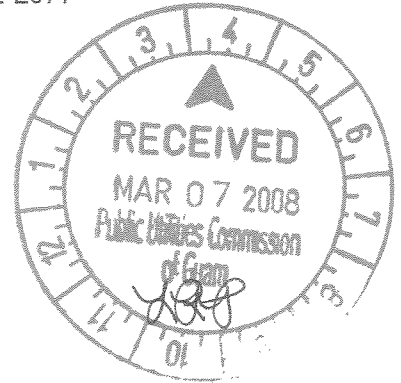




GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

07 March 2008



Mr. Harry Boertzel, Esq.
Administrative Law Judge
Guam Public Utilities Commission
Suite 207, GCIC Building
414 West Soledad Avenue
Hagatna, Guam 96910

Subject: Docket 94-04 General Matters
Ref: Monthly Financial Statements (December 2007 & January 2008)

Dear Mr. Boertzel:

Attached is the authority's Monthly Financial Statements for the months ending December 2007 & January 2008.

This is pursuant to a stipulation with the Public Utilities Commission of Guam – Administrative Docket “Contract Review Protocol for Guam Power Authority” - *Section 11: GPA shall file with PUC monthly financial reports within five working days of presentation of monthly financial reports to its governing body.*

Sincerely,

jr RANDALL V. WIEGAND
Chief Financial Officer

cc: GPA Central Files
Ms. Lou Sablan, Special Assistant to Executive
Mr. G. Botha, Staff Attorney
CFO 079 08

COPY

EXHIBIT A
DECEMBER 2007 MONTHLY
FINANCIAL STATEMENT

GUAM POWER AUTHORITY
Balance sheets

ASSETS	Unaudited December 2007	Unaudited September 2007	Change from Sept 30 2007
Utility plant at cost:			
Electric plant in service	\$ 820,224,530	\$ 819,361,627	\$ 862,903
Construction work in progress	<u>22,724,583</u>	<u>20,562,802</u>	2,161,781
	842,949,113	839,924,429	3,024,684
Less: Accumulated depreciation	<u>(312,483,776)</u>	<u>(305,851,417)</u>	(6,632,359)
Total utility plant at cost	<u>530,465,337</u>	<u>534,073,012</u>	<u>(3,607,675)</u>
Restricted funds			
Reserve funds held by trustee			
Revenue bonds	27,488,252	27,488,252	0
Self insurance fund	<u>1,468,555</u>	<u>1,292,936</u>	175,619
Total restricted funds	<u>28,956,807</u>	<u>28,781,188</u>	175,619
Funds identified for special purposes			
Interest and principal funds			
held by Trustee for debt repayment	8,439,462	18,696,315	(10,256,853)
Bond Funds held by Trustee	20,655,425	19,343,598	1,311,827
Reserve funds for LC (Fuel/others)	25,098	25,087	11
Reserve funds held by GPA			
Bond indenture funds held by GPA	<u>21,200,859</u>	<u>25,065,313</u>	(3,864,454)
Total cash reserves	<u>50,320,844</u>	<u>63,130,313</u>	(12,809,469)
Accounts receivable (net of allowance)	51,237,382	55,124,798	(3,887,416)
Materials and supplies	12,150,003	12,421,030	(271,027)
Fuel oil	40,711,690	33,583,554	7,128,136
Deferred fuel cost - current portion	1,686,757	0	1,686,757
Prepaid expenses	<u>988,572</u>	<u>791,208</u>	197,364
Total current assets	<u>157,095,248</u>	<u>165,050,903</u>	(7,955,655)
Other assets			
Long term notes receivable	21,358,674	21,358,674	(0)
Long term accounts receivable	4,276,352	4,276,352	0
Regulatory asset	3,970,992	3,970,992	0
Unamortized costs	6,316,317	6,411,618	(95,301)
Non current deferred fuel costs	2,141,464	2,141,464	(0)
Deferred asset	3,625,234	3,665,072	(39,838)
Other assets	<u>1,786,777</u>	<u>1,823,358</u>	(36,581)
Total other assets	<u>43,475,810</u>	<u>43,647,531</u>	(171,721)
Total Assets	<u>\$ 759,993,202</u>	<u>\$ 771,552,634</u>	<u>\$ (11,559,433)</u>

