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*Attorney for the Guam Power Authority*

**BEFORE THE PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF	)	DOCKET NO.94-04
	)	
The Extension of the Performance	)	GPA's NOTICE OF INTENT
Management Contract (PMC) for	)	TO EXTEND EXISTING PMC
Cabras Units 1 & 2	)	CONTRACT FOR CABRAS 1 & 2
_____	)	

**COMES NOW**, GUAM POWER AUTHORITY and hereby files CCU Resolution 2008-31, a copy of which is attached hereto as Exhibit "A". GPA intends to extend the PMC Contract with Taiwan Electrical & Mechanical Engineering Services (TEMES) for an additional six-month period ending June 30, 2009. GPA is currently preparing a revised procurement package, which it estimates will not be complete until February-March 2009. GPA believes that it is prudent for TEMES to continue with the plant management of Cabras 1 & 2.

**RESPECTFULLY SUBMITTED** this 28<sup>th</sup> of November, 2008, by:

\_\_\_\_\_  
D. GRAHAM BOTHA, ESQ.  
Guam Power Authority Legal Counsel

COPY



**CONSOLIDATED  
COMMISSION ON UTILITIES**

Guam Power Authority • Guam Waterworks Authority  
P.O. BOX 2977 • Agana, Guam 96932

**RESOLUTION NO. 2008-31**

**RESOLUTION RELATIVE TO THE THIRD EXTENSION OF THE PERFORMANCE  
MANAGEMENT CONTRACT (PMC) FOR CABRAS UNITS 1&2 POWER PLANT**

**WHEREAS**, the PMC contract to Taiwan Electrical & Mechanical Engineering Services (TEMES) that expired on December 31, 2007 was extended by mutual agreement under the provisions of the original contract for a six-month period ending June 30, 2008, and was further extended a second six-month ending December 31, 2008; and

**WHEREAS**, the Authority cancelled the Intent to Award notice (Multi-step Bid GPA 13-07) to TEMES for a new performance management contract for Cabras 1&2 power plant based on the findings and recommendations issued on September 30, 2008 by the Office of the Internal Auditor (Appeal OPA-PA-08-04) after its review of a procurement protest lodged by one of the bidders; and

**WHEREAS**, the Authority is currently preparing a revised procurement package for a performance management contract for Cabras 1&2, but estimates that the bid announcement, receipt, evaluation, and award process will not be completed until the February-March 2009 period; and

**WHEREAS**, the six-month extension of this performance management contract for Cabras 1&2 is estimated to cost about \$1,000,000 in management fees and \$700,000 in plant operations and maintenance costs, both amounts exceed the delegated approval authority of the General Manager; and

**WHEREAS**, GPA Management recognizes the value of TEMES' knowledge and experience with the scope of work and the established relationships with the services and materials contractors involved with plant operations and maintenance, Management believes it prudent for GPA to allow TEMES to continue with the plant management of Cabras 1 & 2 power plants for another six-month period ending June 30, 2009;

NOW, THEREFORE, **BE IT RESOLVED**, by the CONSOLIDATED COMMISSION ON UTILITIES, the GOVERNING BODY of the GUAM POWER AUTHORITY as FOLLOWS:

1 The Consolidated Commission on Utilities hereby directs the GPA General Manager to  
2 negotiate an extension of the Performance Management Contract (PMC) for Cabras 1&2  
3 power plant with the Taiwan Electrical & Mechanical Engineering Services to provide  
4 management and operations for both plants, totaling an estimated \$1,000,000 in management  
5 fees and \$700k in plant operations, not to exceed six months from January 1, 2009 through  
6 June 30, 2009.

7  
8  
9 RESOLVED, THAT THE CHAIRMAN OF THE COMMISSION CERTIFIES AND  
10 THE SECRETARY OF THE COMMISSION ATTESTS THE ADOPTION OF THIS  
11 RESOLUTION.

12  
13 DULY AND REGULARLY ADOPTED THIS 24<sup>th</sup> DAY OF NOVEMBER 2008.

14  
15  
16 Certified by:

Attested by:

17  
18 

19 SIMON A. SANCHEZ II  
20 CHAIRMAN



21 GLORIA B. NELSON  
22 SECRETARY

23 **SECRETARY'S CERTIFICATION**

24  
25 I, GLORIA B. NELSON, Secretary, Consolidated Commission on Utilities, hereby certifies as  
26 follows;

27  
28 The foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting of  
29 the members of the Consolidated Commission on Utilities of the Guam Power Authority duly  
30 and legally held at the meeting place thereof on November 24, 2008, at which meeting all of the  
31 said members had due notice and at which at least a majority thereof were present.

32  
33 At said meeting, said resolution was adopted by the following vote:

34  
35 Ayes 5

36  
37 Nays 0

38  
39 Abstention 0

40  
41 Absent 0



42  
43 Said original resolution has not been amended, modified, or rescinded since the date of its  
44 adoption, and the same is now in full force and in effect.

45  
46 SO CERTIFIED this 24<sup>th</sup> day of November 2008.

47   
48 GLORIA B. NELSON  
49 Secretary, Consolidated Commission on Utilities