any delay caused by any instructions of the Customer in respect of the Plant or failure of the Customer to give Aggreko adequate or accurate information or instructions in respect of the Plant.

7. In the event that:

7.1 the Site is not handed over 70 (seventy) days prior to the Scheduled Commercial Operation Date for the Plant; or

7.2 the Commercial Operation Date of the Plant is delayed beyond its Scheduled Commercial Operation Date and such delay is not caused by a default act or omission on the part of Aggreko to meet its obligations hereunder; or

7.3 the Plant does not receive backfeed availability at the connection point from the Customer 7 (seven) days prior to the Scheduled Commercial Operation Date;

then Aggreko shall be granted a pro rata extension of time to install and commission the Plant and the Capacity Charges for such Plant shall become payable by the Customer from the Scheduled Commercial Operation Date of such Plant.

8. Liquidated Damages:



Aggreko has agreed to meet the Commercial Operation Date under the Contract within one-hundred (100) calendar days from the Effective Date. Aggreko shall be liable to pay the Customer liquidated damages at the rate of \$2,000 per day for each day or part thereof but capped to total aggregate of USD \$120,000, for any delay caused by Aggreko's default act or omission in the event that the Scheduled Commercial Operation Date is so delayed.



## SCHEDULE 2 – RESPONSIBILITY MATRIX

Scope of Work	Party Responsible	
	Customer	Aggreko
<b>Permits and Licensing</b>		
Development Approval, Council Approval		X
Environmental Approval, Cultural Heritage, Noise & Air Emissions Considerations		X
HSE Management System		X
<b>Site Preparation</b>		
Bulk Earthworks	X	
Concrete Batching Plant & Concrete Supply	X	
Aggregate Material for Road Base	X	
Concrete Blocks, Cyclone Tie Downs		X
Earth Grid/Grading Ring Installation	X	
Equipotential Bonding of Aggreko Plant to Earth Grid		X
Equipotential Bonding of Fencing to Earth Grid		X
Fencing Supply & Installation Including Access Gates	X	
Equipment / Task Lighting		X
Area / Flood Lighting		X
<b>Logistics</b>		
Shipment Responsibility		X
Transportation Insurance		X
Transportation to Site		X



Flights to Site		X
Construction Machinery, including Craneage at the site		X
<b>Facilities</b>		
Accommodation & Meals		X
Site Construction Facilities (Office & Ablutions)		X
Vehicle Hire		X
Construction Power		X
Dumping Of Waste at Site Disposal Facility		X
Waste Disposal from Site	X	
<b>Fuel System</b>		
All Fuel Supply and Transport during Construction and Commissioning	X	
All Fuel Supply and Transport during Operations	X	
All Diesel Exhaust Fluid	X	
Fuel Connection Infrastructure	X	
Fuel Metering		X
<b>Electrical System</b>		
Connection Works within Power Station		X
Termination to existing 11 kV Switchboard		X
<b>Site Operational Management</b>		
Site Operational Personnel		X
All Operational Equipment & Spares		X
Water Supply		X
Operational Waste Disposal	X	



