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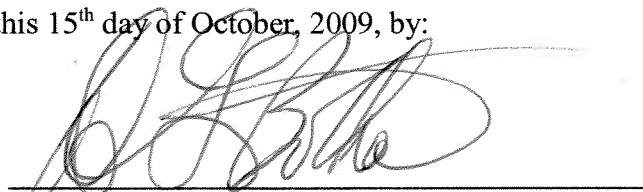
Attorney for the Guam Power Authority

BEFORE THE PUBLIC UTILITIES COMMISSION

IN THE MATTER OF) DOCKET NO.94-04
)
)
The Guam Power Authority's Filing)
of Quarterly Excess Bonds Status)
Reports)
)
)
_____)

COMES NOW, GUAM POWER AUTHORITY and hereby files GPA's Excess Bonds
Quarterly Status Reports for the GPA Integrated Resource Plan Development and Wind Study for
July to September 2009.

RESPECTFULLY SUBMITTED this 15th day of October, 2009, by:



D. GRAHAM BOTHA, ESQ.
Legal Counsel for the Guam Power Authority

COPY

Planned Completion - July 2008
Actual Completion - December 2, 2008

Progress Payment: \$ 24,490.67

Project Funding Balance: \$ 3,009.33

Wind Monitoring Tower Erection and Data Collection & Analysis

Contractor: Pending
Contract Amount: \$ 210,000.00 *(Estimated)*
Purchase Order: Pending

- Activities Completed:**
- Submitted temporary land lease request in December 2008 to Dept. of Agriculture for proposed tower sites in December 2008 via draft Memorandum of Understanding.
 - Completed draft of tower construction and data analysis procurement documents in November 2008. *(Final pending comments from Dept. of Agriculture as provisioned in proposed MOU.)*
 - Further investigation into land ownership shows GWA as property owner. GPA working with GWA on lease agreement.
 - Contract pending land lease approval.
 - Land Lease for wind meteorological tower siting was ratified by the Consolidated Commission on Utilities on April 28, 2009.
 - GPA released Request for Proposal for Wind Construction and Operation of Wind Meteorological Equipment for Wind Resource Assessment on May 11, 2009. Procurement activities included site visits and responses to vendor questions. Proposal submittal date is July 17, 2009.
 - **RFP closed on July 17, 2009. Price proposal was submitted on September 11th.**
 - **GPA continues evaluations of price proposal to initiate negotiations with most qualified vendor.**

Project Schedule:

Planned Start -	July 2008
<i>(CCU Approves Land Lease) -</i>	April 28, 20
Actual Start -	
<i>(Procurement Announcement)</i>	May 11, 2009
<i>(RFP Closed)</i>	May 11, 2009

Planned Completion – July 2009
Actual Completion –

Progress Payment: *Pending contract award.*

Procurement Documents Development & Support

Contractor: Winzler & Kelly/RWBeck
Contract Amount: \$ 150,123.10 (Awarded October 2008)
Purchase Order: 13035-OP

- Activities Completed:**
- PUC clarification of approved fund use received on October 3, 2008.
 - Coordinated consultant and project schedule.
 - Initiated kick off meeting with senior management on request for proposal framework
 - Drafted notice of intent for vendor outreach.
 - Initiated first draft of proposal scope of work and technical details.
 - Initiated outreach to over 40 vendors including vendors which have previously approached GPA on renewable energy and a developed listing from R.W. Beck. Also develop webpage for renewable acquisition information, related data, and progress:
 - Completed draft documents in March 2009.
 - CCU approved resolution on March 24, 2009 to submit draft bid documents under Procurement Protocol to PUC.
 - GPA submits petition for expedited review of bid documents to PUC On March 27, 2009.
 - Awaiting PUC review on bid documents for finalizing and announcing formal bid.
 - Several articles through outreach efforts were release including local media. GPA also updated the renewable webpage during acquisition progress.
 - GPA received GCG recommendations and PUC approval on April 20, 2009.
 - The multi-step bid was announced on April 30, 2009. To-date, GPA registered 36 potential bidders.
 - Procurement activities include a pre-bid conference and responses to questions. Bid closing date is July 14, 2009.
 - **Bid Closing Date was extended to September**

8, 2009. Committee is finalizing evaluation documents of three bids into presentation for GM and CCU review and recommendations.

