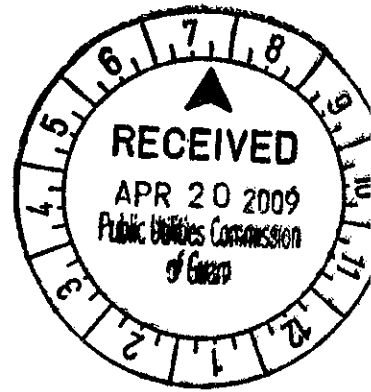


BEFORE THE PUBLIC UTILITIES COMMISSION
OF GUAM



GUAM POWER AUTHORITY
LEVELIZED ENERGY ADJUSTMENT
CLAUSE [LEAC]

DOCKET 02-04

ORDER

In accordance with the protocol established by Guam Public Utilities Commission [PUC] Order dated January 29, 1996, as amended by Order dated March 14, 2002, Guam Power Authority [GPA] by Emergency "LEAC filing dated April 7, 2009, requested that the current LEAC factor [\$0.157309 per kWh] for its civilian customers be decreased to \$0.13645 per kWh for meters read on and after May 1, 2009 and continuing until July 31, 2009.¹ This change reflects a 9.36% decrease in the total bill, or \$21.18, for a residential customer utilizing an average of 1,000 kilowatt hours per month.²

The basis for the LEAC filing is that fuel costs have decreased substantially in the last several months, and GPA desires to pass on some of the benefits of reduced fuel costs to customers, instead of waiting for the next LEAC adjustment which does not take effect until August 1, 2009.³ In a prior ORDER in this docket issued January 26, 2009, the Commission had recognized that a volatility factor of 7% should be added to the projected fuel prices in the determination of the LEAC factor.⁴ However, effective May 1, 2009, this volatility factor will no longer be included in the determination of the LEAC factor.⁵

Chairman Jeffrey C. Johnson has submitted a Report recommending that the PUC approve a decrease in the LEAC factor from the current \$0.15763 per kWh to \$0.13645 per kWh effective on all meters read on or after May 1, 2009.⁶

¹ Emergency Petition to Reduce the Levelized Energy Adjustment Clause [LEAC] Factor, by D. Graham Botha, Esq. GPA legal counsel, dated April 7, 2009.

² Id.

³ Id. at p. 1; pursuant to 12 GCA §12004, the Commission has the power to modify reasonable rates and charges for services.

⁴ Order in Docket 02-04, GPA LEAC Clause, dated January 26, 2009.

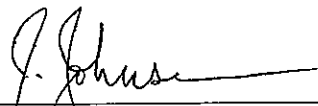
⁵ Representation by Randall Wiegand, CFO, to PUC Legal Counsel on April 14, 2009.

⁶ Report of Chairman Jeffrey C. Johnson Re: Emergency LEAC Petition dated April 14, 2009.

After carefully reviewing the record in this proceeding and after discussion at a duly noticed public meeting held on April 20, 2009, for good cause shown and on motion duly made, seconded and carried by affirmative vote of the undersigned Commissioners, the Guam Public Utilities Commission hereby **ORDERS THAT:**

1. A LEAC factor of \$0.13645 per kWh shall be used by GPA for all civilian bills, for meters read on and after May 1, 2009, to recover its forecasted fuel and related expenses in accordance with the Schedules appended hereto as *Attachment A*. This change reflects a 9.36% decrease in the total bill, or \$21.18, for a residential customer utilizing an average of 1,000 kilowatt hours per month.
2. Any assumptions accepted in this Order concerning the valuation of GPA's fuel inventory are only applicable until the end of the current LEAC period ending July 31, 2009.⁷
3. GPA is reminded of its duty to report to the PUC no later than May 1, 2009 on actions taken by it in response to the volatility of oil prices and the impact of the hedging program on the financial liquidity of GPA.

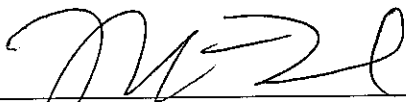
Dated this 20th day of April, 2009.



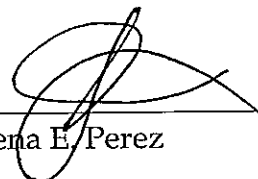
Jeffrey C. Johnson
Chairman



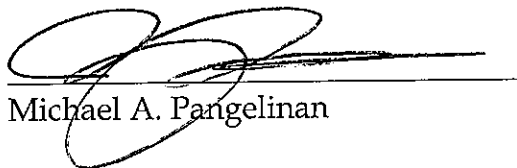
Filomena M. Cantoria



Joseph M. McDonald



Rowena E. Perez



Michael A. Pangelinan

⁷ See par. 3 of Order in Docket 02-04, GPA LEAC Clause, dated January 26, 2009.