



GUAM POWER AUTHORITY

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

14 April 2008

COPY

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 Statement – February 2008



Dear Mr. Boertzel:

Attached is the authority's Monthly Financial Statement for the month ending February 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,

RANDALL V. WIEGAND
Chief Financial Officer

cc: GPA Central Files
Ms. Lou Sablan, Special Assistant to Executive
Mr. G. Botha, Staff Attorney
CFO 109 08

GUAM POWER AUTHORITY
Balance sheets

ASSETS	<u>Unaudited February 2008</u>	<u>Unaudited September 2007</u>	<u>Change from Sept 30 2007</u>
Utility plant at cost:			
Electric plant in service	\$ 823,764,397	\$ 819,361,627	\$ 4,402,770
Construction work in progress	21,631,398	20,562,802	1,068,596
	845,395,795	839,924,429	5,471,366
Less: Accumulated depreciation	(316,562,352)	(305,851,417)	(10,710,935)
Total utility plant at cost	<u>528,833,443</u>	<u>534,073,012</u>	<u>(5,239,569)</u>
Restricted funds			
Reserve funds held by trustee			1
Revenue bonds	27,488,253	27,488,252	
	<u>1,476,851</u>	<u>1,292,936</u>	183,915
Self insurance fund			
Total restricted funds	<u>28,965,104</u>	<u>28,781,188</u>	183,916
Funds identified for special purposes			
Interest and principal funds			
held by Trustee for debt repayment	11,450,318	18,696,315	(7,245,997)
Bond Funds held by Trustee	20,756,989	19,343,598	1,413,391
Reserve funds for LC (Fuel/others)	25,098	25,087	11
Reserve funds held by GPA			
Bond indenture funds held by GPA	<u>14,043,401</u>	<u>25,065,313</u>	<u>(11,021,912)</u>
Total cash reserves	<u>46,275,806</u>	<u>63,130,313</u>	<u>(16,854,507)</u>
Accounts receivable (net of allowance)	47,184,956	55,124,798	(7,939,842)
Materials and supplies	12,559,636	12,421,030	138,606
Fuel oil	47,726,840	33,583,554	14,143,286
Deferred fuel cost - current portion	5,041,383	0	5,041,383
Prepaid expenses	<u>1,043,909</u>	<u>791,208</u>	<u>252,701</u>
Total current assets	<u>159,832,530</u>	<u>165,050,903</u>	<u>(5,218,373)</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	6,259,506	6,411,618	(152,112)
Non current deferred fuel costs	2,141,464	2,141,464	(0)
Deferred asset	3,598,675	3,665,072	(66,397)
Other assets	<u>1,790,135</u>	<u>1,823,358</u>	<u>(33,223)</u>
Total other assets	<u>43,395,798</u>	<u>43,647,531</u>	<u>(251,733)</u>
Total Assets	<u>\$ 761,026,875</u>	<u>\$ 771,552,634</u>	<u>\$ (10,525,759)</u>

GUAM POWER AUTHORITY
Balance sheets

LIABILITIES AND NET ASSETS	<u>Unaudited February 2008</u>	<u>Unaudited September 2007</u>	<u>Change from Sept 30 2007</u>
Current liabilities			
Current portion, debt	\$ 7,080,000	\$ 6,770,000	\$ 310,000
Revenue bonds, Series A	8,854,403	10,570,649	(1,716,246)
Accrued bond interest	5,589,841	5,589,841	0
Current obligation under capital lease			
Accounts payable	32,162,390	29,354,799	2,807,591
Operations & fuel oil	1,158,499	1,123,991	34,508
Accrued payroll & benefits	300,269	185,982	114,287
Current portion of employees' annual leave	4,680,618	4,480,789	199,829
Bid bond and customers' deposits	701,515	701,718	(203)
Interest payable on customers' deposit	1,392,925	1,337,850	55,075
Deferred credit - self insurance	584,018	584,018	0
Current portion, Deferred credit repurchase agreement	<u>20,000,000</u>	<u>20,000,000</u>	0
TCP- short term notes payable			
Total current liabilities	<u>82,504,478</u>	<u>80,699,637</u>	<u>1,804,841</u>
Deferred credit - repurchase agreement (less current portion)	12,605,047	12,848,387	(243,340)
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)	130,450,912	132,985,820	(2,534,908)
Long term debt, less current maturities	368,240,151	374,825,390	(6,585,239)
Total liabilities	<u>604,970,753</u>	<u>612,529,399</u>	<u>(7,558,646)</u>
Commitments and contingencies			
Net assets			
Invested in capital assets, net of related debt	18,168,164	14,648,492	3,519,672
Restricted	47,724,408	52,815,772	(5,091,364)
Unrestricted	<u>90,163,550</u>	<u>91,558,969</u>	<u>(1,395,419)</u>
Total net assets	<u>156,056,122</u>	<u>159,023,233</u>	<u>(2,967,111)</u>
Total liabilities and net assets	<u>\$ 761,026,875</u>	<u>\$ 771,552,634</u>	<u>\$ (10,525,759)</u>

