



GUAM POWER AUTHORITY

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



May 19, 2008

COPY

Mr. Harry M. Boertzel
Administrative Law Judge
Public Utilities Commission of Guam
Suite 207; GCIC Building
P.O. Box 862
Hagåtña, GU 96910

RE: Emergency LEAC Petition

Dear Harry:

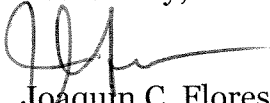
As you may have heard from reports in the media, the recent dramatic increases in fuel prices have significantly exceeded GPA's forecasts. We have been authorized by the Consolidated Commission on Utilities to petition the Public Utilities Commission for an emergency increase in the Levelized Energy Adjustment Clause (LEAC) factor. The price of the fuel purchased by GPA has risen sharply in the last few weeks and GPA's new cash projections have indicated that unless something changes, GPA will be unable to make its June payment for fuel. Therefore, this matter has reached the level of an emergency.

Additionally, a significant factor in the cash strain these increases in prices have placed on GPA is the impact on the carrying value of GPA's fuel inventory. Because the PUC has already ruled that GPA should be allowed to be made whole for fluctuations in its fuel inventory costs beginning August 1, 2008 and because the largest single period increase in the carrying value of fuel has just occurred, GPA wishes to petition to move the beginning date to October 1, 2007 to enable the Authority to be made whole for the funds that have been expended during the last few months for fuel.

Attached are LEAC spreadsheets and GPA's cash forecast for the next several weeks. Because of the emergency nature of this filing, our documentation is not as complete as we would have preferred. We are requesting that this petition move forward on a collaborative basis and we will continue to provide information related to this matter to the Georgetown Consulting Group as it becomes available.

Please let me know if you have any questions or concerns regarding this request.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Flores', with a long horizontal flourish extending to the right.

Joaquin C. Flores, P.E.
General Manager

1 **D GRAHAM BOTHA, ESQ.**
2 **Legal Counsel**
3 **Guam Power Authority**
4 **1911 Route 16, Suite 227**
5 **Harmon, Guam 96913**
6 **Ph: (671) 648-3203/3002**
7 **Fax: (671) 648-3290**

8 **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

9 IN THE MATTER OF:

10 GUAM POWER AUTHORITY

11 LEVELIZED ENERGY ADJUSTMENT

12 CLAUSE (LEAC)

)
) **DOCKET NO. 02-04**

)
) **EMERGENCY LEAC FILING**
)
)

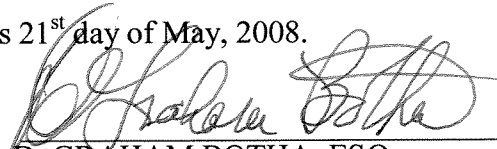
13
14 **COMES NOW**, the GUAM POWER AUTHORITY (GPA), by and through its counsel
15 of record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's Emergency LEAC petition to
16 adjust the LEAC factor effective June 1, 2008. Guam Power Authority is requesting to increase
17 the Fuel Recovery Factor from \$.1505/kWh to \$.1726/kWh effective for meters read on or after
18 June 1, 2008. The change reflects a 10.21% increase of the total bill or \$22.09 for a residential
19 customer utilizing an average of 1,000 kilowatt hours per month.

20 The basis for the emergency LEAC filing is that fuel costs have risen substantially in the
21 last several months from \$76/bbl to \$92/bbl, and GPA is projecting that it will not have adequate
22 cash reserves to pay for fuel shipments in the absence of an increase prior to the next scheduled
23 adjustment on August 1, 2008. The current under recovery is approximately \$6.5M as of April
24 2008, and is expected to exceed \$20M by January 2009 if the fuel factor is not adjusted.

25 **CONCLUSION**

26 The PUC should approve GPA's request for an emergency adjustment to the Fuel
27 Recovery Factor from \$.1505/kWh to \$.1726/kWh effective June 1, 2008, as it is reasonable,
28 prudent, and necessary.

RESPECTFULLY SUBMITTED this 21st day of May, 2008.


D. GRAHAM BOTHA, ESQ.
GPA Legal Counsel

1 **WHEREAS**, the GPA General Manager has determined that attempting to forego an
2 increase at this time would have a crippling effect on the Utility's ability to provide services to
3 its customers and may result in a complete inability to provide services; and
4

5 **WHEREAS**, despite the rising cost of fuel GPA's kWh sales have grown compared to
6 the prior year requiring the Authority to continue to burn approximately 240,000 barrels of fuel
7 per month in order to meet demand and to continue to maintain adequate fuel reserve levels; and
8

9 **WHEREAS**, approval of a request to increase the LEAC factor would mean that more
10 than 70% of each customers power bill will be the result of fuel costs; and
11

12 **WHEREAS**, GPA has determined that the Levelized Energy Adjustment Clause factor
13 will need to be increased from \$.1505/kWh to \$.1726/kWh; and
14

15 **WHEREAS**, this change in the LEAC factor to \$.1726/kWh would result in a increase of
16 10.21% of the total bill or \$22.09/month for a residential customer utilizing an average of 1,000
17 kilowatt hours per month; and
18

19 **WHEREAS**, in its February 15th 2008 order, the Public Utilities Commission authorized
20 the Guam Power Authority to recover \$5.3 million for a change in inventory carrying value
21 through the levelized energy adjustment clause for the period October 1, 2007 through August 1,
22 2008 and to recover estimated changes subject to true up from August 1, 2008 forward; and
23

24 **WHEREAS**, GPA's actual change in carrying value from October 1, 2007 thru today has
25 been nearly \$17 million as opposed to the estimated change of \$5.3 million;
26

27 **WHEREAS**, because of the dramatic increases in fuel prices in April and May of this
28 year, an extraordinary burden has been placed on the Authority, and GPA now desires to petition
29 the Public Utilities Commission to move the true up begin date from August 1, 2008 to October
30 1, 2007; and
31

32 **WHEREAS**, GPA now is requesting the Consolidated Commission on Utilities to
authorize the Authority to file such petition with the Public Utilities Commission; and

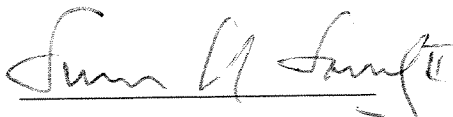
1
2 **NOW, THEREFORE BE IT RESOLVED**, by the Consolidated Commission on
3 Utilities as follows:

- 4
- 5 1. The General Manager of the Guam Power Authority is authorized to petition the Public
6 Utilities Commission on an emergency basis for an increase in the Levelized Energy
7 Adjustment Clause factor from \$.1505/kWh to \$.1726/kWh to be effective June 1, 2008.
 - 8 2. The General Manager of the Guam Power Authority is authorized to petition the Public
9 Utilities Commission on an emergency basis to move the beginning date of the inclusion
10 of inventory carrying value in the LEAC subject to true up from the current date of
11 August 1, 2008 to October 1, 2007 due to the dramatic increase in fuel costs which has
12 placed an unexpected and unforeseen burden on GPA working capital position.

13
14 **RESOLVED**, that the Chairman certifies and the Board Secretary attests to the adoption of
15 this Resolution.

