Bringing Energy Solutions to You

Insights

A monthly newsletter for all GPA Customers • Issue No. 74 • May 2023



A Letter from the General Manager

Dear Loyal Customers,

As the Guam Power Authority (GPA) approaches 55 years of service, we reflect on the hardships and challenges that Guam has faced and persevered through in recent times and take this opportunity to acknowledge the hard-working men and women at GPA that have contributed to the success of the island's only power utility. This success, led by GPA's management team, employees, and governing board is also shared between our stakeholders and all the ratepayers who make up our island community.

GPA has made strides in order to move towards reducing the carbon footprint, establishing the Integrated Resource Plan (IRP) also known as the Clean Energy Master Plan (CEMP), to help shape and prepare the power system for the next generation. CEMP is a comprehensive plan for transitioning Guam from legacy fossil fuel-fired generation to renewable energy and non-greenhouse gas emission electric energy supply. GPA is committed to providing 50% of the island's electric power from renewable or non-greenhouse gas emissions sources by 2030 and 100% by 2040. The CEMP is a living document and is continuously being updated with the most recent update to the plan completed and approved by the Consolidated Commission on Utilities (CCU) and Public Utilities Commission (PUC) in 2022. It is GPA's roadmap to a clean, reliable, affordable and resilient energy future. It identifies about $230M in upgrades and new technology to integrate renewables.

Today, all of GPA's power plants have been running on cleaner fuel to comply with the USEPA national emission standards. The conversion to cleaner fuel is part of GPA's Clean Energy Master Plan and satisfies a federal consent decree that requires all of Guam's generators to switch to cleaner burning fuel. The Cabras 1 & 2 baseload units are running on 0.2% low sulfur residual fuel oil and the Piti 8 & 9 units are now running on ultra-low sulfur fuel. The conversion has significantly reduced overall emissions, which means cleaner air and a win for our environment and island residents.

The new Ukudu power plant will allow for reduced, affordable fuel LEAC rate, provide 198MW of new capacity to improve reliability, and strengthen the power grid system. The technology of the Ukudu base load power plant will allow the burning of cleaner fuel from two sources, ultra-low sulfur diesel (ULSD) and liquefied natural gas (LNG), saving millions of dollars in fuel cost, and reduce SO2 emissions and allow for the retirement of old and more expensive power plants.

Operational since March 2021, GPA's world-class utility-scale battery energy storage system (BESS) has assisted in eliminating most of the short-duration power outages caused by generator and renewable intermittency trips. The system works to smooth out the fluctuating solar output and monitor the frequency, reacting accordingly to stabilize the island-wide grid system.

In July 2022, KEPCO Mangilao Solar, LLC (KMS) and GPA commissioned the 60-megawatt Solar photovoltaic (PV) farm in Mangilao. The 141,000,000 kWh contracted from KMS each year will produce energy for 14,000 residential customers for an entire year. The solar farm is another important step toward reducing Guam's reliance on imported oil, estimated at 300,000 barrels in the first year.

For several years now, GPA has implemented the Energy Sense Rebate Program which offers cash rebates for customers purchasing more energy-efficient home appliances. In August 2022, the GPA's rebate application process was automated. The online rebate application process improves the overall accuracy, efficiency and processing of rebates and provides the ability to track the progress of rebate applications online. It saves time and can easily be done at the comfort and convenience of the customer's home. Through its customer engagement and energy sense programs, GPA has provided customer assistance and outreach programs to the community. The programs offer energy conservation and energy savings tips to assist ratepayers to reduce, save and manage their energy consumption. GPA's new website has been launched early this year for customers to enjoy a new online experience. The website is designed to be a robust online tool that allows GPA to better serve its commercial and residential customers.

The Guam Power Authority does not only provide power to the island community but is a community-powered agency. The accomplishments of GPA are a contribution made by all the people of Guam, whom the GPA employees all serve and live amongst. During this 55th year as an island utility, we reflect as a community on the challenges, hardships, and successes over the years. Triumph over adversities to our power system is possible because of the over 400 dedicated Guam Power Authority employees and the five diligent commission members who work to provide the highest levels of reliability and service to the people of Guam. Biba GPA!

John M. Benavente, P.E.
General Manager, Guam Power Authority

GPA Makes Headway with its Guam Clean Energy Transition Track

On April 10 & 11, GPA held a two-day pre-conference at the 2023 University of Guam (UOG) Conference on Island Sustainability (CIS) entitled, "Guam Clean Energy Transition Track."