Project Schedule: Planned Start - Dec 2008
 Actual Start - Dec 2008
 Planned Completion - Nov 2009
 Actual Completion -
Procurement Documents Completed - April 2009
Bid Closing Date - September 8, 2009

The following is an update to the bid schedule:

Milestone / Task	Start	Finish
Step Two - Determine Lowest Price Bid:		
Return & Resubmittal of Price Proposals	8/7/09	9/8/09
Open & Evaluate Price Proposals	9/9/09	10/6/09
Submit Recommendation to Management/CCU	10/7/09	10/23/09
Management/CCU Review and Approval	10/26/09	10/28/09
Conduct System Integration Studies	10/29/09	12/15/09
Contract Development	12/16/09	12/30/09
Contract Terms Negotiation	12/16/09	12/26/09
Recommend Contract Award	12/26/09	12/26/09
Final Mgmt Review/Approval - Contract	12/27/09	12/30/09
CCU Presentation & Approval	12/31/09	1/5/10
PUC Presentation & Approval	1/6/10	2/19/10
Contract Award Decision	2/19/10	2/19/10
Contract Signing	2/20/10	2/20/10

Progress Payment: \$ 129,673.16
Project Funding Balance: \$ 20,449.94

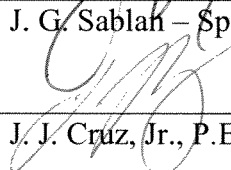
Note: See attached updated schedule for all projects and details on renewable resource procurement.

Prepared By:



J. G. Sablan – Special Projects Engineer, SPORD

Approved By:



J. J. Cruz, Jr., P.E. – Manager, SPORD

BOND FUNDS QUARTERLY REPORT

WIND STUDY (Renewable RFP Development and Wind Siting Study)
 Vendor: Winzler and Kelly
 Updated: 10/15/09

Project	Task No.	Task	P.O. Amount ¹	TOTAL	P.O. Balance
Renewable RFP	1	RFP Development	57,511.50	86,399.50	(28,888.00)
Renewable RFP	2	Vendor Outreach	23,588.80	26,385.03	(2,796.23)
Renewable RFP	3	Proposal Evaluation	57,122.80	4,988.63	52,134.17
Renewable RFP	4	Solar Siting Evaluation	11,900.00	11,900.00	-
		TOTALS	150,123.10	129,673.160	20,449.94

Project	Task No.	Task	P.O. Amount ¹	TOTAL	P.O. Balance
Wind Siting Study	1	Wind Siting Study	\$ 27,500.00	\$ 24,490.67	\$ 3,009.33

