Bringing Energy Solutions to You

Insights

A monthly newsletter for all GPA Customers • Issue No. 70 • January 2023

Additional $500 Power Credit for GPA Customers!

"The rising LEAC is straining energy affordability to GPA ratepayers, especially those unemployed, under employed and those on fixed incomes. The cost of energy to island ratepayers is at a historic high primarily due to the unprecedented increase of world fuel prices this year. The $100 monthly credit issued from July to November 2022 under the *Prugråman Ayuda Para I Taotao-ta Energy Credit* has provided welcomed relief to all eligible ratepayers. It has helped ratepayers make ends meet and otherwise offset some of the economic impact of inflation," said Acting General Manager, Tricee Limtiaco.

"Our community is still feeling the economic impacts of inflation and the global pandemic as they struggle to cover basic monthly expenses like utilities, gas and food. It is my hope that this relief will bring some comfort to our families over the holidays and as we prepare for the start of the new year," stated Speaker Therese Terlaje.

"Extending the current program ensures that GPA customers continue to receive the benefits of the program during this holiday season, without interruption", stated Governor Leon Guerrero.

GPA is working together with Department of Administration (DOA) to fund the extension of the energy credits, for December 2022 to April 2023, to eligible residential and commercial accounts. Upon receipt of funds from DOA, GPA will apply the appropriate credit to eligible residential and commercial accounts.

You Deserve A Rebate. Apply Online Now.

Applying online has helped many of our customers! Since our Online Rebates Application launch in mid-August, we have received approximately 1,684 applications online.

Data as of November 30th, 2022.

Scan the QR code to apply online now.

Take a Deeper Dive into the LEAC

The Guam Public Utilities Commission (GPUC) regulates and sets Guam Power Authority's electric power rates or tariffs. GPA must petition the GPUC in order to change its rates.

Two components comprise GPA electric power rates: a fixed base rate and variable fuel rate components. Part of GPA's budget is made up of items such as debt service, maintenance, labor, insurance and other costs that are reasonably predictable. This predictable portion of GPA's budget is funded by **fixed base rates.** Another part of GPA's budget is expended on fuel costs which are highly susceptible to wide market fluctuations. This difficult-to-predict portion of GPA's budget is funded by a **variable fuel rate** that is normally adjusted bi-annually but can be adjusted more frequently as needed.

Prior to 1999, GPA reset its fuel rate on a monthly basis to reflect current market conditions. In 1999, **GPA adopted a Levelized Energy Adjustment Clause (LEAC) to enable fuel costs to be set on a bi-annual basis.** Simply put, LEAC is the fuel consumption and related costs. The LEAC allows market price fluctuations to be spread over a six-month period. It also provides increased consistency to customer bills. It is a revenue neutral mechanism to recover fuel costs.

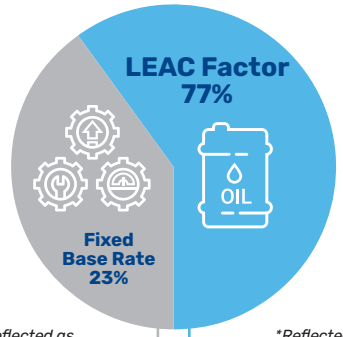
The largest line item is the fuel recovery charge or LEAC. The current LEAC factor accounts for over 75% of your current monthly bill. This surcharge is tied to the price of oil and is a pass through cost. Every six months a schedule of fuel costs is provided to the GPUC to enable the LEAC rate to be reset.

What is an under-recovery? An under -recovery means not enough money was collected to pay the price of fuel during a previous LEAC period. This is the amount paid to the fuel supplier not yet collected from customers. So if the price of fuel is too high, and the surcharge cannot cover the cost, that leads to under-recovery.

What is over-recovery? An over-recovery means the fuel surcharge is higher during a LEAC period than what the price of the fuel actually cost, therefore the surcharge may be lowered to off-set the difference or may be maintained to recover prior periods' under-recovered fuel costs.

Scan the QR code to learn more about the fuel recovery cost (LEAC)

Cost Breakdown of Your Current Monthly Bill

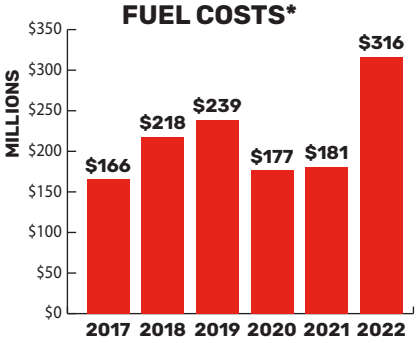


*Reflected as **Energy Charge** on monthly bill.

*Reflected as **Fuel Recovery Charge** on monthly bill.

*Based on approved fuel recovery charge or LEAC rate of $0.318576, effective Nov. 1, 2022.

FUEL COSTS*



*Note: FY2022 Fuel cost figure as of September 30, 2022, pending final audit.