### SCHEDULE 3 - SCOPE OF WORK

1. The Customer hereby retains Aggreko for the supply of the Plant to the Customer's grid for Contract Maximum Demand of 20 MW, including operations and maintenance.  
Aggreko shall be responsible for the following:
  - A. Design the Plant.
  - B. Construct, supply, and install the Plant.
  - C. Procure and transport all required equipment and material.
  - D. Obtain required approvals, permits, and fire protection from Authorities to install and operate the Plant.
  - E. Test and commission the Plant.
  - F. Operate and maintain the Plant.
  - G. Reposition the identified 14 (fourteen) GPA QSK sets to the designated area of the Plant (7 (seven) relocated & 7 (seven) in-situ).
  - H. Establish independent metering for power, fuel and DEF.
  - I. Install 2 (two) Fuel flow meters.
  - J. Install 3 (three) DEF flow meters.
  - K. Replace DEF and Fuel pump containers.
  - L. Test, change if necessary and supply – New LV cables to TX & New HV cables to ZS1 in Aggreko power station (with cable trays).
  - M. Commission the plant within the 100-day deadline.
  - N. Remove all old cables in Aggreko power station.
  - O. Remove 3 (three) workshops to revised location identified by the Customer.
  - P. Assess the Customer's existing generator units and infrastructure for refurbishment or repairs and provide a cost proposal.
  - Q. Provide cost quotation for full refurbishment and for any additional services on Customer's existing equipment that are owned by Customer. For avoidance of doubt, any refurbishment work on Customer's existing equipment will not form any part of the scope of work under this Contract and the Parties will enter into a separate contract subject to mutual agreement on pricing and terms and conditions.
  - R. Coordinate and report the operation and maintenance of the Plant to GPA Dispatch Center.
  - S. Be responsible for environmental requirements and compliance of Aggreko's units.
  - T. Supply all consumables (such as parts and lubricants) for the duration of the contract period.
  - U. Provide an estimated fuel consumption schedule for fuel delivery planning purposes.
  - V. Continuously monitor fuel levels and report fuel delivery requirements ahead of time in accordance with the fuel supplier's delivery schedule throughout the use period.
  - W. Decommission and remove the Plant at contract termination.



- X. Restore the site to its original condition upon demobilization.
- Y. Verify performance of existing electrical systems where modifications have been made.
- Z. Provide a Cyber and Physical Security Plan before Commercial Operation Date that shall meet the following minimum requirements:
  - o Follows NIST 800 framework.
  - o Addresses the following NERC CIP standards:
    - Management of Security Controls
    - Training and Management of Security Personnel
    - Safeguarding Electronic Security Perimeters
    - Management of Security Systems
    - Incident Reporting and Response Planning
    - Recovery Planning
    - Configuration Change Management
    - Protection of Information Management of Supply Chain Risk
    - Physical Security
  - o Allows for Customer to review and/or test the Cyber & Physical Security controls of the Plant based on the approved Cyber and Physical Security Plan. Such review can be on a needed or regular basis.
  - o Cyber & Physical Security Plan should be updated on a regular basis to address changes in the Cyber and/or Physical security controls of the facility or its operation.
- AA. All other responsibilities identified in Attachment 1 as belonging to Aggreko.

2. The Customer shall be responsible for the following:

- A. Man, maintain, and run the existing QSK sets once relocated and commissioned.
- B. Supply and deliver all Diesel Exhaust Fluid (AdBlue).
- C. Fuel receipt and storage management.
- D. DEF receipt and storage management.
- E. HV switch board, AO1 incomer 1 and AO3 incomer 2, as referred to in the Attachment 1 page 9 (Aggreko responsibility terminates at entry point ZS1).
- F. All other responsibilities identified in Attachment 1 as belonging to Customer.