GUAM POWER AUTHORITY
Balance sheets

<u>LIABILITIES AND NET ASSETS</u>	<u>Unaudited December 2007</u>	<u>Unaudited September 2007</u>	<u>Change from Sept 30 2007</u>
Current liabilities			
Current portion, debt			
Revenue bonds, Series A	\$ 7,080,000	\$ 6,770,000	\$ 310,000
Accrued bond interest	5,442,901	10,570,649	(5,127,748)
Current obligation under capital lease	5,589,841	5,589,841	0
Accounts payable			
Operations & fuel oil	32,575,590	29,354,799	3,220,791
Accrued payroll & benefits	635,137	1,123,991	(488,854)
Current portion of employees' annual leave	249,228	185,982	63,246
Bid bond and customers' deposits	4,727,454	4,480,789	246,665
Interest payable on customers' deposit	702,158	701,718	440
Deferred credit - self insurance	1,067,706	1,337,850	(270,144)
Current portion, Deferred credit repurchase agreement	584,018	584,018	0
TCP- short term notes payable	20,000,000	20,000,000	0
Total current liabilities	<u>78,654,033</u>	<u>80,699,637</u>	<u>(2,045,604)</u>
Deferred credit - repurchase agreement (less current portion)	12,702,383	12,848,387	(146,004)
Employee annual leave, less current portion	2,065,107	2,065,107	0
Unfunded retirement deferred contributions	9,105,058	9,105,058	0
Obligation under capital lease (less current portion)	131,480,166	132,985,820	(1,505,654)
Long term debt, less current maturities	368,042,247	374,825,390	(6,783,143)
Total liabilities	<u>602,048,994</u>	<u>612,529,399</u>	<u>(10,480,405)</u>
Commitments and contingencies			
Net assets			
Invested in capital assets, net of related debt	18,989,069	14,648,492	4,340,577
Restricted	48,029,534	52,815,772	(4,786,238)
Unrestricted	90,925,604	91,558,969	(633,365)
Total net assets	<u>157,944,207</u>	<u>159,023,233</u>	<u>(1,079,026)</u>
Total liabilities and net assets	<u>\$ 759,993,202</u>	<u>\$ 771,552,634</u>	<u>\$ (11,559,433)</u>