PUC Approved Excess Bond Use Amount²: \$ 400,000.00

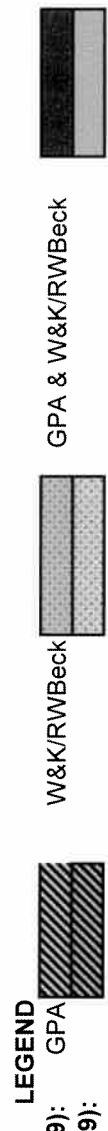
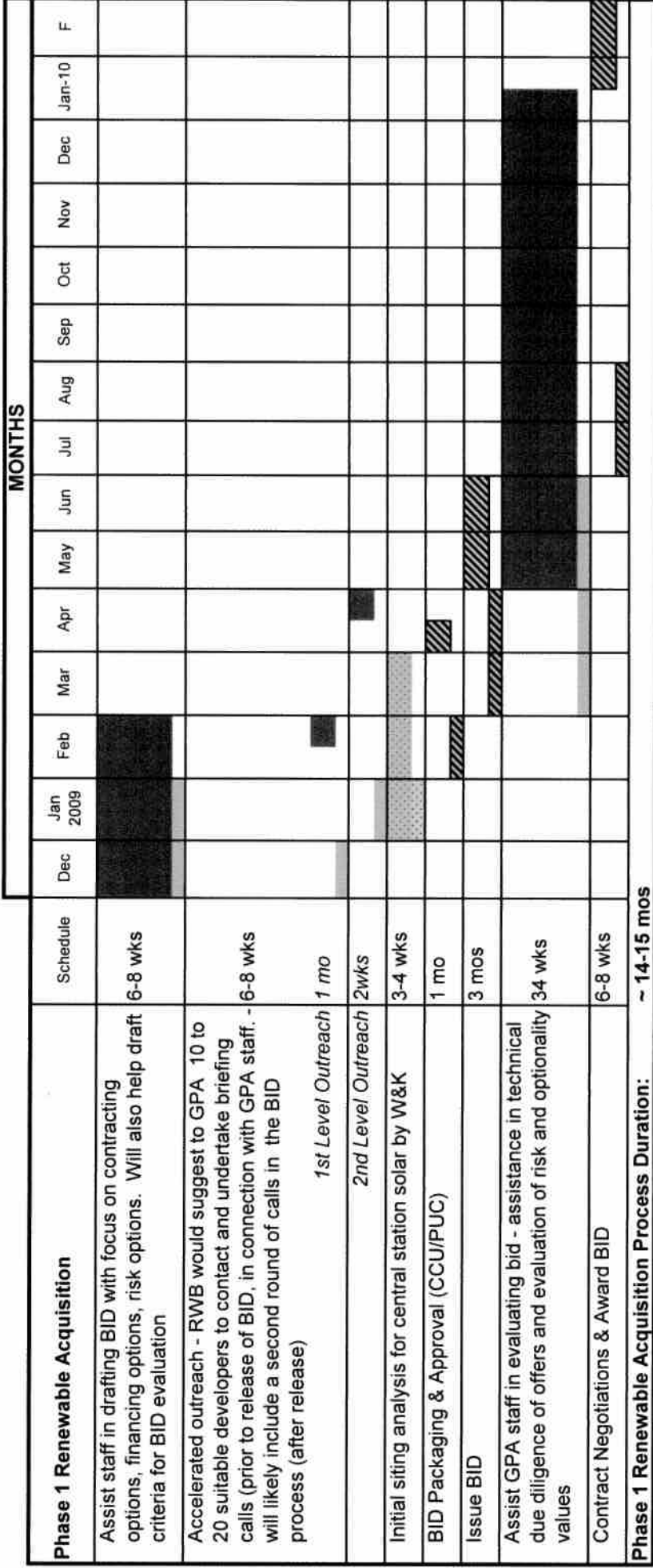
Total P.O. Amounts: 177,623.10

Balance of Approved Excess Bond Funds: 222,376.90

NOTES:

1. P.O. Amount is based on estimated contractual labor hours with not to exceed total purchase order amount as limit.
2. PUC approves GPA May27th request to use \$400,000 in Excess Bond Funds, reimbursable through LEAC in May 30, 2009 Order, Docket 02-4, for Wind Study including wind tower siting study and erection and development of renewable energy procurement documents.