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

	February 29		% of change Inc (dec)	Five Months Ending February 29		% of change Inc (dec)
	Unaudited 2008	Unaudited 2007		Unaudited 2008	Unaudited 2007	
Revenues						
Sales of electricity	\$ 26,003,201	\$ 22,466,726	16	\$ 138,955,374	\$ 121,318,787	15
Miscellaneous	802,398	185,207	333	1,358,830	927,540	46
Total revenues	26,805,599	22,651,933	18	140,314,204	122,246,327	61
Operating and maintenance expenses						
Production fuel	15,861,551	12,537,689	27	84,888,332	67,986,260	25
Other production	1,937,286	1,240,300	56	7,691,863	7,190,121	7
	17,798,837	13,777,989	29	92,580,195	75,176,381	23
Depreciation	2,229,430	2,201,991	1	11,147,012	11,057,873	1
Energy conversion cost	1,615,495	1,578,227	2	7,887,567	7,542,012	5
Transmission & distribution	650,225	451,209	44	3,370,360	3,410,043	(1)
Customer accounting	288,676	219,497	32	1,480,242	1,187,389	25
Administrative & general	1,349,760	1,724,867	(22)	9,507,292	9,071,771	5
Total operating and maintenance expenses	23,932,423	19,953,780	20	125,972,667	107,445,469	17
Operating income	2,873,176	2,698,153	6	14,341,537	14,800,858	(3)
Other income (expenses)						
Interest income	273,908	354,056	(23)	1,522,100	1,594,273	(5)
Interest expense	(3,165,465)	(3,120,025)	1	(16,214,285)	(16,149,633)	0
Allowance for funds used during construction	72,016	52,116	38	276,930	225,444	23
COLA/Supplemental annuities	(1,247,542)	0	N/A	(2,010,494)	(1,037,650)	N/A
Inventory losses	(169,636)	0	N/A	(169,636)	0	N/A
Gain on regulatory asset	0	0	N/A	0	0	0
Losses due to typhoon/earthquake	0	0	N/A	0	737,416	0
Other	(140,638)	(136,346)	3	(713,270)	(681,730)	5
Total other income (expenses)	(4,377,357)	(2,850,199)	54	(17,308,655)	(15,311,880)	13
Income (loss) before capital contributions	(1,504,181)	(152,046)	889	(2,967,118)	(511,022)	481
Capital contributions	0	0	N/A	0	679,861	N/A
Increase (decrease) in net assets	(1,504,181)	(152,046)	889	(2,967,118)	168,839	(1,857)
Total net assets at beginning of period	157,560,296	150,426,577	N/A	159,023,233	150,105,692	6
Total net assets at end of period	\$ 156,056,115	\$ 150,274,531	4	\$ 156,056,115	\$ 150,274,531	4

**Guam Power Authority
Statement of Cash Flows
February 29, 2008**

	Month Ending <u>2/29/2008</u>	YTD Ending <u>2/29/2008</u>
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	\$26,805,599	140,314,204
Cash payments to suppliers and employees for goods and services	<u>25,234,946</u>	<u>126,256,082</u>
Net cash provided by operating activities	\$1,570,653	14,058,122
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	<u>273,908</u>	<u>1,522,100</u>
	273,908	1,522,100
Cash flows from non-capital financing activities		
Interest paid on short term debt	(98,851)	(491,455)
Funds for LC payments	-	(11)
Provision for self insurance funds	<u>(3,526)</u>	<u>(183,915)</u>
Net cash provided by noncapital financing activities	(102,377)	(675,381)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(937,676)	(5,907,438)
Principal paid on bonds and other long-term debt	-	(6,770,000)
Interest paid on bonds(net of capitalized interest)	72,016	(10,078,796)
Interest paid on capital lease obligations	(1,406,481)	(7,083,552)
Interest & principal funds held by trustee	(719,475)	7,245,997
Bond funds held by trustee	(42,556)	(1,413,391)
Additional grant from US Government	-	-
Principal payment on capital lease obligations	(517,211)	(2,534,908)
Debt issuance costs/loss on defeasance	<u>123,067</u>	<u>615,335</u>
Net cash provided by(used in) capital and related financing activities	(3,428,316)	(25,926,753)
Net (decrease) increase in cash and cash equivalents	(1,686,132)	(11,021,912)
Cash and cash equivalents, beginning	<u>15,729,534</u>	<u>25,065,313</u>
Cash and cash equivalents, February 29, 2008	<u>\$ 14,043,401</u>	<u>\$ 14,043,401</u>

Guam Power Authority
Statement of Cash Flows
February 29, 2008

	Month Ending <u>2/29/2008</u>	YTD Ending <u>2/29/2008</u>
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	\$1,907,409	\$14,341,537
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	2,229,430	11,147,012
Other expense	(830,931)	(2,893,400)
(Increase) decrease in assets:		
Accounts receivable	3,642,267	7,939,842
Materials and inventory	(122,907)	(138,606)
Fuel inventory	(2,148,838)	(14,143,286)
Deferred fuel costs	(1,233,373)	(5,041,383)
Prepaid expenses	2,121	(252,701)
Long term notes receivable	-	-
Long term accounts receivable	-	-
Regulatory asset	-	-
Unamortized costs	4,290	31,537
Deferred asset	13,280	66,397
Other assets	(21,348)	33,223
Increase (decrease) in liabilities:		
Accounts payable-operations	(2,169,875)	2,807,591
Customers deposits	(9,865)	199,829
Accrued payroll and employees' benefits	168,900	34,508
Deferred credit-self insurance funds	155,671	55,075
Deferred credit repurchase agreement	(48,668)	(243,340)
Employees' annual leave, current portion	33,090	114,287
Net cash provided by operating activities	\$1,570,653	\$14,058,122