GUAM POWER AUTHORITY
Statement of Revenues, Expenses and Changes in Net Assets

	December 31, 2007		% of change Inc (dec)	Three Months Ending December 31		% of change Inc (dec)
	Unaudited 2007	Unaudited 2006		Unaudited 2007	Unaudited 2006	
Revenues						
Sales of electricity	\$ 29,021,468	\$ 25,720,418	13	\$ 84,058,223	\$ 75,056,549	12
Miscellaneous	133,141	287,546	(54)	406,289	689,620	(41)
Total revenues	29,154,609	26,007,964	12	84,464,512	75,746,169	(29)
Operating and maintenance expenses						
Production fuel	17,808,848	14,428,158	23	51,259,961	42,306,007	21
Other production	1,353,638	1,285,817	5	4,207,341	4,332,965	(3)
	<u>19,162,486</u>	<u>15,713,975</u>	22	<u>55,467,302</u>	<u>46,638,972</u>	19
Depreciation	2,229,330	2,202,855	1	6,688,175	6,653,891	1
Energy conversion cost	1,540,397	1,540,356	0	4,717,500	4,485,254	5
Transmission & distribution	786,312	744,609	6	2,041,979	2,257,174	(10)
Customer accounting	290,592	238,686	22	889,490	740,043	20
Administrative & general	<u>1,534,035</u>	<u>1,845,342</u>	(17)	<u>5,103,657</u>	<u>5,493,855</u>	(7)
Total operating and maintenance expenses	25,543,152	22,285,823	15	74,908,103	66,269,189	13
Operating income	3,611,457	3,722,141	(3)	9,556,409	9,476,980	1
Other income (expenses)						
Interest income	314,536	329,243	(4)	944,806	916,738	3
Interest expense	(3,266,188)	(3,271,590)	(0)	(9,801,358)	(9,766,253)	0
Allowance for funds used during construction	50,984	43,383	18	142,940	128,673	11
COLA/Supplemental annuities	(242,295)	0	N/A	(1,489,837)	(1,037,650)	N/A
Inventory losses	0	0	N/A	0	0	N/A
Gain on regulatory asset	0	0	0	0	0	0
Losses due to typhoon/earthquake	0	708,346	N/A	0	737,416	0
Other	(143,998)	(136,346)	6	(431,994)	(409,038)	6
Total other income (expenses)	(3,286,961)	(2,326,964)	41	(10,635,443)	(9,430,114)	13
Income (loss) before capital contributions	324,496	1,395,177	(77)	(1,079,034)	46,866	(2,402)
Capital contributions	0	0	N/A	0	78,147	N/A
Increase (decrease) in net assets	324,496	1,395,177	(77)	(1,079,034)	125,013	(963)
Total net assets at beginning of period	157,619,703	148,835,528	N/A	159,023,233	150,105,692	6
Total net assets at end of period	\$ 157,944,199	\$ 150,230,705	5	\$ 157,944,199	\$ 150,230,705	5

Guam Power Authority
Statement of Cash Flows
December 31, 2007

	Month Ending <u>12/31/2007</u>	YTD Ending <u>12/31/2007</u>
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	\$29,154,609	84,464,512
Cash payments to suppliers and employees for goods and services	<u>26,310,877</u>	<u>72,270,498</u>
Net cash provided by operating activities	\$2,843,732	12,194,014
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	<u>314,536</u>	<u>944,806</u>
	314,536	944,806
Cash flows from non-capital financing activities		
Interest paid on short term debt	(98,288)	(307,517)
Funds for LC payments	(11)	(11)
Provision for self insurance funds	<u>160,908</u>	<u>(175,619)</u>
Net cash provided by noncapital financing activities	62,609	(483,147)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(633,744)	(3,080,492)
Principal paid on bonds and other long-term debt	-	(6,770,000)
Interest paid on bonds(net of capitalized interest)	50,984	(10,212,786)
Interest paid on capital lease obligations	(1,416,763)	(4,265,422)
Interest & principal funds held by trustee	(2,290,064)	10,256,853
Bond funds held by trustee	(439,150)	(1,311,827)
Additional grant from US Government	-	-
Principal payment on capital lease obligations	(506,930)	(1,505,654)
Debt issuance costs/loss on defeasance	<u>123,067</u>	<u>369,201</u>
Net cash provided by(used in) capital and related financing activities	(5,112,599)	(16,520,127)
Net (decrease) increase in cash and cash equivalents	(1,891,722)	(3,864,454)
Cash and cash equivalents, beginning	<u>23,092,582</u>	<u>25,065,313</u>
Cash and cash equivalents, December 31, 2007	<u>\$ 21,200,859</u>	<u>\$ 21,200,859</u>