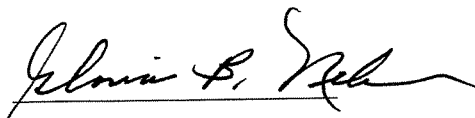
16
17 **DULY AND REGULARLY ADOPTED AND APPROVED THIS 20th DAY OF**
18 **MAY, 2008.**

19
20 Certified by:

21
22 

23 **SIMON A. SANCHEZ, II**
24 Chairperson

20 Attested by:

21
22 

23 **GLORIA B. NELSON**
24 CCU Board Secretary

25
26
27 **I, Gloria B. Nelson**, Secretary for the Consolidated Commission on Utilities do
28 hereby certify that the foregoing is a full, true, and correct copy of the resolution duly
29 adopted at a regular meeting of the members of Guam's Consolidated Commission on
30 Utilities, duly and legally held at the meeting place thereof on May 20, 2008, at which
31 meeting of all said members had due notice and at which at least a majority thereof were
32 present, and

 At said meeting said resolution was adopted by the following vote:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

Ayes: 4
Nays: 0
Absent: 1
Abstain: 0

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

SO CERTIFIED this 20th day of May 2008.



Gloria B. Nelson
GLORIA B. NELSON
Secretary
Consolidated Commission on Utilities

ATTACHMENT I

**HISTORIC
SPREADSHEET**

**FEBRUARY 2008
TO
JULY 2008**

**LEAC
RECONCILIATION**

GUAM POWER AUTHORITY
Fuel Clause Reconciliation

Schedule 1

		FY 08			FY 08			
1 Start Date	<u>Total</u>	<u>Civilian</u>			<u>Navy</u>			
2 Total Sales	1,658,916	1,320,263			338,653			
3 Daily Sales	4,544.98	3,607.28			925.28			
4 Plant Use	6.44%	232.31			59.59			
5 Transmission Loss	3.66%	132.09			33.88			
6 Distribution Loss	4.46%	160.86			41.26			
7 Company Use	0.18%	6.66			1.71			
8 Total Daily Demand		<u>4,139.21</u>			<u>1,061.72</u>			
9 Month	<u>Feb-08</u>	<u>Mar-08</u>	<u>Apr-08</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>TOTALS</u>	<u>% To</u>
10 Days	29	31	30	31	30	31		<u>Total</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>		
11 Required Generation-Civilian	111,211	123,838	127,298	128,315	124,176	128,315	743,154	79.4%
12 Required Generation-Navy	<u>30,790</u>	<u>32,913</u>	<u>31,852</u>	<u>32,913</u>	<u>31,852</u>	<u>32,913</u>	<u>193,234</u>	20.6%
13 TOTAL REQUIRED GENERATION	142,001	156,751	159,150	161,229	156,028	161,229	936,388	
14 Number 6 (HSFO/LSFO)	\$ 16,351,633	\$ 18,161,641	\$ 18,220,563	\$ 19,072,603	\$ 18,315,312	\$ 23,257,904	\$ 113,379,657	Schedule 2
15 Number 2 (GPA)	647,050	773,012	589,174	1,328,544	1,505,496	465,025	5,308,301	Schedule 3
16 Number 2 (USN)	0	0	0	0	0	0	0	Schedule 4
17 TOTAL COST	\$ 16,998,683	\$ 18,934,653	\$ 18,809,737	\$ 20,401,147	\$ 19,820,808	\$ 23,722,929	\$ 118,687,957	
18 Handling Costs	<u>335,120</u>	<u>310,740</u>	<u>144,211</u>	<u>(465,186)</u>	<u>(437,844)</u>	<u>(440,218)</u>	<u>(553,177)</u>	Schedule 5
19 TOTAL EXPENSE	\$ 17,333,803	\$ 19,245,393	\$ 18,953,948	\$ 19,935,962	\$ 19,382,964	\$ 23,282,711	\$ 118,134,780	

Calculation of Civilian Factor

20 Sales-Civilian		101,501	103,903	109,628	111,826	108,218	111,826	646,901	
21 Fuel Cost Recovery	\$150.46700	12,581,759	15,633,973	16,495,396	16,826,056	18,673,901	19,296,364	99,507,449	Rate for June and July is 172.55773
22 Civilian Costs (Total Expense x %)	79.364%	13,977,223	15,318,115	14,600,921	15,821,959	15,383,078	18,478,070	93,579,365	
22a Deferred Fuel Amort.		0						0	
23 Under/(Over)		1,395,463	(315,858)	(1,894,475)	(1,004,097)	(3,290,822)	(818,294)	(5,928,083)	
24 Estimated Under/(Over)								<u>5,463,219</u>	
25 Net Recovery Under/(Over)								(464,864)	

26 Proposed Fuel Cost Recovery

\$153.10306 Rate to fully recover

Civilian Clause Reconciliation:

27 Opening Recovery Balance-January 31, 2008		5,463,219	6,858,682	6,542,824	4,648,349	3,644,252	353,430	\$150.46700	Current rate
28 Under/(Over)		1,395,463	(315,858)	(1,894,475)	(1,004,097)	(3,290,822)	(818,294)		
29 Closing Recovery Balance		<u>6,858,682</u>	<u>6,542,824</u>	<u>4,648,349</u>	<u>3,644,252</u>	<u>353,430</u>	<u>(464,864)</u>	5,928,083	Decrease/(Increase) in Deferral
GL		6,858,635	6,542,444	4,613,471.34					
Difference due to rounding		47	380	34,877.77	unaccrued invoices				

Bills Computed at 1000 kWh/month	Current Rates	Current Bill	Rate to fully recover	Increase (Decrease)
Customer Charge \$/month	\$ 5.21	\$ 5.21	\$ 5.21	\$ -
Non Fuel Energy Charges (\$/Kwh)				
Lifeline Usage (500 Kwh)	0.03354	16.77	16.77	\$ -
Non Lifeline Usage	0.07950	39.75	39.75	\$ -
WaterWell Charge				
Lifeline Usage (500 Kwh)	0.00000	0	0	\$ -
Non Lifeline Usage	0.00242	1.21	1.21	\$ -
Insurance Charge	0.00145	1.45	1.45	\$ -
Fuel Recovery Charge	\$150.46700	150.47	153.10	\$ 2.64
TOTAL BILL		\$ 214.86	\$ 217.49	\$ 2.64
Increase (Decrease) From Current Bill				\$ 2.64
Percent Increase (Decrease)				1.23%
Decrease From Current Leac Factor				\$ 2.64
Percent Increase (Decrease)				1.75%