GPA brought in Industry experts from the Argonne National Laboratory (ANL), Pacific Northwest National Laboratory (PNNL), the National Renewable Energy Laboratory (NREL), Energy Consultants, and its local Engineering and key personnel to discuss a wide array of topics from GPA's Clean Energy Master Plan to Battery Energy Storage System Technology to Renewable Energy Integration.

"The track sessions were a success, bringing together our local and military counterparts and industry experts, creating a discussion of what to expect in our future and what's involved in making Guam a clean energy island," said GPA General Manager John Benavente, P.E.

Benavente Middle School (BMS) Librarian, Mrs. Alicia Whitaker presented on how BMS students used science, technology, engineering and mathematics (STEM) kits as part of their program curriculum. These STEM kits provided by GPA, highlights the working relationship with the school and GPA's outreach efforts in schools to create a balanced approach in its Clean Energy buildup.

"This is a marathon, not a sprint, and we need all our counterparts and stakeholders to collaborate together in supporting GPA's Clean Energy plan," said GPA Assistant General Manager of Engineering & Technical Services John J. Cruz, Jr., P.E.



SCAN ME

View the CIS 2023 Guam Clean Energy Transition conference program and presentations.

"We at the Guam Power Authority view a Clean Energy transition as a vital component to our island's ability to survive and thrive in the future," added Benavente.

"Presenting our track at the UOG's CIS demonstrates GPA's unwavering commitment to a Clean Energy Guam," added Cruz.

GPA To Petition PUC To Lower Power Bills

On April 25, 2023, the Consolidated Commission on Utilities (CCU) approved GPA's recommendation for a reduction to the fuel surcharge portion of a customer's power bill for meters read beginning June 1, 2023 through January 2024. The reduction will be **from $0.318576/kWh to $0.248145/kWh**. Customers will benefit from the reduction of the LEAC rate to 24.8 cents a kilowatt-hour for power consumed during this period. GPA will petition the Guam Public Utilities Commission (GPUC) for the approved reduction. For the average consumer who uses 1,000 kilowatt-hours per month; this means a savings of roughly $70.43 in their monthly power bill.

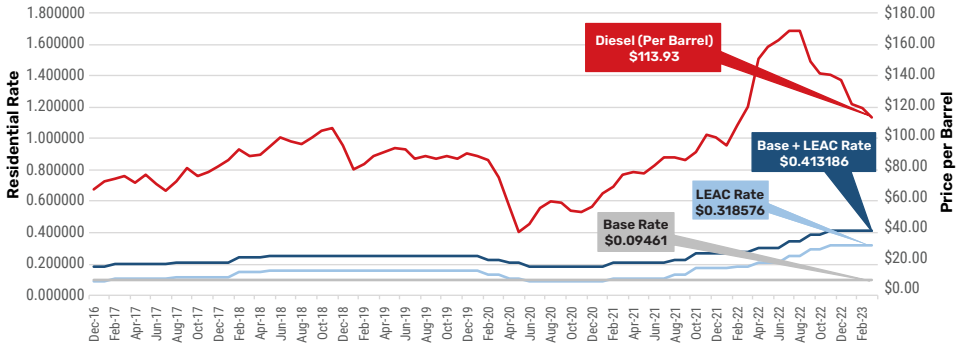
"The semi-annual adjustments of the rates have been steadily increasing since mid-2021. However, as the price of world fuel costs decreases this year, GPA proposes adjusting and reducing the LEAC rate sooner. This drop in the LEAC rate was proposed in order to help customers recover from the rise of the LEAC rates within the last two years due to unprecedented increase of world fuel prices, stated General Manager, John M. Benavente, P.E.

"The increase on the overall GPA average residential customer bill was necessary to reduce the under-recovery of fuel costs and to prevent further growth in the under-recovery balance and in order for GPA to afford buying fuel oil. While the LEAC rate has changed incrementally, the base rate of about 10 cents has not increased since 2013," added GM Benavente.

To help ratepayers further combat the increased LEAC rates, Bill 325-36 Prugråman Ayuda Para I Taotao-ta Energy Credit Program was passed to help provide financial relief starting July 2022. The program helped bring $500 relief to ratepayers over a five (5) month period and was extended by Bill 357-36 (P.L. 36-123) for an additional $500 in energy credits over five (5) additional months to help offset the increase of the LEAC rate at the time. The program has since helped bring $52M in financial relief to ratepayers since July 2022 to April 2023. Bill 83-37, if passed into law, will once again extend the program through September 2023.

This reduction in the LEAC rate will also help customers as families stay home for the summer, which will undoubtedly cause a surge in the power usage throughout the island. During this time, GPA encourages that ratepayers reduce their power consumption during peak hours from 6pm to 10pm. Customers could also find energy saving tips for their home on GPA's Facebook and Instagram pages, and on the website at https://energysense.guampowerauthority.com/savings-tips.