Guam Power Authority
Statement of Cash Flows
December 31, 2007

	Month Ending <u>12/31/2007</u>	YTD Ending <u>12/31/2007</u>
Reconciliation of operating earnings to net cash provided		
by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	\$3,369,162	\$9,314,114
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	2,229,330	6,688,175
Other expense	(143,998)	(1,679,536)
(Increase) decrease in assets:		
Accounts receivable	400,167	3,887,416
Materials and inventory	94,782	271,027
Fuel inventory	(2,978,764)	(7,128,136)
Deferred fuel costs	(1,562,921)	(1,686,757)
Prepaid expenses	(59,839)	(197,364)
Long term notes receivable	-	-
Long term accounts receivable	-	-
Regulatory asset	-	-
Unamortized costs	7,652	22,956
Deferred asset	13,279	39,838
Other assets	95,947	36,581
Increase (decrease) in liabilities:		
Accounts payable-operations	1,812,594	3,220,791
Customers deposits	53,456	246,665
Accrued payroll and employees' benefits	162,640	(488,854)
Deferred credit-self insurance funds	(599,630)	(270,144)
Deferred credit repurchase agreement	(48,668)	(146,004)
Employees' annual leave,current portion	(1,457)	63,246
Net cash provided by operating activities	\$2,843,732	\$12,194,014

EXHIBIT B
JANUARY 2008 MONTHLY
FINANCIAL STATEMENT

GUAM POWER AUTHORITY
Balance sheets

ASSETS	Unaudited January 2008	Unaudited September 2007	Change from Sept 30 2007
Utility plant at cost:			
Electric plant in service	\$ 820,280,368	\$ 819,361,627	\$ 918,741
Construction work in progress	24,522,455	20,562,802	3,959,653
	844,802,823	839,924,429	4,878,394
Less: Accumulated depreciation	(314,677,631)	(305,851,417)	(8,826,214)
Total utility plant at cost	<u>530,125,192</u>	<u>534,073,012</u>	<u>(3,947,820)</u>
Restricted funds			
Reserve funds held by trustee			
Revenue bonds	27,488,253	27,488,252	1
Self insurance fund	1,473,325	1,292,936	180,389
Total restricted funds	<u>28,961,578</u>	<u>28,781,188</u>	<u>180,390</u>
Funds identified for special purposes			
Interest and principal funds			
held by Trustee for debt repayment	10,730,843	18,696,315	(7,965,472)
Bond Funds held by Trustee	20,714,433	19,343,598	1,370,835
Reserve funds for LC (Fuel/others)	25,098	25,087	11
Reserve funds held by GPA			
Bond indenture funds held by GPA	15,729,534	25,065,313	(9,335,779)
Total cash reserves	<u>47,199,908</u>	<u>63,130,313</u>	<u>(15,930,405)</u>
Accounts receivable (net of allowance)	50,827,223	55,124,798	(4,297,575)
Materials and supplies	12,436,729	12,421,030	15,699
Fuel oil	45,578,002	33,583,554	11,994,448
Deferred fuel cost - current portion	3,569,128	0	3,569,128
Prepaid expenses	1,046,030	791,208	254,822
Total current assets	<u>160,657,020</u>	<u>165,050,903</u>	<u>(4,393,883)</u>
Other assets			
Long term notes receivable	21,358,674	21,358,674	(0)
Long term accounts receivable	4,276,352	4,276,352	0
Regulatory asset	3,970,992	3,970,992	0
Unamortized costs	6,287,911	6,411,618	(123,707)
Non current deferred fuel costs	2,141,464	2,141,464	(0)
Deferred asset	3,611,955	3,665,072	(53,117)
Other assets	1,768,787	1,823,358	(54,571)
Total other assets	<u>43,416,135</u>	<u>43,647,531</u>	<u>(231,396)</u>
Total Assets	<u>\$ 763,159,925</u>	<u>\$ 771,552,634</u>	<u>\$ (8,392,710)</u>