Rate effective 06.01.08 to fully recover

Current rate	\$ 150.467000
Increase in rate	\$ 22.090730
Total rate	\$ 172.55773

	Baseload Unit Forecast Cost of Number 6 Oil						
IWPS TOTAL GENERATION	142,001	156,751	159,150	161,229	156,028	161,229	936,388
	<u>Feb-08</u>	<u>Mar-08</u>	<u>Apr-08</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>Total</u>
Cabras #1							
Generation (Mwh)	0	27,068	31,992	34,027	31,751	27,371	152,209
Kwh/Barrel	634	598	615	634	634	634	
Barrels	0	45,293	52,006	53,670	50,081	43,173	244,222
Mmbtu/Kwh (Heat Rate)	0	10,207	9,916	9,621	9,621	9,621	
Cabras #2							
Generation (Mwh)	28,123	18,336	13,514	9,610	14,853	30,838	115,275
Kwh/Barrel	617	585	600	618	618	618	
Barrels	45,588	31,352	22,537	15,551	24,035	49,899	188,962
Mmbtu/Kwh (Heat Rate)	9,888	10,430	10,173	9,871	9,871	9,871	
Cabras #3							
Generation (Mwh)	21,555	23,075	20,509	22,410	23,016	19,722	130,287
Kwh/Barrel	747	751	756	770	770	770	
Barrels	28,872	30,713	27,140	29,104	29,891	25,613	171,333
Mmbtu/Kwh (Heat Rate)	8,171	8,119	8,072	7,922	7,922	7,922	
Cabras #4							
Generation (Mwh)	21,506	18,814	22,156	23,525	18,440	17,542	121,983
Kwh/Barrel	746	745	768	716	716	716	
Barrels	28,813	25,263	28,860	32,856	25,754	24,501	166,046
Mmbtu/Kwh (Heat Rate)	8,173	8,191	7,946	8,520	8,520	8,520	
Tanguisson #1							
Generation (Mwh)	9,794	9,268	8,695	8,277	7,896	7,665	51,594
Kwh/Barrel	499	507	484	489	489	489	
Barrels	19,630	18,265	17,968	16,925	16,147	15,675	104,610
Mmbtu/Kwh (Heat Rate)	12,226	12,022	12,605	12,474	12,474	12,474	
Tanguisson #2							
Generation (Mwh)	9,131	7,759	4,540	6,963	5,225	4,313	37,931
Kwh/Barrel	472	523	486	482	482	482	
Barrels	19,351	14,830	9,350	14,446	10,840	8,949	77,766
Mmbtu/Kwh (Heat Rate)	12,928	11,659	12,563	12,656	12,656	12,656	
Piti Power Plant 4 & 5							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	463	463	463	463	463	463	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Enron (IPP) Piti #8							
Generation (Mwh)	22,818	27,296	27,645	26,136	25,115	26,168	155,178
Kwh/Barrel	703	709	713	721	721	721	
Barrels	32,444	38,507	38,771	36,250	34,833	36,295	217,099
Mmbtu/Kwh (Heat Rate)	8,673	8,605	8,555	8,460	8,460	8,460	
Enron (IPP) Piti #9							
Generation (Mwh)	26,445	22,153	27,371	26,136	25,115	26,168	153,388
Kwh/Barrel	709	716	720	731	731	731	
Barrels	37,315	30,948	38,032	35,754	34,357	35,798	212,203
Mmbtu/Kwh (Heat Rate)	8,607	8,522	8,476	8,345	8,345	8,345	
Total Generation (Mwh)	139,372	153,769	156,422	157,083	151,410	159,789	917,846
Total Barrels	212,013	235,171	234,664	234,555	225,936	239,903	1,382,242
Price/Barrel	\$77.13	\$77.23	\$77.65	\$81.31	\$81.06	\$96.95	
Total Cost (Sch. 6)	\$16,351,633	\$18,161,641	\$18,220,563	\$19,072,603	\$18,315,312	\$23,257,904	\$113,379,657
% to Total MWH Generation	98%	98%	98%	97%	97%	99%	
% to Fuel Cost	96%	96%	97%	93%	92%	98%	

THE GUAM POWER AUTHORITY
GPA Diesel Unit Forecast
Cost of Number 2 Oil

Remaining Demand	2,629	2,982	2,728	4,146	4,618	1,440	18,542
	<u>Feb-08</u>	<u>Mar-08</u>	<u>Apr-08</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>Total</u>
Dededo CT #1							
Generation (Mwh)	53	0	0	0	0	0	53
Kwh/Barrel	312	376	376	376	376	376	
Barrels	170	0	0	0	0	0	170
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Dededo CT #2							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	374	374	374	374	374	374	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Macheche CT							
Generation (Mwh)	112	349	61	146	407	118	1,193
Kwh/Barrel	463	489	452	469	469	469	
Barrels	242	714	135	311	868	252	2,522
Mmbtu/Kwh (Heat Rate)	12,532	11,866	12,836	0	0	0	
Yigo CT							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	446	446	446	446	446	446	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Tenjo Vista							
Generation (Mwh)	1,139	850	2,191	3,649	3,449	1,094	12,372
Kwh/Barrel	619	619	593	623	623	623	
Barrels	1,839	1,373	3,693	5,858	5,536	1,756	20,055
Mmbtu/Kwh (Heat Rate)	0	0	0	9,310	0	0	
TEMES							
Generation (Mwh)	1,326	1,763	449	109	136	27	3,810
Kwh/Barrel	414	411	478	415	415	415	
Barrels	3,202	4,289	939	264	327	66	9,087
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	

	<u>Feb-08</u>	<u>Mar-08</u>	<u>Apr-08</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>Total</u>
Manengon (MDI)							
Generation (Mwh)	0	20	28	80	163	51	342
Kwh/Barrel	619	606	622	619	619	619	
Barrels	0	33	45	130	263	82	553
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Talofoto							
Generation (Mwh)	0	0	0	161	463	149	773
Kwh/Barrel	614	614	614	614	614	614	
Barrels	0	0	0	262	754	243	1,259
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Marbo CT							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	293	293	293	293	293	293	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Dededo Diesel							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	524	524	524	524	524	524	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Total Generation (MWH) #2 Units	2,630	2,982	2,729	4,146	4,618	1,440	
Total Barrels	5,453	6,409	4,812	6,824	7,749	2,399	33,645
Price/Barrel-See Schedule 7	\$ 118.66	\$ 120.61	\$ 122.44	\$ 194.69	\$ 194.29	\$ 193.84	\$ 157.77
Total Cost	\$647,050	\$773,012	\$589,174	\$1,328,544	\$1,505,496	\$465,025	\$5,308,301
Total Gross Generation	142,002	156,751	159,151	161,229	156,028	161,229	
Total Barrels	217,466	241,580	239,476	241,379	233,685	242,302	
% to Total MWH Generation	2%	2%	2%	3%	3%	1%	
% to Fuel Cost	4%	4%	3%	7%	8%	2%	

THE GUAM POWER AUTHORITY
Navy Diesel Unit Forecast
Cost of Number 2 Oil

Schedule 4

Remaining Demand	(1)	0	(1)	0	0	(0)	
	<u>Feb-08</u>	<u>Mar-08</u>	<u>Apr-08</u>	<u>May-08</u>	<u>Jun-08</u>	<u>Jul-08</u>	<u>Total</u>
New Orote Plant							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	600	600	600	600	600	600	
Barrels	0	0	0	0	0	0	0
Radio Barrigada Muse							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	550	550	550	550	550	550	
Barrels	0	0	0	0	0	0	0
Naval Hospital Muse							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	550	550	550	550	550	550	
Barrels	0	0	0	0	0	0	0
Total Barrels	0	0	0	0	0	0	0
Price/Barrel	\$ 118.66	\$ 120.61	\$ 122.44	\$ 194.69	\$ 194.29	\$ 193.84	
Total Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Demand	(1)	0	(1)	0	0	(0)	0