Guam Power Authority Approved LEAC Rates

Effective Dates	Fuel Recovery Rate
8/1/2018 - 1/31/2019	$ 0.154242
2/1/2019 - 7/31/2019	$ 0.154242
8/1/2019 - 1/31/2020	$ 0.154242
2/1/2020 - 3/31/2020	$ 0.134474
4/1/2020 - 5/31/2020	$ 0.110039
6/1/2020 - 1/31/2021	$ 0.086800
2/1/2021 - 7/31/2021	$ 0.110000
8/1/2021 - 9/30/2021	$ 0.130400
10/1/2021 - 11/30/2021	$ 0.150800
12/1/2021 - 1/31/2022	$ 0.171458
2/1/2022 - 3/31/2022	$ 0.180837
4/1/2022 - 6/30/2022	$ 0.209552
7/1/2022 - 8/31/2022	$ 0.251638
9/1/2022 - 10/31/2022	$ 0.296043
11/1/2022 - 1/31/2023	$ 0.318576

GPA lowered LEAC rate when oil price dropped and during the global COVID-19 pandemic.

GPA being in under-recovery due to the COVID-19 pandemic.

LEAC rates rising due to the ongoing Russia/Ukraine war and inflation.

GPA Celebrates National Apprenticeship Week



GPA Apprentices and their mentors gathered together on Monday, November 14, 2022, to kick-off the 8th Annual National Apprenticeship Week. Apprenticeship Week is a nationwide celebration where industries showcase and recognize, the value and success of their Registered Apprenticeship programs. Due to the difficulty of filling highly-skilled positions, apprenticeship programs were created to address attrition rates and maintain a skilled workforce. In doing so, these programs utilized on-the-job training and academics - as an industry-driven training model, which provides a pipeline of critical talent that is essential to addressing workforce challenges. GPA has remained proactive by training apprentices in areas of Line Installer-Repairer – Underground and Overhead, Substation Electrician, and Relay Technician.

Since the inception of the first Apprenticeship program in 1993, GPA has graduated 97 apprentices. For the first time in GPA history, there are two apprenticeship cycles running concurrently with expected graduation dates in 2023 - 2024. Thanks to the success of the apprenticeship program there are hopes of having additional cycles in the future.

In celebration of National Apprenticeship week and the theme of "Build The Future", GPA recognized 32 apprentices and their mentors; with some mentors as previous graduates of the apprenticeship program.

We sincerely thank our Apprentices for all their hard work, contribution, and dedication to the Authority.



GPA Receives Two APPA Excellence in Public Power Communications Awards

The award was presented to Joyce Sayama, communications manager, GPA, center, and Candice Ananich, management analyst, GPA, right, by Palma Lough, APPA Customer Connections Conference section vice chair and member relations and training manager at Oklahoma Municipal Power Authority, left.

Guam Power Authority received two Excellence in Public Power Communications Awards from the American Public Power Association (APPA) during the APPA Customer Connections Conference on November 14-15, 2022, in Minneapolis, Minnesota.

GPA received the Award of Merit in the print and digital category for its Customer Service Directory and the Award of Excellence in the video category for its Clean Energy Master Plan animated video. GPA was recognized alongside 49 public power utilities and utility organizations.

Joyce N. Sayama, Communications Manager at Guam Power Authority, attended the conference and received the award for GPA. She said, "We are proud to receive these two awards on behalf of our customers. The two pieces that won awards — GPA's Customer Service Directory, part of our monthly print & digital newsletter, and the animated Clean Energy Master Plan video — were designed with our customers in mind. We created these tools to connect them to services we provide and share insight about our ongoing work to develop Guam's renewable energy future. The awards will be displayed at the Fadian executive lobby for everyone to view."

A Holiday Student Energy-Saving Tip

"Christmas break is full of enjoyable moments as well as memories being made. We get so lost in the moment that we don't realize how much power we're wasting. You can prevent wasting power by turning off Christmas lights during the day, unplugging all the certain things that aren't being used, keep the doors and windows closed when the air conditioning is on, and turn off all the regular lights when you exit a room. It's pretty easy to do when you think about saving the environment. Saving energy creates a healthier environment, and who wouldn't want to live in a healthy environment? It's helpful in so many ways, so why not try?!"

Genelle Camacho, Mr. Lazaga's Robotics Class, Benavente Middle School

GPA Employees Deliver Holiday Cheer to Harvest House for Guam's Foster Children

Just in time for the holidays, Guam Power Authority's employees delivered boxes of holiday gifts to Harvest House, a nonprofit organization that supports and advocates for Guam's foster families. On December 14, GPA's public power outreach committee members delivered about **600** items to brighten the holidays for the children.

Acting GPA General Manger Tricee Limtiaco said, "Harvest House expressed a need for gifts and supplies for our island's foster children and families for the holidays, and our team enthusiastically answered the call. Our recent Public Power Week canned food drive was a great success, and our GPWA employees extended the celebration to include the Harvest House gift drive. Each department collected donations of new toys and gifts and gathered together to package and deliver the gifts to Harvest House in time for the holidays. I am very proud of what they have accomplished together to benefit our island's most vulnerable."

The delivery included a wide variety of children's toys for all age groups, board games, puzzles, electronic gifts, sports equipment, clothing and slippers, blankets, social media v-logging items, arts and crafts supplies, backpacks, jewelry, nail and make-up kits, diapers, and other personal care supplies.



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.

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View your energy usage at myenergyguam.com

The Guam Power Authority has been serving Guam for 54 years. Contact us to let us know what updates and information we can provide to help you better understand the work we do; or ways we can better serve you. ***Email us at:*** customersfirst@gpagwa.com or send us a ***Direct Message*** on our Facebook.