Bringing Energy Solutions to You

Insights

A monthly newsletter for all GPA Ratepayers • Issue No.61 • April/May 2022

si Yu'us ma'åse

Lower Power Bills Improved Air Quality More Reliable Power

We thank Senator Joe San Agustin for introducing Bills 212 & 213, the Senators who supported the passage of these important bills, all ratepayers who supported GPA, especially the community of Piti, and Gov. Lou Leon Guerrero for signing Bills 212 & 213 into public law.

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 information and agendas, 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

Michael Limtiaco (Secretary)
T: (671) 888-6280
E: mlimtiaco671@gmail.com

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

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

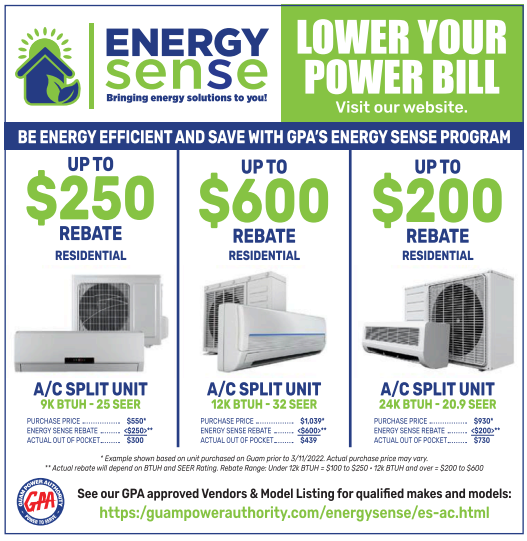
John M. Benavente, P.E.
(General Manager)
T: (671) 648-3225
E: jbenavente@gpagwa.com

To manage your account online, pay your bill or view your energy usage, go to paygpa.com.

ENERGY sense
Bringing energy solutions to you!

GPA Energy Sense partners with customers to provide energy solutions for lowering their power bills.

ENERGY SAVING TIPS TO REDUCE YOUR POWER BILL



HOME MAINTENANCE

- Check weather stripping around doors and windows. Replace or caulk cracks around windows and doors.
- Install door sweeps.
- Tint windows that face east and west side of home.
- Pressure wash roof every year. Use extreme caution when on the roof. DO NOT SPRAY POWER LINES!
- Use Garden spray nozzle to wash down debris off roof every 3 months.
- Apply a elastomeric or silicon reflective roof coating to reduce the amount of heat coming into your home.

ADDITIONAL TIPS

- Turn off unnecessary lights.
- Maximize natural light by keeping your windows clean.
- Unplug unused electronics.
- Take shorter showers and fix leaky faucets.
- Unplug desktop computer when not in use.
- Instead of electric range, use microwave, crock pot or toaster oven to save money.

Guam Public Utilities Commission (PUC) Approves LEAC Rate Increase, Effective April 1, 2022

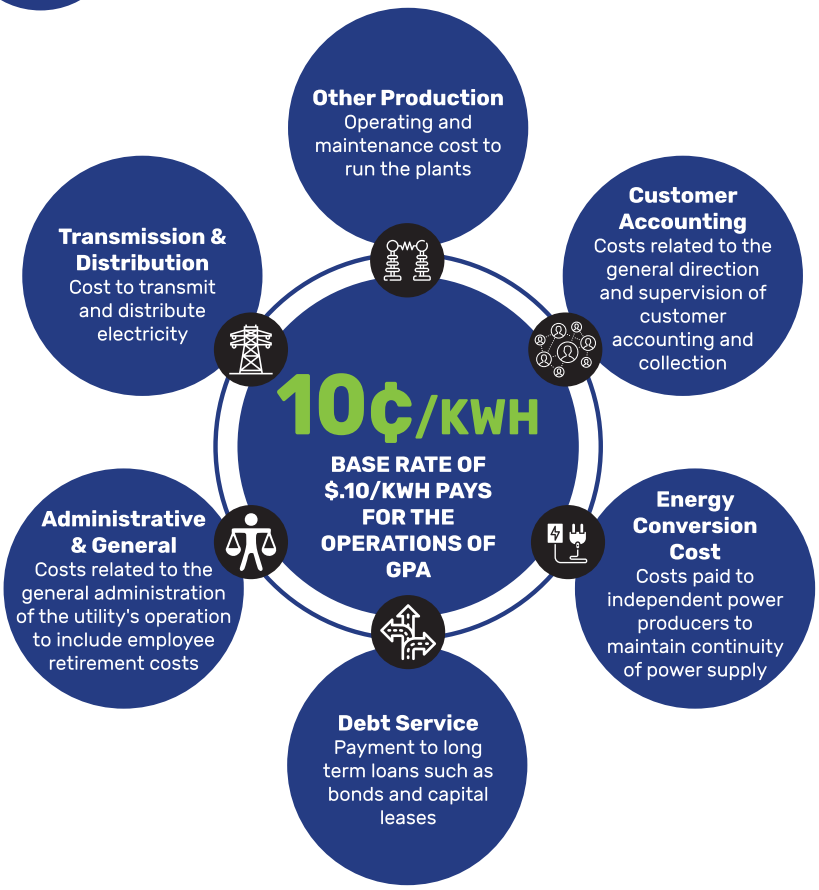
On Thursday, March 31, 2022 Guam PUC voted and approved an increase to the Levelized Energy Adjustment Clause (LEAC) rate or Fuel Recovery Surcharge on customer monthly power bills at $0.209552/kWh, effective April 1, 2022.