GUAM POWER AUTHORITY
Balance sheets

<u>LIABILITIES AND NET ASSETS</u>	<u>Unaudited January 2008</u>	<u>Unaudited September 2007</u>	<u>Change from Sept 30 2007</u>
Current liabilities			
Current portion, debt			
Revenue bonds, Series A	\$ 7,080,000	\$ 6,770,000	\$ 310,000
Accrued bond interest	7,194,015	10,570,649	(3,376,634)
Current obligation under capital lease	5,589,841	5,589,841	0
Accounts payable			
Operations & fuel oil	34,332,265	29,354,799	4,977,466
Accrued payroll & benefits	989,599	1,123,991	(134,392)
Current portion of employees' annual leave	267,179	185,982	81,197
Bid bond and customers' deposits	4,690,483	4,480,789	209,694
Interest payable on customers' deposit	701,770	701,718	52
Deferred credit - self insurance	1,237,254	1,337,850	(100,596)
Current portion, Deferred credit repurchase agreement	584,018	584,018	0
TCP- short term notes payable	<u>20,000,000</u>	<u>20,000,000</u>	0
Total current liabilities	<u>82,666,424</u>	<u>80,699,637</u>	<u>1,966,787</u>
Deferred credit - repurchase agreement (less current portion)	12,653,715	12,848,387	(194,672)
Employee annual leave, less current portion	2,065,107	2,065,107	0
Unfunded retirement deferred contributions	9,105,058	9,105,058	0
Obligation under capital lease (less current portion)	130,968,123	132,985,820	(2,017,697)
Long term debt, less current maturities	368,141,199	374,825,390	(6,684,191)
Total liabilities	<u>605,599,626</u>	<u>612,529,399</u>	<u>(6,929,773)</u>
 Commitments and contingencies			
 Net assets			
Invested in capital assets, net of related debt	19,051,834	14,648,492	4,403,342
Restricted	48,623,202	52,815,772	(4,192,570)
Unrestricted	<u>89,885,262</u>	<u>91,558,969</u>	<u>(1,673,707)</u>
Total net assets	<u>157,560,298</u>	<u>159,023,233</u>	<u>(1,462,935)</u>
Total liabilities and net assets	<u>\$ 763,159,925</u>	<u>\$ 771,552,634</u>	<u>\$ (8,392,710)</u>

GUAM POWER AUTHORITY
Statement of Revenues, Expenses and Changes in Net Assets

	January 31		% of change Inc (dec)	Four Months Ending January 31		% of change Inc (dec)
	Unaudited 2008	Unaudited 2007		Unaudited 2008	Unaudited 2007	
Revenues						
Sales of electricity	\$ 28,893,058	\$ 23,795,512	21	\$ 112,952,173	\$ 98,852,061	14
Miscellaneous	150,123	52,713	185	556,432	742,333	(25)
Total revenues	29,043,181	23,848,225	22	113,508,605	99,594,394	(11)
Operating and maintenance expenses						
Production fuel	17,766,820	13,142,564	35	69,026,781	55,448,571	24
Other production	1,547,236	1,616,856	(4)	5,754,577	5,949,821	(3)
	19,314,056	14,759,420	31	74,781,358	61,398,392	22
Depreciation	2,229,407	2,201,991	1	8,917,582	8,855,882	1
Energy conversion cost	1,554,572	1,478,531	5	6,272,072	5,963,785	5
Transmission & distribution	678,156	701,660	(3)	2,720,135	2,958,834	(8)
Customer accounting	302,076	227,849	33	1,191,566	967,892	23
Administrative & general	2,326,989	1,853,049	26	7,430,646	7,346,904	1
Total operating and maintenance expenses	26,405,256	21,222,500	24	101,313,359	87,491,689	16
Operating income	2,637,925	2,625,725	0	12,195,246	12,102,705	1
Other income (expenses)						
Interest income	303,386	323,479	(6)	1,248,192	1,240,217	1
Interest expense	(3,247,462)	(3,263,355)	(0)	(13,048,820)	(13,029,608)	0
Allowance for funds used during construction	61,974	44,655	39	204,914	173,328	18
COLA/Supplemental annuities	0	0	N/A	(1,489,837)	(1,037,650)	N/A
Inventory losses	0	0	N/A	0	0	N/A
Gain on regulatory asset	0	0	N/A	0	0	N/A
Losses due to typhoon/earthquake	0	0	N/A	0	737,416	0
Other	(140,638)	(136,346)	3	(572,632)	(545,384)	5
Total other income (expenses)	(3,022,740)	(3,031,567)	(0)	(13,658,183)	(12,461,681)	10
Income (loss) before capital contributions	(384,815)	(405,842)	(5)	(1,462,937)	(358,976)	308
Capital contributions	0	601,714	N/A	0	679,861	N/A
Increase (decrease) in net assets	(384,815)	195,872	(296)	(1,462,937)	320,885	(556)
Total net assets at beginning of period	157,945,111	150,230,705	N/A	159,023,233	150,105,692	6
Total net assets at end of period	\$ 157,560,296	\$ 150,426,577	5	\$ 157,560,296	\$ 150,426,577	5