SAMPLE RESIDENTIAL BILL FOR AVG. CUSTOMER USING 1000 KWH PER MONTH – CURRENT RATE VS. PROPOSED RATE	RATE SCHEDULE R			
	Existing Rate Eff 2-01-23		Rate Eff 6-01-23	
KWH		1,000		1,000
Monthly Charge	$ 15.00	$ 15.00	$ 15.00	$ 15.00
Non-Fuel Energy Charge				
First 500 KWH	0.069550	34.78	0.069550	34.78
Over 500 KWH	0.086870	43.44	0.086870	43.44
Emergency Water-well Charge	0.002790	1.40	0.002790	1.40
Self-Insurance Charge	0.002900	2.90	0.002900	2.90
Total Electric Charge before Fuel Recovery Charges		97.52		97.52
Fuel Recovery Charges (LEAC)	**0.318576**	318.58	**0.248145**	248.15
Total Electric Charge		$ 416.10		$ 345.67
Increase/(Decrease) in Total Bill				$ (70.43)
% Increase/(Decrease) in Total Bill				-16.93%
% Increase/(Decrease) in LEAC Rate				-22.11%



ENERGY sense

ENERGY SAVING TIPS TO REDUCE YOUR POWER BILL

LAUNDRY
Wash full loads of clothes in cold water.

COOLING
Schedule unit maintenance every 6 months.

Scan the QR code for more **Energy-Saving Tips!**

REBATES AVAILABLE
FOR COMMERCIAL & GOVERNMENT CUSTOMERS

GET UP TO $350 PER TON
FOR UNITS UNDER 5 TONS*

GET UP TO $320 PER TON
FOR UNITS 5 TONS & OVER*

**Effective April 25, 2022*

See our GPA Approved Model Listing for qualified makes and models:
guampowerauthority.com/energysense

Prugråman Ayuda Para I Taotao-ta Energy Credit Update

The Energy Credit Program under PL 36-123 provided a $100 ratepayer credit in April 2023, which marked the end of the initial extension. However, Bill 83-37, introduced by Speaker Therese Terlaje and Sen. Joe S. San Agustin seeks to appropriate $26,381,000 for a second extension of the program. If the bill passes, customers will receive an additional subsidy through September. The public hearing on the bill was held on Thursday, April 20, 2023.

"GPA supports Bill 83-37 which provides continued relief from high energy cost to our ratepayers," said GPA General Manager John M. Benavente, P.E. "This relief coupled with a lower LEAC rate will be a substantial assistance to ratepayers most especially as we head into the summer months of May through September when energy consumption increases due to higher temperatures."

The Energy Credit Program was created to offset the increases in the LEAC, or Levelized Energy Adjustment Clause. The initial extension of the program provided a total of $500 in credit issued in $100 increments since December 2022. Through its Clean Energy Master Plan, GPA is committed to sourcing renewable energy resources and energy-efficient solutions for its customers. The island's new Ukudu Power Plant is expected to be commissioned in 2024 and will provide more reliable and cost-effective energy for ratepayers.

GPA has set a goal of deriving 50% of the island's electric power from renewable or non-greenhouse gas emissions sources by 2030 and 100% by 2040. To learn more about managing household or commercial energy consumption and access helpful energy-saving tips, visit guampowerauthority.com and GPA's Facebook and Instagram pages (@guampowerauthority).

GPA GOVERNANCE & LEADERSHIP

Your elected Consolidated Commission on Utilities (CCU) holds two (2) working sessions and one (1) regular meeting monthly. Meeting location is the CCU Conference Room, Gloria B. Nelson Public Service Building in Fadian, Mangilao. For more information and agencies, call the CCU Board Secretary at (671) 648-3002 or visit www.guamccu.org.

Joseph "Joey" T. Duenas (Chairman)
T (671) 686-1512 • E joey49duenas@gmail.com

Francis E. Santos (Vice Chairman)
T (671) 482-9355 • E francis.santos@gpagwa.com

Pedro Roy Martinez (Secretary)
T (671) 488-1957 • E prmguam@gmail.com

Simon A. Sanchez II (Commissioner)
T (671) 488-1010 • E gdcmgr@guamdrycleaners.com

Michael Limtiaco (Commissioner)
T (671) 888-6280 • E mlimtiaco671@gmail.com

John M. Benavente, P.E. (General Manager)
T (671) 648-3225 • E jbenavente@gpagwa.com

View your energy usage at myenergyguam.com