THE GUAM POWER AUTHORITY
Impact of FIFO on No. 6 Oil Price

Schedule 6

		May-08	Jun-08	Jul-08	Ending
Layer 1	Inventory (bbls)	238,549	3,994	-	-
	Price/Bbl	81.31	81.31	81.31	81.31
Layer 2	Inventory (bbls)	241,773	241,773	19,831	0
	Price/Bbl	81.06	81.06	81.06	81.06
Layer 3	Inventory (bbls)	250,000	250,000	250,000	29,927.83
	Price/Bbl	98.38	98.38	98.38	98.38
Layer 4	Inventory (bbls)	250,000	250,000	250,000	250,000
	Price/Bbl	98.11	98.11	98.11	98.11
Layer 5	Inventory (bbls)	250,000	250,000	250,000	250,000
	Price/Bbl	98.03	98.03	98.03	98.03
Layer 6	Inventory (bbls)	250,000	250,000	250,000	250,000
	Price/Bbl	98.03	98.03	98.03	98.03
Layer 7	Inventory (bbls)	250,000	250,000	250,000	250,000
	Price/Bbl	98.33	98.33	98.33	98.33
Total Consumption (bbls)		234,555	225,936	239,903	
Total Barrels	Layer 1	234,555	3,994	0	
	Layer 2	0	221,942	19,831	
	Layer 3	0	0	220,072	
	Layer 4	0	0	0	
	Layer 5	0	0	0	
	Layer 6	0	0	0	
	Layer 7	0	0	0	
	Total	234,555	225,936	239,903	
Cost	Layer 1	\$19,072,603	\$324,766	\$0	
	Layer 2	-	17,990,546	1,607,466	
	Layer 3	-	-	21,650,438	
	Layer 4	-	-	-	
	Layer 5	-	-	-	
	Layer 6	-	-	-	
	Layer 7	-	-	-	
	Total	\$19,072,603	\$18,315,312	\$23,257,904	\$60,645,819
	Price Per Barrel	\$81.31	\$81.06	\$96.95	

			Forecasted Fuel Price/MT	FSFO Premium	LSFO Premium
Apr-08	81.31	Actual			
May-08	81.06	Actual			
Jun-08	98.38	Forecast	\$ 606.25	5,303	8,788
Jul-08	98.11	Forecast	\$ 604.50	5,303	8,788
Aug-08	98.03	Forecast	\$ 603.92	5,303	8,788
Sep-08	98.03	Forecast	603.92	5,303	8,788
Oct-08	98.33	Forecast	605.92	5,303	8,788
Nov-08	98.33	Forecast	605.92	5,303	8,788
Dec-08	98.33	Forecast	605.92	5,303	8,788
Jan-09	98.97	Forecast	610.17	5,303	8,788
Feb-09	98.97	Forecast	610.17	5,303	8,788

Note: Fuel forecast was based Morgan Stanley
Energy Noon Call Asia on Sing HSFO 180CST
dated 05/16/08

Beginning Balance HSFO/LSFO-04/30/08	238,549.02	81.31	19,397,368.42
Add: Shipment for May 2008	241,773.00	81.06	19,598,012.62

Schedule 7

Workpaper for Number 2 oil pricing:

	Feb-08
Actual Invoice	Shell
Temes	0.0000
Tenjo	0.0000
Combustion Turbine	0.0000
Total	0.0000
Average	0.0000
Multiplied by 42	\$ -

Premium fee \$ 14.20 Effective June 1, 2007

Forecast
Price dated 05/16/08

Apr-08	\$ -		
May-08	\$ 194.692	Forecast	Note: Fuel forecast was based on Morgan Stanley Gasoil swaps dated 05/16/08
Jun-08	\$ 194.294	Forecast	
Jul-08	\$ 193.838	Forecast	
Aug-08	\$ 193.541	Forecast	
Sep-08	\$ 193.541	Forecast	
Oct-08	\$ 192.086	Forecast	
Nov-08	\$ 192.086	Forecast	
Dec-08	\$ 192.086	Forecast	
Jan-09	\$ 189.402	Forecast	

-
1,191.25
1,188.62
1,185.61
1,183.65
1,183.65
1,174.05
1,174.05
1,174.05
1,156.33

**FUEL HEDGING PROGRAM
GAIN/(LOSS)**

					GPA HEDGING CALCULATION			
					Platt's Posted Price	Diff. between	Contract	GPA
					HSFO 180 cst	Platts Price vs.	Quantity	GAIN / (LOSS)
FY 2008	Trade Date	Month	Cap. Price	Floor Price	\$/MT	Cap/Floor	MT	(\$)
J Aron Morgan	12/5/2007	January	\$520.00	\$440.00	458.720	\$0.000	9,969	\$ -
	1/14/2008	January	\$519.00	\$457.00	458.720	\$0.000	9,969	\$ -
	PROJECTED NET GPA GAIN/(LOSS)							\$ -
J Aron Morgan	12/5/2007	February	\$520.00	\$440.00	464.500	\$0.000	9,969	\$ -
	1/14/2008	February	\$519.00	\$450.75	464.500	\$0.000	9,969	\$ -
	PROJECTED NET GPA GAIN/(LOSS)							\$ -
J Aron Morgan	12/5/2007	March	\$520.00	\$440.00	467.250	\$0.000	9,969	\$ -
	1/14/2008	March	\$519.00	\$454.50	467.250	\$0.000	9,969	\$ -
	PROJECTED NET GPA GAIN/(LOSS)							\$ -
J Aron	1/17/2008	April	\$522.00	\$438.75	\$546.007	\$24.007	9,969	\$ 239,325.78
	ACTUAL NET GPA GAIN/(LOSS)							\$ 239,325.78
J Aron	1/17/2008	May	\$522.00	\$438.75	\$609.000	\$87.000	9,969	\$ 867,303.00
	PROJECTED NET GPA GAIN/(LOSS)							\$ 867,303.00
J Aron	1/17/2008	June	\$522.00	\$438.75	\$606.250	\$84.250	9,969	\$ 839,888.25
	PROJECTED NET GPA GAIN/(LOSS)							\$ 839,888.25
J Aron	3/24/2008	July	520.00	486.50	\$604.500	\$84.500	9,969	\$ 842,380.50
	PROJECTED NET GPA GAIN/(LOSS)							\$ 842,380.50
NET SETTLEMENT PRICE FY 2008								\$ -
								\$ 2,788,897.53

GPA HEDGE CONTRACTS					
	Trade Date	Quantity	Period	Call Strike \$	Put Strike \$
J Aron	12/5/2007	9969	01/02/2008 - 03/31/2008	520.00	440.00
Morgan Stanley	1/14/2008	9969	01/14-31/2008	519.00	457.00
Morgan Stanley	1/14/2008	9969	02/01-29/2008	519.00	450.75
Morgan Stanley	1/14/2008	9969	03/01-31/2008	519.00	454.50
J Aron	12/5/2007	9969	01/02/2008-03/31/2008	520.00	440.00
J Aron	1/17/2008	9969	04/01/2008 - 06/30/2008	522.00	438.75
J Aron	3/24/2008	9969	07/01/2008 - 09/30/2008	520.00	486.50

