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8 **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

9 IN THE MATTER OF:) **DOCKET NO. 10-01**
10 Guam Power Authority's Request to Issue) **PETITION FOR USE OF 2010 BOND**
11 GPA Revenue Bonds and Subordinate) **FUNDS**
12 Revenue Bond Financing)

13 **COMES NOW**, the GUAM POWER AUTHORITY (GPA), by and through its counsel
14 of record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's Petition for the Public Utilities
15 Commission of Guam to review and approve GPA's request for use of 2010 Bond Funds, as
16 follows:

17 **BACKGROUND**

18 Guam Power Authority previously received PUC approval on June 3, 2010, to issue up to
19 \$155 million in senior bonds for the purpose of financing new capital improvement projects.
20 The GPA 2010 bonds were issued, and pursuant to the PUC Order, GPA now requests that the
21 PUC approve the use of bond funds.

22 **DISCUSSION**

23 GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam
24 Power Authority to review and approve the use of bond funds. GPA seeks authorization to draw
25 down approximately \$6 million that represents the difference between the original loan amount
26 of the commercial paper loan and the balance of the loan at payoff, and represents a
27 reimbursement to GPA for the payments made on the loan. GPA also seeks authorization to
28 begin drawing down funds in conjunction with the Smart Grid project in the amount of
approximately \$17 million. GPA has previously submitted an extensive filing on the purpose

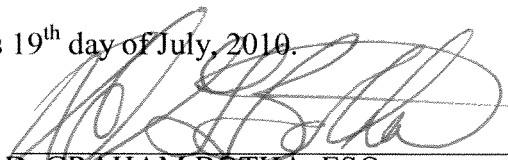
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1 and use of funds for the Smart Grid project. The PUC Order provides that GPA must obtain
2 prior approval of the new projects, as scheduled on Exhibit A to the Debt Order, before either
3 procurement can begin on the projects or before bond proceeds can be expended or committed
4 on them.

5 **CONCLUSION**

6 The PUC should approve GPA's request for approval of the use of bond funds, pursuant
7 to the PUC Order, as the proposed use of bond funds is reasonable, prudent, and necessary.

8 **RESPECTFULLY SUBMITTED** this 19th day of July, 2010.

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11 **D. GRAHAM BOTHA, ESQ.**
12 GPA Legal Counsel
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