Guam Power Authority
Statement of Cash Flows
January 31, 2008

	Month Ending <u>1/31/2008</u>	YTD Ending <u>1/31/2008</u>
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	\$29,044,093	113,508,605
Cash payments to suppliers and employees for goods and services	<u>28,750,638</u>	<u>101,021,136</u>
Net cash provided by operating activities	\$293,455	12,487,469
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	<u>303,386</u>	<u>1,248,192</u>
	303,386	1,248,192
Cash flows from non-capital financing activities		
Interest paid on short term debt	(85,088)	(392,604)
Funds for LC payments	-	(11)
Provision for self insurance funds	<u>(4,770)</u>	<u>(180,389)</u>
Net cash provided by noncapital financing activities	(89,858)	(573,004)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(1,889,270)	(4,969,762)
Principal paid on bonds and other long-term debt	-	(6,770,000)
Interest paid on bonds(net of capitalized interest)	61,974	(10,150,812)
Interest paid on capital lease obligations	(1,411,648)	(5,677,070)
Interest & principal funds held by trustee	(2,291,381)	7,965,472
Bond funds held by trustee	(59,008)	(1,370,835)
Additional grant from US Government	-	-
Principal payment on capital lease obligations	(512,043)	(2,017,697)
Debt issuance costs/loss on defeasance	<u>123,067</u>	<u>492,268</u>
Net cash provided by(used in) capital and related financing activities	(5,978,309)	(22,498,436)
Net (decrease) increase in cash and cash equivalents	(5,471,326)	(9,335,780)
Cash and cash equivalents, beginning	<u>21,200,859</u>	<u>25,065,313</u>
Cash and cash equivalents, January 31, 2008	<u>\$ 15,729,534</u>	<u>\$ 15,729,534</u>

Guam Power Authority
Statement of Cash Flows
January 31, 2008

	Month Ending <u>1/31/2008</u>	YTD Ending <u>1/31/2008</u>
Reconciliation of operating earnings to net cash provided		
by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	\$3,120,014	\$12,434,128
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	2,229,407	8,917,582
Other expense	(382,933)	(2,062,469)
(Increase) decrease in assets:		
Accounts receivable	410,159	4,297,575
Materials and inventory	(286,726)	(15,699)
Fuel inventory	(4,866,312)	(11,994,448)
Deferred fuel costs	(2,121,253)	(3,808,010)
Prepaid expenses	(57,458)	(254,822)
Long term notes receivable	-	-
Long term accounts receivable	-	-
Regulatory asset	-	-
Unamortized costs	4,291	27,247
Deferred asset	13,279	53,117
Other assets	17,990	54,571
Increase (decrease) in liabilities:		
Accounts payable-operations	1,756,675	4,977,466
Customers deposits	(36,971)	209,694
Accrued payroll and employees' benefits	354,462	(134,392)
Deferred credit-self insurance funds	169,548	(100,596)
Deferred credit repurchase agreement	(48,668)	(194,672)
Employees' annual leave,current portion	17,951	81,197
Net cash provided by operating activities	<u>\$293,455</u>	<u>\$12,487,469</u>