IWPS TOTAL GENERATION (MW)	142,001		156,751		159,150		161,229		156,028		161,229		794,387
	Forecast by		Forecast by		Forecast by		Forecast by		Forecast by		Forecast by		
	Generation	Feb-08	Generation	Mar-08	Generation	Apr-08	Generation	May-08	Generation	Jun-08	Generation	Jul-08	
Cabras 1	-						37,297	34,027	35,094	31,751	30,116	27,371	
Cabras 2	-						10,534	9,610	16,417	14,853	33,930	30,838	
Cabras 3	-						24,564	22,410	25,440	23,016	21,700	19,722	
Cabras 4	-						25,786	23,525	20,381	18,440	19,302	17,542	
ENRON 1	-						28,648	26,136	27,759	25,115	28,793	26,168	
ENRON 2	-						28,648	26,136	27,759	25,115	28,793	26,168	
HEI 1	-						9,072	8,277	8,727	7,896	8,434	7,665	
HEI 2	-						7,632	6,963	5,775	5,225	4,746	4,313	
Dededo CT 1	-						-	-	-	-	-	-	
Dededo CT 2	-						-	-	-	-	-	-	
Macheche CT	-						160	146	450	407	130	118	
Marbo CT	-						-	-	-	-	-	-	
Yigo CT	-						-	-	-	-	-	-	
TEMES CT	-						120	109	150	136	30	27	
Dededo Diesel 1	-						-	-	-	-	-	-	
Dededo Diesel 2	-						-	-	-	-	-	-	
Dededo Diesel 3	-						-	-	-	-	-	-	
Dededo Diesel 4	-						-	-	-	-	-	-	
Pulantat Diesel 1	-						64	58	140	127	32	29	
Pulantat Diesel 2	-						24	22	40	36	24	22	
Talofoto Diesel 1	-						88	80	332	300	100	91	
Talofoto Diesel 2	-						88	80	180	163	64	58	
Tenjo Diesel 1	-						1,120	1,022	884	800	276	251	
Tenjo Diesel 2	-						936	854	776	702	248	225	
Tenjo Diesel 3	-						844	770	684	619	216	196	
Tenjo Diesel 4	-						448	409	612	554	188	171	
Tenjo Diesel 5	-						372	339	428	387	144	131	
Tenjo Diesel 6	-						280	255	428	387	132	120	
	-						-	-	-	-	-	-	
	-						176,725	161,229	172,456	156,028	177,398	161,229	

GUAM POWER AUTHORITY
 LEVELIZED ENERGY ADJUSTMENT CLAUSE

ASSUMPTIONS/ADD'L INFORMATION:

1. Total sales (Civilian & Navy) same as used in the Docket 98-002.
2. Plant use, losses and company use as a ratio to sales are calculated as follows.

	<u>Mwh</u>	<u>Ratio to Sales</u>
Total Mwh Sales -FY07	1,634,622	
Plant Use - (FY 07)	105,272	6.44%
Transmission Losses (Note A)	59,857	3.66%
Distribution losses (Note A)	72,895	4.46%
Company use (FY07)	3,019	0.18%

Note A:	<u>Mwh</u>	<u>Ratio</u>	<u>Allocated FY05 T&D Losses</u>
Total T&D losses FY07	<u>132,752</u>		<u>8.12%</u> (Ratio to sales)
Transmission losses-9/30/91	48,579	45.09%	59,857
Distribution losses- 9/30/91	<u>59,160</u>	54.91%	<u>72,895</u>
	<u>107,739</u>		<u>132,752</u>

ATTACHMENT II

PROJECTED SPREADSHEETS

**AUGUST 2008
TO
JANUARY 2009**

**LEAC
RECONCILIATION**

GUAM POWER AUTHORITY
Fuel Clause Reconciliation

Schedule 1

	<u>Total</u>	FY 08 <u>Civilian</u>	FY 09 <u>Civilian</u>	FY 08 <u>Navy</u>	FY 09 <u>Navy</u>			
1 Start Date								
2 Total Sales	1,658,916	1,320,263	1,393,081	338,653	340,857			
3 Daily Sales	4,544.98	3,607.28	3,806.23	925.28	931.30			
4 Plant Use	6.44%	232.31	245.13	59.59	59.98			
5 Transmission Loss	3.66%	132.09	139.38	33.88	34.10			
6 Distribution Loss	4.46%	160.86	169.74	41.26	41.53			
7 Company Use	0.18%	6.66	7.03	1.71	1.72			
8 Total Daily Demand		<u>4,139.21</u>	<u>4,367.50</u>	<u>1,061.72</u>	<u>1,068.63</u>			
9 Month	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>TOTALS</u>	% To <u>Total</u>
10 Days	31	30	31	30	31	31		
	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>		
11 Required Generation-Civilian	128,315	124,176	135,393	131,025	135,393	135,393	789,695	80.1%
12 Required Generation-Navy	<u>32,913</u>	<u>31,852</u>	<u>33,128</u>	<u>32,059</u>	<u>33,128</u>	<u>33,128</u>	<u>196,207</u>	19.9%
13 TOTAL REQUIRED GENERATION	161,229	156,028	168,520	163,084	168,520	168,520	985,902	

14 Number 6 (HSFO/LSFO)	\$ 23,206,777	\$ 22,593,323	\$ 24,934,710	\$ 23,467,238	\$ 24,531,990	\$ 24,553,927	\$ 143,287,965	Schedule 2
15 Number 2 (GPA)	319,909	717,949	475,814	341,365	263,205	81,880	2,200,121	Schedule 3
16 Number 2 (USN)	0	0	0	0	0	0	0	Schedule 4
17 TOTAL COST	\$ 23,526,685	\$ 23,311,272	\$ 25,410,525	\$ 23,808,603	\$ 24,795,195	\$ 24,635,807	\$ 145,488,086	
18 Handling Costs	1,272	1,220	838,022	837,890	837,981	837,983	3,354,368	Schedule 5
19 TOTAL EXPENSE	\$ 23,527,957	\$ 23,312,492	\$ 26,248,547	\$ 24,646,493	\$ 25,633,176	\$ 25,473,790	\$ 148,842,454	

Calculation of Civilian Factor

								June thru July sales	
20 Sales-Civilian	111,826	108,218	117,993	114,187	117,993	117,993	688,210	220,044	908,254
21 Fuel Cost Recovery	\$172.55773	19,296,364	18,673,901	20,360,639	19,703,844	20,360,639	20,360,639	118,756,024	
22 Civilian Costs (Total Expense x %)	80.099%	18,845,590	18,673,005	21,024,747	19,741,523	20,531,843	20,404,176	119,220,883	
22a Deferred Fuel Amort.		0						0	
23 Under/(Over)		(450,774)	(896)	664,108	37,679	171,204	43,538	464,859	
24 Estimated Under/(Over)								(464,864)	
25 Net Recovery Under/(Over)								(5)	

26 Proposed Fuel Cost Recovery

\$172.55772 Rate to fully recover

Civilian Clause Reconciliation:

\$150.46700 Current rate

27 Opening Recovery Balance-July 31, 2008	(464,864)	(915,638)	(916,534)	(252,426)	(214,747)	(43,543)		
28 Under/(Over)	(450,774)	(896)	664,108	37,679	171,204	43,538		
29 Closing Recovery Balance	<u>(915,638)</u>	<u>(916,534)</u>	<u>(252,426)</u>	<u>(214,747)</u>	<u>(43,543)</u>	<u>(5)</u>	(464,859)	Decrease/(Increase) in Deferral

Bills Computed at 1000 kWh/month

	Current Rates	Current Bill	Rate to fully recover	Increase (Decrease)
Customer Charge \$/month	\$ 5.21	\$ 5.21	\$ 5.21	\$ -
Non Fuel Energy Charges (\$/Kwh)				
Lifeline Usage (500 Kwh)	0.03354	16.77	16.77	\$ -
Non Lifeline Usage	0.07950	39.75	39.75	\$ -
WaterWell Charge				
Lifeline Usage (500 Kwh)	0.00000	0	0	\$ -
Non Lifeline Usage	0.00242	1.21	1.21	\$ -
Insurance Charge	0.00145	1.45	1.45	\$ -
Fuel Recovery Charge	\$172.55773	150.47	172.56	\$ 22.09
TOTAL BILL		\$ 214.86	\$ 236.95	\$ 22.09
Increase (Decrease) From Current Bill			\$	22.09
Percent Increase (Decrease)				10.28%
Decrease From Current Leac Factor			\$	22.09
Percent Increase (Decrease)				14.68%

