



**BEFORE THE
GUAM PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF:
AMENDED PETITION FOR
APPROVAL TO ADJUST
GUAM POWER AUTHORITY'S
BASE RATE**

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GPA DOCKET 25-14

**JOINT STIPULATION re SCHEDULE N of
GPA's AMENDED PETITION**

This JOINT STIPULATION ("Stipulation") is between Guam Power Authority ("GPA") and the Department of the Navy ("DoN" or "Navy") on behalf of the Department of Defense¹ and the Guam Public Utility Commission's ("PUC") independent consultants, Marianas Consulting Group, LLC ("MCG") (collectively, the "Parties"), by and through their authorized representatives. The Stipulation outlines a proposed interim settlement concerning Schedule N, Navy Rate, of GPA's above-captioned Amended Petition.

BACKGROUND

WHEREAS, GPA filed its "Petition of the Guam Power Authority to Adjust Base Rate" on June 5, 2025, and filed its "Amended Petition of the Guam Power Authority to Adjust Base Rate" on August 8, 2025 (collectively "Petition") with the PUC in GPA Docket 25-14.

WHEREAS, the Petition's Schedule N concerns the Navy Rate.

WHEREAS, the Navy and GPA exchanged four separate Requests for Information and Responses concerning Schedule N from July through September 2025.

WHEREAS, on November 19, 2025, the PUC granted the Navy's intervention in GPA Docket 25-14 concerning Schedule N.

WHEREAS, the Parties engaged in discussions concerning Schedule N via videoconferences on November 24, 25 & 26, 2025, with the intent of arriving at interim settlement terms concerning Schedule N.

WHEREAS, the Parties have agreed to the following stipulation for purposes of an interim 12-month period concerning the Petition's Schedule N, Navy Rate.

¹ Although E.O. 14347 allowed for usage of the additional secondary title of Department of War, the Department of Defense remains the official name by statute and is therefore used herein.



PROPOSED STIPULATION OF INTERIM AGREEMENT TERMS

The Parties now stipulate and agree to the following terms and conditions:

1. With respect to Navy rates used for billing purposes, the Parties agree to the establishment of an Interim Period for the 12 months beginning January 1, 2026 ("Interim Period").
2. The Parties agree that for the Interim Period, Navy's Contract Demand will be initially established at 51,200 kW for Navy billing purposes.
3. The Parties agree that Navy's Contract Demand establishes a minimum monthly Navy billing demand for billing purposes during the Interim Period. The Parties further agree that during the Interim Period, Navy's Contract Demand will not be set at a level below 51,200 kW for billing purposes.
4. During the Interim Period, the Parties agree that GPA will charge Navy the following rates on a monthly basis, along with other rates as proposed under the Petition's Schedule N:
Demand: \$45.11 per kW of Contract Demand;
Energy: \$0.0060 per kWh; and
Customer: \$12,000 per month.
5. It is the intent of the Parties to establish, prior to the end of the Interim Period, new rates to replace the Interim Period rates. If such new rates are not agreed to by the Parties prior to the end of the Interim Period, the Parties agree that the rates in Paragraph 4 of this Stipulation will remain in effect for Navy billing purposes after the end of the Interim Period until such time the PUC issues an order establishing new rates for Navy.
6. The Parties agree that during the Interim Period, each new monthly Navy demand above the existing Contract Demand will establish a new Contract Demand in the instant month and for all remaining months of the Interim Period for Navy billing purposes.
7. During the Interim Period, the Parties agree to meet at least once quarterly, or more frequently as agreed by the Parties, to work towards a Navy billing demand solution that addresses GPA concerns with respect to accurate capacity declarations for Navy.

8. During the Interim Period, the Parties agree to analyze GPA's need for reserve generation, the system costs of carrying such reserve generation, and how the costs of reserve generation are allocated to GPA customer classes, including Navy. The analysis will include consideration of GPA's continued use of older generating units in standby mode for the potential Navy growth beyond normal reserve planning requirements.
9. This Stipulation will be incorporated into the "Utility Service Contract for Energy Supply, Power Generation Capacity, Power Delivery and Ancillary Services, Contract No. N4019222C5100, between the United States of America and Guam Power Authority," executed and effective July 15, 2022 ("USC"), as modified, via a contract modification.
10. It is acknowledged that all Parties to this Stipulation participated in the drafting of the Stipulation and that in any action involving the interpretation of this Stipulation, the language and terms of the Stipulation should not be construed against any Party to this Stipulation.

GENERAL PROVISIONS

- A. Except as specifically stated herein, this Stipulation shall have no precedential effect in any other proceeding, and shall be without prejudice to the right of any party to take any position in future proceedings, or appeals therefrom. The terms of this Stipulation may not be used either as an admission of any sort or as evidence in any proceeding whatsoever, except to approve or enforce the terms herein.
- B. None of the Parties to this Stipulation agree with the treatment of any particular item, any procedure followed, or the resolution of any particular issue other than as specified herein. Except as expressly provided herein, nothing in this Stipulation shall be construed as a waiver of any Party's rights under the USC or before the PUC.

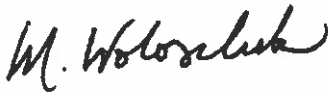
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CONCLUSION

The Parties hereby agree and stipulate the above terms and conditions, effective January 1, 2026.

SO STIPULATED this 15th day of December 2025.

GUAM POWER AUTHORITY



Marianne Woloschuk
Legal Counsel

U.S. DEPARTMENT OF THE NAVY

WRIGHTSON.REBECCA.JANE.162132
A.JANE.1621325945

Digitally signed by
WRIGHTSON.REBECCA.JANE.162132
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Date: 2025.12.15 14:38:35 +10'00'

Rebecca J. Wrightson
Assistant Counsel
Naval Facilities Engineering Command,
Marianas

MARIANAS CONSULTING GROUP, LLC



Corazon R. Montellano
Partner

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