GPA Renewable Acquisition Project Schedule

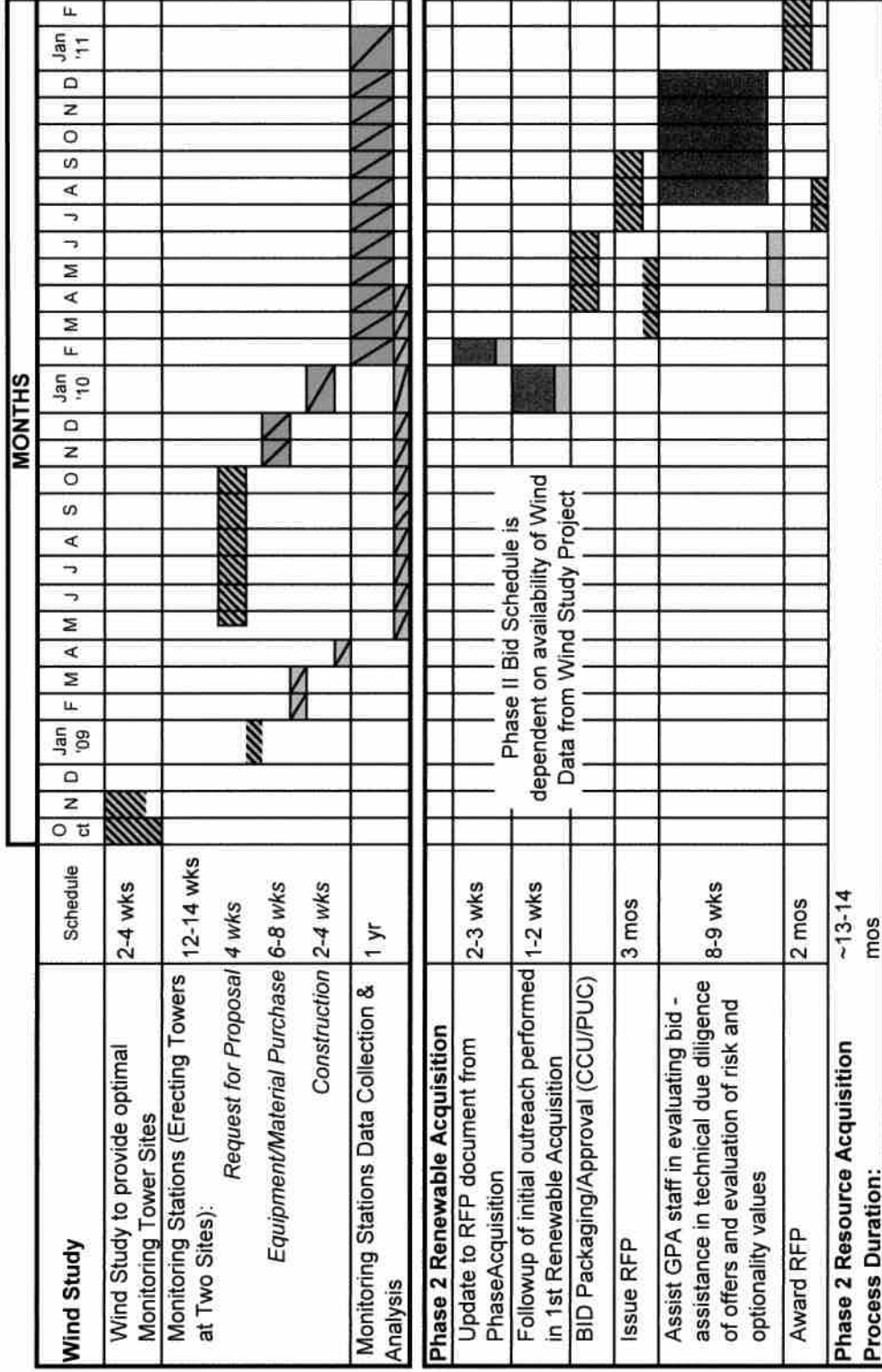


NOTES:

This schedule reflects the current bid process. Updates to the schedule include the following:

- * The bid was announced on April 30, 2009. (GPA received PUC approval on April 20)
- * GPA extends the bid closing date by 4 weeks to July 14. (Subsequent milestones are shifted as well.)
- * Total project is tracking 11-12 months (since initiating bid document development)

GPA Renewable Acquisition Project Schedule



LEGEND
 Updated Schedule (10/15/09): GPA
 Original Estimated Schedule (1/6/09): Contractor

- NOTES:**
1. Lease agreement is ratified by CCU on April 28, to site towers on GWA owned property as determined by real estate research.
 2. GPA announces the Request for Proposal for Wind Resource Assessment on May 11, 2009 (GPA-09-009). RFP submittal date is July 17, 2009.
 3. Phase 2 Renewable Acquisition Bid Evaluation period is extended 4 weeks to allow for system impact study.
 4. Total project estimate duration update is 13-14 months.

**QUARTERLY STATUS REPORT
(Excess Bond Funds)**

Report Date: October 15, 2009

Project: GPA Integrated Resource Plan Development
(FY 2007-2009 Tasks)

Business Units: 100091

Funding Source: Excess Bond Funds (79%)
O&M Funds (21%)

Project Description: This project involves engineering and technical services for the research of viable generation supply and customer (demand) side options including an analysis on capital costs, operation and maintenance costs, environmental concerns, fuel availability, and siting concerns for generation options and investment costs and savings calculations for demand side programs; evaluating assumptions for current and anticipated regulations (renewable portfolios and emission tax credits); setup of database for cost modeling; and other supporting research to develop an Integrated Resource Plan (IRP).