Rate effective 06.01.08 to fully recover

Current rate	\$ 150.467000
Increase in rate	\$ 22.090730
Total rate	\$ 172.55773

	Baseload Unit Forecast Cost of Number 6 Oil						
IWPS TOTAL GENERATION	161,229	156,028	168,520	163,084	168,520	168,520	985,902
	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>Total</u>
Cabras #1							
Generation (Mwh)	24,614	24,550	30,579	27,654	28,660	31,194	167,251
Kwh/Barrel	634	634	634	634	634	634	
Barrels	38,824	38,723	48,231	43,618	45,206	49,203	263,803
Mmbtu/Kwh (Heat Rate)	9,621	9,621	9,621	9,621	9,621	9,621	
Cabras #2							
Generation (Mwh)	26,578	30,128	35,941	27,447	30,358	27,374	177,825
Kwh/Barrel	618	618	618	618	618	618	
Barrels	43,007	48,750	58,156	44,412	49,123	44,295	287,743
Mmbtu/Kwh (Heat Rate)	9,871	9,871	9,871	9,871	9,871	9,871	
Cabras #3							
Generation (Mwh)	23,456	23,250	18,081	21,845	24,667	25,101	136,399
Kwh/Barrel	770	770	770	770	770	770	
Barrels	30,462	30,194	23,482	28,371	32,035	32,598	177,142
Mmbtu/Kwh (Heat Rate)	7,922	7,922	7,922	7,922	7,922	7,922	
Cabras #4							
Generation (Mwh)	22,665	18,488	20,602	22,604	23,752	20,260	128,370
Kwh/Barrel	716	716	716	716	716	716	
Barrels	31,655	25,821	28,773	31,569	33,174	28,295	179,288
Mmbtu/Kwh (Heat Rate)	8,520	8,520	8,520	8,520	8,520	8,520	
Tanguisson #1							
Generation (Mwh)	7,248	7,603	8,405	3,575	7,651	7,699	42,181
Kwh/Barrel	489	489	489	489	489	489	
Barrels	14,821	15,548	17,188	7,310	15,647	15,745	86,259
Mmbtu/Kwh (Heat Rate)	12,474	12,474	12,474	12,474	12,474	12,474	
Tanguisson #2							
Generation (Mwh)	1,406	4,157	7,321	3,540	2,689	2,279	21,394
Kwh/Barrel	482	482	482	482	482	482	
Barrels	2,918	8,625	15,190	7,345	5,580	4,728	44,385
Mmbtu/Kwh (Heat Rate)	12,656	12,656	12,656	12,656	12,656	12,656	
Piti Power Plant 4 & 5							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	463	463	463	463	463	463	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Enron (IPP) Piti #8							
Generation (Mwh)	27,137	20,010	16,216	28,142	24,468	26,675	142,650
Kwh/Barrel	721	721	721	721	721	721	
Barrels	37,639	27,753	22,491	39,033	33,936	36,998	197,850
Mmbtu/Kwh (Heat Rate)	8,460	8,460	8,460	8,460	8,460	8,460	
Enron (IPP) Piti #9							
Generation (Mwh)	27,137	25,606	29,867	27,182	25,431	27,669	162,893
Kwh/Barrel	731	731	731	731	731	731	
Barrels	37,124	35,029	40,857	37,185	34,790	37,851	222,836
Mmbtu/Kwh (Heat Rate)	8,345	8,345	8,345	8,345	8,345	8,345	
Total Generation (Mwh)	160,242	153,793	167,011	161,989	167,677	168,251	978,963
Total Barrels	236,449	230,445	254,369	238,842	249,489	249,712	1,459,305
Price/Barrel	\$98.15	\$98.04	\$98.03	\$98.25	\$98.33	\$98.33	
Total Cost (Sch. 6)	\$23,206,777	\$22,593,323	\$24,934,710	\$23,467,238	\$24,531,990	\$24,553,927	\$143,287,965
% to Total MWh Generation	99%	99%	99%	99%	99%	100%	
% to Fuel Cost	99%	97%	98%	99%	99%	100%	

THE GUAM POWER AUTHORITY
GPA Diesel Unit Forecast
Cost of Number 2 Oil

Remaining Demand	987	2,235	1,509	1,096	843	269	6,939
	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>Total</u>
Dededo CT #1							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	376	376	376	376	376	376	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Dededo CT #2							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	374	374	374	374	374	374	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Macheche CT							
Generation (Mwh)	83	176	97	29	29	0	413
Kwh/Barrel	469	469	469	469	469	469	
Barrels	178	375	206	61	61	0	881
Mmbtu/Kwh (Heat Rate)	12,367	12,367	12,367	0	0	0	
Yigo CT							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	446	446	446	446	446	446	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Tenjo Vista							
Generation (Mwh)	776	1,710	1,207	892	715	249	5,549
Kwh/Barrel	623	623	623	623	623	623	
Barrels	1,245	2,745	1,938	1,431	1,147	400	8,906
Mmbtu/Kwh (Heat Rate)	9,310	9,310	9,310	9,310	9,310	9,310	
TEMES							
Generation (Mwh)	28	28	0	0	0	0	56
Kwh/Barrel	415	415	415	415	415	415	
Barrels	67	67	0	0	0	0	134
Mmbtu/Kwh (Heat Rate)	13,976	13,976	0	0	0	0	

	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>Total</u>
Manengon (MDI)							
Generation (Mwh)	22	96	62	50	19	0	249
Kwh/Barrel	619	619	619	619	619	619	
Barrels	36	155	100	80	31	0	402
Mmbtu/Kwh (Heat Rate)	9,370	9,370	9,370	9,370	9,370	0	
Talofoto							
Generation (Mwh)	78	226	143	126	80	20	673
Kwh/Barrel	614	614	614	614	614	614	
Barrels	127	368	233	205	131	32	1,096
Mmbtu/Kwh (Heat Rate)	9,446	9,446	9,446	9,446	9,446	0	
Marbo CT							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	293	293	293	293	293	293	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Dededo Diesel							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	524	524	524	524	524	524	
Barrels	0	0	0	0	0	0	0
Mmbtu/Kwh (Heat Rate)	0	0	0	0	0	0	
Total Generation (MWH) #2 Units	987	2,235	1,509	1,096	843	269	
Total Barrels	1,653	3,710	2,477	1,777	1,370	432	11,419
Price/Barrel-See Schedule 7	\$ 193.54	\$ 193.54	\$ 192.09	\$ 192.09	\$ 192.09	\$ 189.40	\$ 192.67
Total Cost	\$319,909	\$717,949	\$475,814	\$341,365	\$263,205	\$81,880	\$2,200,121
Total Gross Generation	161,229	156,028	168,520	163,084	168,520	168,520	
Total Barrels	238,102	234,154	256,846	240,619	250,860	250,145	
% to Total MWH Generation	1%	1%	1%	1%	1%	0%	
% to Fuel Cost	1%	3%	2%	1%	1%	0%	

THE GUAM POWER AUTHORITY
Navy Diesel Unit Forecast
Cost of Number 2 Oil

Schedule 4

Remaining Demand	0	0	0	(0)	0	(0)	
	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>Total</u>
New Orote Plant							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	600	600	600	600	600	600	
Barrels	0	0	0	0	0	0	0
Radio Barrigada Muse							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	550	550	550	550	550	550	
Barrels	0	0	0	0	0	0	0
Naval Hospital Muse							
Generation (Mwh)	0	0	0	0	0	0	0
Kwh/Barrel	550	550	550	550	550	550	
Barrels	0	0	0	0	0	0	0
Total Barrels	0	0	0	0	0	0	0
Price/Barrel	\$ 193.54	\$ 193.54	\$ 192.09	\$ 192.09	\$ 192.09	\$ 189.40	
Total Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Remaining Demand	0	0	0	(0)	0	(0)	0