SCHEDULE 4 – NOT USED



## SCHEDULE 5 – FUEL SPECIFICATIONS

### GPA ULTRA-LOW SULFUR DIESEL FUEL SPECIFICATIONS

#### PRODUCT QUALITY SPECIFICATION: DIESEL FUEL Oil No. 2 <sup>A</sup>

Property	ASTM Test Method <sup>B</sup>	Alternate Method ASTM	Unit of Measure	Limits
Flash Point	D93		°C	52 Min
Water & Sediment	D2709		% vol	0.05 Max
Distillation Temp, °C 90%, recovered	D86		°C	280 Min 360 Max
Kinematic Viscosity	D-445		mm <sup>2</sup> at 40°C	1.9 Min 4.1 Max
Ash	D482		% mass	0.01 Max
Sulfur	D5453	D-7039	ppm (µg/g)	15 Max
Copper Strip Corrosion Rating (3hrs min at 50°C)	D130			No.1 Max
Cetane Index	D 613	D976-80 D 4737		46 Min
Total Aromatic Hydrocarbons	D1319	IP391	% mass	15 Min 35 Max
Micro Carbon Residue on 10% distillation residue	D189	D524 D6371 D4530	% mass	0.20 Max
Lubricity, HFRR @ 60°C	D6079		Micron	460 Max
Conductivity	D2624	D4308	pS/m	25 Min
Density @ 15°C	D4052	D1298	Kg/m <sup>3</sup>	820 Min 850 Max
Gravity, API @ 60°F	D1298	D4052		35 Min 41 Max
Color	D1500	D6045	ASTM	2.0 Max
Strong Acid No.	D974		mg KOH/g	NIL
Total Acid No.	D974		mg KOH/g	0.5 Max
Stability (Oxidation), 16Hrs	D2274		mg/L	25 Max
Appearance @ ambient temp <sup>C</sup>	Visual			Report
Guaranteed Heating Value (HHV)	D240		MMBTU/bbl	5.70 Min

<sup>A</sup> Follows the minimum requirements for **Ultra-Low Diesel Fuel Oils (ULSD)** listed under ASTM 975-10.

<sup>B</sup> These test methods are specified in 40 CFR Part 80. Test methods must follow the latest version.

<sup>C</sup> Appearance must be clear and bright at ambient temperature and free from water and particulates.



## GPA FUEL SUPPLY ARRANGEMENTS

Delivery	<p>GPA and its Fuel Supply Contractor (hereinafter CONTRACTOR) will liaise to prepare weekly fuel schedules showing anticipated times and quantities of fuel to be utilized by the Plant. GPA shall be responsible for ensuring the availability of fuel supplies, including funding and payments.</p> <p>The CONTRACTOR and Plant Staff shall comply with requirements set forth in the Diesel Fuel Supply Contract and related SOPs. The CONTRACTOR and GPA Assistant Plant Superintendent shall ensure that the Plant has adequate fuel supply daily, and shall follow the fuel supply request procedures discussed with the Diesel Fuel Suppliers.</p> <p>Delivery requests may be made between 7:00 AM to 5:00 PM daily including weekends and holidays. Fuel deliveries will be on an as needed / on call basis and may be available daily including weekends and holidays except during receiving of bulk fuel shipments by pipeline transfer at the supply source. Changes to these procedures shall be coordinated by GPA, the CONTRACTOR and the Fuel Suppliers ahead of time.</p> <p>All fuel will be delivered to the designated plant sites. Title and custody to the fuel shall pass from GPA to the CONTRACTOR when:</p> <ol style="list-style-type: none"> <li>the fuel oil has passed the GPA pipeline flange connection to the first flange of the CONTRACTOR storage tank receiving pipeline, if delivery is via pipeline transfer; or</li> <li>the fuel oil has passed the fuel supplier tanker truck hose connection to the first flange of the CONTRACTOR storage tank receiving pipeline, if delivery via road tankers.</li> </ol>
Fuel Oil Storage	<p>The CONTRACTOR shall ensure that CONTRACTOR fuel storage facility has sufficient capacity (excluding deadstock) to sustain continuous operation at maximum consumption without refueling for at least 5 (five) consecutive days.</p> <p>The CONTRACTOR shall direct Plant Staff to comply with standard operating procedures to ensure that fuel inventory is handled in accordance with operating and regulatory requirements. CONTRACTOR shall perform all critical tasks, including ensuring that water is drained regularly.</p> <p>CONTRACTOR shall calibrate the fuel tanks in an approved manner.</p>
Testing	<p>Upon each delivery of fuel to and, from time to time thereafter, a suitable sample shall be taken and analyzed by the CONTRACTOR from the storage tank to ensure that it meets the specifications as shown above. Oil sampling and testing for quality by shall be performed by an independent third party surveyor and laboratory and results shall be reported to CONTRACTOR and GPA.</p>
Metering	<p>CONTRACTOR shall install a fuel meter at the CONTRACTOR storage tank, configured in a manner that will allow on-site calibration. Meters shall be calibrated by CONTRACTOR and tested every 6 (six) months under the CONTRACTOR Routine O&amp;M Spending Budget by a third party agreed between CONTRACTOR and GPA.</p>
Variation in rate Of delivery	<p>CONTRACTOR and GPA will liaise in estimating the fuel required to comply with GPA's annual, monthly and weekly systems operating plans.</p>
Security	<p>CONTRACTOR shall be responsible for all security and safety arrangements in respect of the fuel in the Site tanks</p>