Contractor: Winzler & Kelly, Main Contractor
(R.W. Beck, Sub-Contractor)

Contract Amount: **\$ 343,156.79 FY 07-09 Total**
\$ 50,000.00 FY 07 O&M Funds (11753-OP)
\$ 34,441.24 FY 07 Excess Bond Funds (11753-OP)
\$ 215,558.76 FY 08 Excess Bond Funds (11992-OP)
\$ 22,161.09 FY 08 O&M Funds (11992-OP)
\$ 20,995.70 FY 09 Excess Bond Funds (13034-OP)
(Additional Request)

Activities Completed:

- GPA Project management, including tracking and processing of purchase order and invoices, progress update on tasks and schedules, and coordination of meetings;
- An update to generation supply options to include capital costs for liquefied natural gas (LNG) infrastructure upgrade;
- Addressed regulatory and legislative issues regarding IRP development including investigating impact on PURPA and EAct of 2005;
- Reviewed and updated customer side programs (Demand Side Management, DSM);
- Completed the setup and review of the modeling software (Strategist);
- Scrutinized the load and fuel forecasts;
- Researched specific environmental concerns for plant siting at the Cabras area;
- Conducted four stakeholder meetings and a PUC briefing for community involvement and update on the IRP development;
- Developed assumptions regarding anticipated emissions and renewable regulations;
- Initiated further research into solar, wind, geothermal and synthetic gas (IGCC) supply side options, review of military studies and load impact, new acquisition options; and
- Review and comment on GPA draft plan.
- Reviewed PUC consultant comments received 9/17/08 and received approval for additional funds for consulting support to address issues/concerns raised.
- Initiated discussions and runs for further investigations on LNG fuel strategy.
- Received PUC approval on IRP draft in December 2008 with implementation conditions under Memorandum of Understanding signed December 2008
- Pending further review of LNG fuel strategy and submittal of addendum to the IRP addressing MOU concerns.
- GPA initiates Wind Resource Assessment and Renewable Resource procurement as part of the Wind Study project. Progress details are on Wind Study Excess Bond Funds report.

- **No IRP activity in July – September 2009 period. Refer to WIND STUDY Excess Bond Funds report for implementation progress.**

Project Schedule:

Actual Start :	July 9, 2007
Excess Bond Use Approval:	August 13, 2007
Additional Excess Bonds Approval:	October 3, 2008
Planned Draft Completion:	March 2008
Actual Draft Completion: <i>(Draft submitted to PUC)</i>	June 12 2008
PUC Comments Received:	Sept. 17, 2008
Planned Final Completion:	June 2008
Actual Completion: <i>(PUC approves IRP with MOU)</i>	Dec 2008
Actual FINAL Completion: <i>(IRP Addendum addressing MOU concerns)</i>	

Completed to Date: 99%


Progress Payment:

\$ 72,162.09	O&M Funds
\$ 250,000.00	Excess Bond Funds
\$ 19,642.00	Excess Bond Funds <i>(Additional Request)</i>

Project Funding Balance: \$ 1,353.70 Excess Bond Funds

See summary spreadsheet attached.

Prepared By:



 J. G. Sablan – Special Projects Engineer, SPORD

Approved By:



 J. J. Cruz, Jr., P.E. – Manager, SPORD

BOND FUNDS QUARTERLY REPORT

Integrated Resource Plan - Project Costs Summary (FY07-08)
 Vendor: Winzler and Kelly
 Updated: 10/15/09