THE GUAM POWER AUTHORITY
Impact of FIFO on No. 6 Oil Price

Schedule 6

		Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Ending
Layer 1	Inventory (bbls)	29,928	-	-	-	-	-	-
	Price/Bbl	98.38	98.38	98.38	98.38	98.38	98.38	98.38
Layer 2	Inventory (bbls)	250,000	43,479	-	-	0	0	0
	Price/Bbl	98.11	98.11	98.11	98.11	98.11	98.11	98.11
Layer 3	Inventory (bbls)	250,000	250,000	63,035	-	-	-	-
	Price/Bbl	98.03	98.03	98.03	98.03	98.03	98.03	98.03
Layer 4	Inventory (bbls)	250,000	250,000	250,000	58,665.79	-	-	0
	Price/Bbl	98.03	98.03	98.03	98.03	98.03	98.03	98.03
Layer 5	Inventory (bbls)	250,000	250,000	250,000	250,000.00	191,334.21	-	0
	Price/Bbl	98.33	98.33	98.33	98.33	98.33	98.33	98.33
Layer 6	Inventory (bbls)	250,000	250,000	250,000	250,000.00	250,000.00	191,844.87	0
	Price/Bbl	98.33	98.33	98.33	98.33	98.33	98.33	98.33
Layer 7	Inventory (bbls)	250,000	250,000	250,000	250,000.00	250,000.00	250,000.00	192,132
	Price/Bbl	98.33	98.33	98.33	98.33	98.33	98.33	98.33
Total Consumption (bbls)		236,449	230,445	254,369	238,842	249,489	249,712	
Total Barrels	Layer 1	29,928	0	0	0	0	0	
	Layer 2	206,521	43,479	0	0	0	0	
	Layer 3	0	186,965	63,035	0	0	0	
	Layer 4	0	0	191,334	58,666	0	0	
	Layer 5	0	0	0	180,176	191,334	0	
	Layer 6	0	0	0	0	58,155	191,845	
	Layer 7	0	0	0	0	0	57,868	
	Total	236,449	230,445	254,369	238,842	249,489	249,712	
Cost	Layer 1	\$2,944,264	\$0	\$0	\$0	\$0	\$0	
	Layer 2	20,262,512	4,265,902	-	-	-	-	
	Layer 3	-	18,327,421	6,179,025	-	-	-	
	Layer 4	-	-	18,755,686	5,750,759	-	-	
	Layer 5	-	-	-	17,716,479	18,813,666	-	
	Layer 6	-	-	-	-	5,718,324	18,863,878	
	Layer 7	-	-	-	-	-	5,690,049	
	Total	\$23,206,777	\$22,593,323	\$24,934,710	\$23,467,238	\$24,531,990	\$24,553,927	\$143,287,965
	Price Per Barrel	\$98.15	\$98.04	\$98.03	\$98.25	\$98.33	\$98.33	

Forecasted
Fuel Price/MT FSFO Premium LSFO Premium

Apr-08	81.31	Actual					
May-08	81.06	Actual					
Jun-08	98.38	Forecast			\$ 606.25	5.303	8.788
Jul-08	98.11	Forecast			\$ 604.50	5.303	8.788
Aug-08	98.03	Forecast			\$ 603.92	5.303	8.788
Sep-08	98.03	Forecast	Note: Fuel forecast was based Morgan Stanley		603.92	5.303	8.788
Oct-08	98.33	Forecast	Energy Noon Call Asia on Sing HSFO 180CST		605.92	5.303	8.788
Nov-08	98.33	Forecast	dated 05/16/08		605.92	5.303	8.788
Dec-08	98.33	Forecast			605.92	5.303	8.788
Jan-09	98.97	Forecast			610.17	5.303	8.788
Feb-09	98.97	Forecast			610.17	5.303	8.788

Beginning Balance HSFO/LSFO-04/30/08

238,549.02

81.31

19,397,368.42

Schedule 7

Workpaper for Number 2 oil pricing:

	Feb-08
Actual Invoice	Shell
Temes	0.0000
Tenjo	0.0000
Combustion Turbine	0.0000
Total	0.0000
Average	0.0000
Multiplied by 42	\$ -

Premium fee \$ 14.20 Effective June 1, 2007

Forecast
Price dated 05/16/08

Apr-08	\$ -		
May-08	\$ 194.692	Forecast	Note: Fuel forecast was based on Morgan Stanley Gasoil swaps dated 05/16/08
Jun-08	\$ 194.294	Forecast	
Jul-08	\$ 193.838	Forecast	
Aug-08	\$ 193.541	Forecast	
Sep-08	\$ 193.541	Forecast	
Oct-08	\$ 192.086	Forecast	
Nov-08	\$ 192.086	Forecast	
Dec-08	\$ 192.086	Forecast	
Jan-09	\$ 189.402	Forecast	

-
1,191.25
1,188.62
1,185.61
1,183.65
1,183.65
1,174.05
1,174.05
1,174.05
1,156.33

**FUEL HEDGING PROGRAM
GAIN/(LOSS)**

GPA HEDGING CALCULATION

FY 2008	Trade Date	Month	Cap. Price	Floor Price	Platt's Posted Price	Diff. between	Contract	GPA
					HSFO 180 cst	Platts Price vs. Cap/Floor	Quantity	GAIN / (LOSS)
					\$/MT	\$	MT	(\$)
J Aron Morgan	12/5/2007	January	\$520.00	\$440.00	458.720	\$0.000	9,969	\$ -
	1/14/2008	January	\$519.00	\$457.00	458.720	\$0.000	9,969	\$ -
	PROJECTED NET GPA GAIN/(LOSS)							\$ -
J Aron Morgan	12/5/2007	February	\$520.00	\$440.00	464.500	\$0.000	9,969	\$ -
	1/14/2008	February	\$519.00	\$450.75	464.500	\$0.000	9,969	\$ -
	PROJECTED NET GPA GAIN/(LOSS)							\$ -
J Aron Morgan	12/5/2007	March	\$520.00	\$440.00	467.250	\$0.000	9,969	\$ -
	1/14/2008	March	\$519.00	\$454.50	467.250	\$0.000	9,969	\$ -
	PROJECTED NET GPA GAIN/(LOSS)							\$ -
J Aron	1/17/2008	April	\$522.00	\$438.75	\$ 546.01	\$24.007	9,969	\$ 239,325.78
	ACTUAL NET GPA GAIN/(LOSS)							\$ 239,325.78
J Aron	1/17/2008	May	\$522.00	\$438.75	\$ 609.00	\$87.000	9,969	\$ 867,303.00
	PROJECTED NET GPA GAIN/(LOSS)							\$ 867,303.00
J Aron	1/17/2008	June	\$522.00	\$438.75	\$ 606.25	\$84.250	9,969	\$ 839,888.25
	PROJECTED NET GPA GAIN/(LOSS)							\$ 839,888.25
J Aron	3/24/2008	July	520.00	486.50	\$ 604.50	\$84.500	9,969	\$ 842,380.50
	PROJECTED NET GPA GAIN/(LOSS)							\$ 842,380.50
	3/24/2008	August	520.00	486.50	603.92	\$83.920	9,969	\$ 836,598.48
	PROJECTED NET GPA GAIN/(LOSS)							\$ 836,598.48
	3/24/2008	September	520.00	486.50	603.92	\$83.920	9,969	\$ 836,598.48
	PROJECTED NET GPA GAIN/(LOSS)							\$ 836,598.48
NET SETTLEMENT PRICE FY 2008								\$ -
								\$ 4,462,094.49