Spill Prevention  
Control and  
Countermeasure  
Plan (SPCC Plan)

1. CONTRACTOR shall be responsible for the preparation of SPCC Plan for the facility for EPA and GPA's approval.
2. CONTRACTOR shall be responsible for the full compliance of the Facility SPCC Plan.

Best Management  
Plan (BMP)

CONTRACTOR shall be responsible for the preparation of the Facility BMP plan for EPA and GPA's approval, including full compliance with the plan.



SCHEDULE 6 – FORM OF PAYMENT BANK GUARANTEE



SCHEDULE 7 – NOT IN USE



## SCHEDULE 8 – AGGREKO PERSONNEL

LOCAL MANNING REQUIREMENT - BY AGGREKO	0 -12 hours	12 -18 hours	18 - 24 hours
Level 2 (Mechanical and Electrical Engineers, Control Room Op)			
Level 1 (Mechanical and Electrical Engineers)			
Service Crew			
Other			

Hours herein is defined as running hours - referring to the number of time hours when the Plant output is positive per day. For the purposes of manning requirements this shall be calculated based on a rolling Weekly average of the preceding 7 (seven) days. For any given day the manning levels for Aggreko and the Customer apply based on the rolling Weekly average calculated for that day and in accordance with the table above.



ATTACHMENT 1 – REVISED 24 SETS COMMERCIAL PROPOSAL FINAL





## 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. FY2024-16

#### RELATIVE TO AUTHORIZING GUAM POWER AUTHORITY (GPA) MANAGEMENT TO AWARD 20 MW OF TEMPORARY POWER

**WHEREAS**, Yigo CT and the Ukudu Power Plant Project sustained significant damages from Super Typhoon Mawar resulting in reduction of 20 MW to GPA's reserve capacity and a significant delay to the Ukudu Power Plant Commercial Online Date (COD); and

**WHEREAS**, a procurement protest has delayed and prevented the award of GPA's Diesel PMC Bid contract thereby, preventing the repair and maintenance of GPA medium speed diesel generators; and

**WHEREAS**, a significant Ukudu Power Plant COD delay, due to catastrophic damages inflicted by Typhoon Mawar, leave GPA with having to continue to rely upon the aged and deteriorating Cabras 1&2 Power Plant slated for retirement after the commissioning of the Ukudu Power Plant; and

**WHEREAS**, although GPA's Interruptible Load Program (ILP) partners have reduced the amount of load shedding of other customers during GPA capacity shortages, GPA cannot overuse this resource since doing so will cause ILP partner generation to significantly degrade; and

**WHEREAS**, the pool of potential ILP partners has been severely reduced by the running of customer generation during Typhoon Mawar to the point where large customer generators are in need of significant repairs; and

**WHEREAS**, GPA has on several occasions has had to shed customer loads during generation capacity shortfalls; and

**WHEREAS**, the unreliability of Cabras 1&2 is expected to persist placing GPA in an untenable position of having very tight margins for available reserve generation especially whenever with one large baseload unit under scheduled maintenance outage Cabras 1 or 2 have a forced outage; and

**WHEREAS**, the Guam Power Authority (GPA) has solicited the Temporary Power Services through GPA RFQ# 38586; and

**WHEREAS**, GPA has selected Aggreko to be the most qualified and responsive vendor among four (4) vendors: APR Energy, Pacific Energy Corporation, Guam Shipyard, and Aggreko; and



1       **WHEREAS**, GPA has completed negotiations with Aggreko for the contracting of 20MW of  
2 temporary power for the following:

3

	Rate
Capacity Charge, \$/KW/Month	27.35
Fixed O&M Charge, \$/Month	192,081
Energy Conversion Rate (\$/MWH)	9.00

4  
5  
6  
7

8 ; and

9       **WHEREAS**, GPA estimates the annual production of the temporary power to be  
10 105,120,000 KWH, which is 60% of its potential operating capacity; and

11       **WHEREAS**, Aggreko requires \$1M for initial mobilization costs; and

12       **WHEREAS**, GPA has initiated discussions on the existing Yigo Diesel units and seeks  
13 approval for a budget of \$3M to further negotiate the assessment and repair of up to 18 Yigo  
14 Diesel units in order to restore up to an additional 20MW of capacity at the Yigo Diesel site; and

15       **WHEREAS**, GPA shall supply UREA to support the required emissions controls for the  
16 temporary power plant totaling an estimated amount of \$4.3M over the two year term; and

17       **WHEREAS**, approval is requested to allow the General Manager to petition the PUC to  
18 authorize awarding Aggreko to supply, install, operate and maintain 20 MW of temporary power  
19 services at Yigo CT site to include a \$3M budget amount for the repair of existing Yigo Diesel units,  
20 and \$1M for mobilization cost for an estimated contract amount of \$25M over the two-year term.

21       **NOW, THEREFORE BE IT RESOLVED**, by the Consolidated Commission on  
22 Utilities, as the Governing Body of GPA, authorizes GPA to petition the Public Utilities  
23 Commission (PUC) as follows:

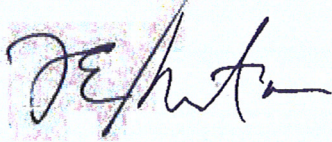
- 24
- 25 1. Allow GPA to petition the PUC to award Aggreko to supply, install, operate and maintain  
26 20 MW of Temporary Power Services at Yigo CT site for estimated \$25M for the  
27 Capacity Charge, Fixed O&M Charge, Energy Conversion Charge, Assessment and  
28 Repair of Yigo Diesel Units, and Mobilization.
  - 29 2. Approve the increase of the IPP O&M Budget by \$8.1M for FY 2024 and by \$10.1M for  
30 FY 2025 for the period of the contract within these Fiscal Years approved budgets.

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



**DULY AND REGULARLY ADOPTED**, this day of 23<sup>th</sup> of January, 2024.

Certified by:



**FRANCIS E. SANTOS**  
Vice Chairperson

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:	<u>4</u>
NAYS:	<u>0</u>
ABSTAIN:	<u>0</u>
ABSENT:	<u>1</u>





## 17.



# GPA Resolution No. FY2024-16 *(continued)*

	Rate	FY2024		FY2025		FY2026	
		CY1 (1-5 months)	CY1 (6-12 months)	CY2 (1-5 months)	CY2 (6-12 months)	CY2 (6-12 months)	2 Year Total
Capacity Charge	\$27.35	\$2,735,000	\$3,829,000	\$2,871,750	\$4,020,450	\$13,456,200	
Fixed O&M Charge (\$/Month)	\$192,081	\$ 960,405	\$1,344,567	\$1,008,425	\$1,411,795	\$4,725,193	
Energy Conversion Rate (\$/MWH)	\$9	\$394,200	\$551,880	\$413,910	\$579,474	\$1,939,464	
Assess & Repair Budget (One Time)	\$3,000,000	\$3,000,000	-	-	-	\$3,000,000	
Mobilization Fee (One time)	\$1,000,000	\$1,000,000					
<b>Annual Totals:</b>		\$8,089,605	\$5,725,447	\$ 4,294,085	\$6,011,719	\$24,120,857	
<b>FY Totals:</b>		\$8,089,605	\$10,019,532		\$6,011,719	\$24,120,857	
<b>Contract Year Totals:</b>			<b>\$13,815,052</b>		<b>\$10,305,805</b>	<b>\$24,120,857</b>	