This is estimated to be about 10% increase in the total bill or about $29 more to pay in the monthly bills for the average residential customer. This increase on the overall GPA average residential customer bill is necessary to reduce the under-recovery of fuel costs incurred and to prevent further growth in the under-recovery balance.

Although GPA is not able to counter the impact of rising fuel cost today, its plan of building the proposed Ukudu Power Plant and the reserve 41MW power plant in Piti, which are considerably more fuel efficient will result in LEAC being about $0.13/kWh in 2024. This is significantly lower compared to the $0.209552/kWh today. The new plants play a vital role in GPA's long-term cost savings plan.

The base rate, remains at 10 cents and has not increased since 2015.

The new power plants play a vital role in GPA's long-term cost savings plan.





Gollai Hågun Suni

Taro leaves with coconut milk

Ingredients

20-30 taro leaves
1 cup coconut milk
1 tsp salt
1/2 onion, chopped
½ tsp black pepper
2 pieces (yellow) ginger (mango')

Directions

Boil 4 cups of water in a 4 quart pan. Chop taro leaves and add to boiling water. Add seasoning, salt, black pepper, onions and ginger. Continue cooking for about 5 minutes. Add coconut milk and reduce heat. Let simmer for about 3 to 5 minutes. Add Chamorro hot pepper, if desired.

Updates

GPA's Clean Energy Master Plan (Integrated Resource Plan or IRP)
The Plan has been approved by the CCU and forward to the Guam Public Utilities Commission (PUC) for their review. GPA anticipates discussions with PUC and its consultants as this is GPA's roadmap over the next 20 years. The plan identifies how, as a utility, GPA plans to meet Guam's future electricity needs. While no new conventional generation is expected to meet future demands GPA will continue to monitor load growth and evaluate the future state of older generating units as the Authority pursues 50% Renewable Portfolio Standard by 2030, by adding about 400MW of additional solar PV renewables. The IRP provides a portfolio of about $230M in projects and initiatives for integration of renewables. It discusses optimization of infrastructure to enhance operations and improve costs. It evaluates demand side management programs to assist in managing peak loads.

Phase II Renewables Project
All photovoltaic (PV) panels have been installed at the KMS 60-megawatt Mangilao Solar PV project. The project is 98.1% complete as of March 25, 2022. Commissioning and testing has started in April 2022 and commercial operation is now scheduled for June 2022. Ratepayers can look forward to the utility-scale, clean energy production and LEAC cost savings of over $1M per month.

Engineering design, permitting and site clearing and grading work is ongoing for the GPA's Hanwha 60-megawatt Malojloj Solar PV project. Site clearing and grading work was completed in March 2022. This solar PV plant is projected to come online at the end of 2023.

Phase III Renewables Projects
On January 27, 2022, the Superior Court of Guam has rendered a judgement in favor of GPA. GPA can now proceed forward towards awarding a contract to Engie Solar for phase III renewable energy resources. This project includes the installation of over 40 megawatts of solar photovoltaics and energy storage to shift delivery of the daytime produced energy to support GPA's evening peak loads. Negotiations of the contract is on-going between GPA and Engie. Contract requires CCU and PUC approval.

Piti Units 8&9 Slow Speed Diesel Units Conversion
Conversion of these slow speed diesel units to burn clean, ultra-low sulfur diesel fuel, to ensure compliance with the US EPA national emission standards continues. The station's sulfur dioxide (SO2) and carbon monoxide (CO) emissions will be reduced. Piti #8 & #9 are critical for GPA's system reliability, until the new 198-megawatt Ukudu Power Plant is commissioned in 2024. Conversion work is contracted and expected to be completed by July 31, 2022.

New Ukudu Baseload Power Plant
Engineering design and permitting work continues. Clearing and grading of Ukudu site is ongoing. Contractors have also been cleaning the existing fuel pipeline from Nimitz to Dededo for removal of the above-ground portions to prepare for installation of new power plant fuel pipelines. Over 60% of the pipeline has been cleaned through a pigging process and approximately 30% of the exposed pipeline has been removed.

Bill 213-36 is now law (Public Law 36-91), it allows GPA to relocate reserve diesel units for the Ukudu Plant units to Piti. The relocation would optimize the use of the units to support the GPA grid while allowing the main baseload plant to be permitted as minor source resource. While the project is pending financial close for major construction activities to begin, progress on permitting and design continues.

The new flexible and highly efficient 198-megawatt Ukudu Power Plant will support increasing renewable penetration for future load growth within the island-wide power system by April 2024.

GPA Refunding 2012 Series A Bonds
The Consolidated Commission on Utilities has determined that there exists an opportunity to refund and retire certain indebtedness of GPA to achieve debt service savings, and has determined that it is in the public interest for GPA to issue bonds for such purposes.

The issuance of the Refunding Bonds was approved by I Liheslaturan Guåhan as Public Law 36-80, and signed by the Governor on March 10, 2022.

GPA had a successful bond refinancing on April 12, 2022. This will generate up to $10 million of cash flow savings for seven years. Then, a savings of about $4.3 million for four years. For the following 10 years, the debt service for the extended period of the bonds will take effect.

Bond refinancing is one of several approaches to increase ratepayer savings and lower power bills. The overall savings plan includes reducing costs which includes but not limited to: The implementation of the Clean Energy Master Plant or IRP, having the new & efficient 198MW Ukudu Plant on-line, retiring the older power plants, and purchasing less fuel oil.

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 that we do; or ways we can better serve you. ***Write to us at:*** Guam Power Authority/P.O. Box 2977/ Hagåtña, Guam 96932; ***Attention:*** General Manager.