Task	Description	Project Original Est. (FY07-FY08)	FY 2007 Invoices (1)			Updated Total Project Est. (FY07-FY08) ⁽²⁾	Amended FY 2008 Budget Amount	FY 2008 Invoices Paid to Date	PERCENT COMPLETE
			Invoices (O&M Funds)	Invoices (Excess Bond Funds)	Total Invoices				
101	Review of Proposed PURPA Legislation	15,132.70	12,010.80	-	12,010.80	-	-	100%	
102	Review Current IRP Database	19,192.80	2,666.40	-	2,666.40	32,709.60	32,709.60	100%	
103	Provide DSM Parameters	37,984.10	17,510.90	-	17,510.90	37,336.20	37,336.20	100%	
104	Update Supply Side Options	9,528.20	-	-	-	13,114.20	13,114.20	100%	
105	Facilitate Stakeholder Process	80,676.20	15,961.28	-	15,961.28	103,667.17	103,667.17	100%	
106	Review Letter Report	15,037.00	-	-	-	2,943.60	2,943.60	99%	
107	White Paper on Impacts of 2005	17,278.80	1,850.62	1,261.83	3,112.45	-	-	100%	
108	Project Management	17,770.80		13,473.46	13,473.46	20,726.28	20,726.28	100%	
109	Regulatory and Legislative Support	18,000.40		19,705.95	19,705.95	5,636.40	5,636.40	100%	
110	Environmental Issues	19,213.00		-	-	13,979.35	(4)	100%	
113	Wind Study Discussion & Development	-		-	-	976.80	976.80	100% ⁽⁶⁾	
114	Integrated Gasification Combined Cycle (IGCC) Research	-				2,505.80	2,505.80	100%	
115	Central Stat PV Power Plant Research	-				4,001.80	4,001.80	100%	
116	Review Military Planning Impacts	-				6,520.80	6,520.80	100%	
117	New Acquisition Discussion	-				7,581.20	7,581.20	100% ⁽⁵⁾	
		249,814.00	50,000.00	34,441.24	84,441.24	237,719.85 ⁽³⁾	237,719.85	98% ⁽⁷⁾	

FY 2007-2008 Invoices Total: \$ 322,161.09⁽⁸⁾
 Anticipated Invoices for FY 2009 (Pending): \$ 50,000.00⁽⁹⁾

NOTES:

- (1) GPA initiated the IRP tasks above in July 2007 using O&M Funds totaling \$50K. Public Utility Commission approval for use of Excess Bond Funds was granted on August 13, 2007. The FY 2007 purchase order was increased by \$35K using Excess Bond Funds (only \$34,441.24 of Bond Funds was invoiced and paid in FY 2007)
- (2) In Feb 2008 the project estimates were updated to reflect additional costs associated with ongoing work in addressing stakeholder concerns, additional research into Liquefied Natural/Synthetic Gas options, database review and development that were near or exceed initial estimates. The costs were again updated in May 2008 to include the initial research and technical review of Tasks 113 - 118. (Further Wind Study work will be done in another purchase order).
- (3) The original purchase order amount for FY 2008 of \$215,558.76 was increased with O&M funds by \$22,161 before closing with this final P.O. amount.
- (4) This portion of the tasks is being paid through a Memorandum of Understanding with Marianas Electric Company.
- (5) This is the final total of FY 08 invoices paid.
- (6) This includes the initial discussions for wind farm siting requirements and vertical axis turbines review. The Wind Monitoring Station is a new task that will be tracked separately as Wind Study.
- (7) These tasks were to provide support relative to the completion of Integrated Resource Plan. The document was submitted to Guam Public Utilities Commission on June 12, 2008.
- (8) Purchase orders for FY 2007 and FY 2008 have been closed. Additional IRP charges will be billed against current purchase order (see FY 09 Summary)
- (9) PUC approved additional Excess Bond Funds on Oct. 3, 2008 to address PUC Consultant concerns on comments received September 17, 2008. See FY 2009 Summary for the expense summary.

BOND FUNDS QUARTERLY REPORT

Integrated Resource Plan - Project Costs Summary (FY09)
 Vendor: Winzler and Kelly
 Updated: 10/15/09

Task	Description	Project Estimate (FY 09)	FY 2009 Invoices Paid to Date	PERCENT COMPLETE
09-0101	Further analysis into fuel diversification	6,369.60	6,741.88	90%
09-0102	LNG Facility Capital Investment analysis	4,131.70	4,184.28	90%
09-0103	Evaluation of GPA Involvement in Guam Sea Water Air Conditioning (GSWAC) Project	4,193.80	3,289.00	0%
09-0104	Evaluation of cost impact (additional generation costs only)	6,300.60	5,426.85	90%
		20,995.70 ¹	19,642.00 ²	90%

FY 2007-2008 Invoices Total: 322,161.09
FY 2009 Invoices Total: 19,642.00
Total Invoices To Date: 341,803.09

NOTES:

- (1) PUC approved additional Excess Bond Funds on Oct. 3, 2008 up to \$50K to address additional concerns. This is the current P.O. amount based on initial tasks.
- (2) This is total invoice amounts thru December 2008 paid to date. No additional invoices pending at this time.