GPA HEDGE CONTRACTS					
	Trade Date	Quantity	Period	Call Strike \$	Put Strike \$
J Aron	12/5/2007	9969	01/02/2008 - 03/31/2008	520.00	440.00
Morgan Stanley	1/14/2008	9969	01/14-31/2008	519.00	457.00
Morgan Stanley	1/14/2008	9969	02/01-29/2008	519.00	450.75
Morgan Stanley	1/14/2008	9969	03/01-31/2008	519.00	454.50
J Aron	12/5/2007	9969	01/02/2008-03/31/2008	520.00	440.00
J Aron	1/17/2008	9969	04/01/2008 - 06/30/2008	522.00	438.75
J Aron	3/24/2008	9969	07/01/2008 - 09/30/2008	520.00	486.50

IWPS TOTAL GENERATION (MW)	161,229		156,028		168,520		163,084		168,520		168,520	
	Forecast by Generation		Forecast by Generation		Forecast by Generation		Forecast by Generation		Forecast by Generation		Forecast by Generation	
	Aug-08	Aug-08	Sep-08	Sep-08	Oct-08	Oct-08	Nov-08	Nov-08	Dec-08	Dec-08	Jan-09	Jan-09
Cabras 1	26,531	24,614	26,533	24,550	31,613	30,579	29,026	27,654	29,988	28,660	31,538	31,194
Cabras 2	28,648	26,578	32,561	30,128	37,156	35,941	28,809	27,447	31,764	30,358	27,676	27,374
Cabras 3	25,282	23,456	25,127	23,250	18,693	18,081	22,930	21,845	25,810	24,667	25,377	25,101
Cabras 4	24,430	22,665	19,981	18,488	21,299	20,602	23,726	22,604	24,853	23,752	20,483	20,260
ENRON 1	29,251	27,137	21,626	20,010	16,765	16,216	29,540	28,142	25,602	24,468	26,969	26,675
ENRON 2	29,251	27,137	27,674	25,606	30,877	29,867	28,532	27,182	26,610	25,431	27,974	27,669
HEI 1	7,812	7,248	8,217	7,603	8,689	8,405	3,752	3,575	8,006	7,651	7,784	7,699
HEI 2	1,516	1,406	4,493	4,157	7,569	7,321	3,716	3,540	2,814	2,689	2,304	2,279
Dededo CT 1	-	-	-	-	-	-	-	-	-	-	-	-
Dededo CT 2	-	-	-	-	-	-	-	-	-	-	-	-
Macheche CT	90	83	190	176	100	97	30	29	30	29	-	-
Marbo CT	-	-	-	-	-	-	-	-	-	-	-	-
Yigo CT	-	-	-	-	-	-	-	-	-	-	-	-
TEMES CT	30	28	30	28	-	-	-	-	-	-	-	-
Dededo Diesel 1	-	-	-	-	-	-	-	-	-	-	-	-
Dededo Diesel 2	-	-	-	-	-	-	-	-	-	-	-	-
Dededo Diesel 3	-	-	-	-	-	-	-	-	-	-	-	-
Dededo Diesel 4	-	-	-	-	-	-	-	-	-	-	-	-
Pulantat Diesel 1	20	19	68	63	40	39	28	27	20	19	-	-
Pulantat Diesel 2	4	4	36	33	24	23	24	23	-	-	-	-
Talofofo Diesel 1	52	48	136	126	92	89	76	72	56	54	12	12
Talofofo Diesel 2	32	30	108	100	56	54	56	53	28	27	8	8
Tenjo Diesel 1	216	200	404	374	272	263	212	202	216	206	56	55
Tenjo Diesel 2	184	171	372	344	260	251	200	191	148	141	52	51
Tenjo Diesel 3	144	134	324	300	220	213	180	171	128	122	48	47
Tenjo Diesel 4	104	96	268	248	180	174	148	141	104	99	44	44
Tenjo Diesel 5	100	93	252	233	172	166	108	103	80	76	36	36
Tenjo Diesel 6	88	82	228	211	144	139	88	84	72	69	16	16
-	-	-	-	-	-	-	-	-	-	-	-	-
	173,786	161,229	168,628	156,028	174,220	168,520	171,180	163,084	176,328	168,520	170,376	168,520

GUAM POWER AUTHORITY
 LEVELIZED ENERGY ADJUSTMENT CLAUSE

ASSUMPTIONS/ADD'L INFORMATION:

1. Total sales (Civilian & Navy) same as used in the Docket 98-002.
2. Plant use, losses and company use as a ratio to sales are calculated as follows.

	<u>Mwh</u>	<u>Ratio to Sales</u>
Total Mwh Sales -FY07	1,634,622	
Plant Use - (FY 07)	105,272	6.44%
Transmission Losses (Note A)	59,857	3.66%
Distribution losses (Note A)	72,895	4.46%
Company use (FY07)	3,019	0.18%

Note A:	<u>Mwh</u>	<u>Ratio</u>	<u>Allocated FY05 T&D Losses</u>
Total T&D losses FY07	<u>132,752</u>		<u>8.12%</u> (Ratio to sales)
Transmission losses-9/30/91	48,579	45.09%	59,857
Distribution losses- 9/30/91	<u>59,160</u>	54.91%	<u>72,895</u>
	<u>107,739</u>		<u>132,752</u>

ATTACHMENT III

FY08 ACTUAL LEAC RECOVERY

**Guam Power Authority
Actual Generation, Fuel, Sales & Losses
Fiscal Year 2008**

Description	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	TOTAL
Cabras #1							
Generation (Kwh)	33,758,800	29,913,200	30,606,800	27,865,300	-	27,067,600	149,211,700
Kwh/Barrel	608	605	603	612	-	598	605
Total Barrels	55,513	49,475	50,761	45,529	-	45,293	246,571
Mmbtu/Kwh (Heat Rate)	10,031	10,089	10,117	9,967	-	10,207	10,080
Cabras #2							
Generation (Kwh)	33,972,600	28,713,700	27,068,900	19,270,700	28,123,400	18,336,500	155,485,800
Kwh/Barrel	607	606	606	608	617	585	606
Total Barrels	55,952	47,352	44,699	31,677	45,588	31,352	256,620
Mmbtu/Kwh (Heat Rate)	10,047	10,060	10,073	10,027	9,888	10,430	10,068
Cabras #3							
Generation (Kwh)	21,907,743	21,374,679	23,814,475	19,573,046	21,554,641	23,075,208	131,299,792
Kwh/Barrel	818	744	739	759	747	751	758
Total Barrels	26,795	28,738	32,215	25,794	28,872	30,713	173,127
Mmbtu/Kwh (Heat Rate)	7,461	8,201	8,252	8,039	8,171	8,119	8,043
Cabras #4							
Generation (Kwh)	2,700,097	16,882,284	23,420,384	21,120,785	21,505,750	18,814,024	104,443,324
Kwh/Barrel	771	738	738	755	746	745	745
Total Barrels	3,500	22,868	31,743	27,989	28,813	25,263	140,176
Mmbtu/Kwh (Heat Rate)	7,907	8,263	8,268	8,084	8,173	8,191	8,187
Tanguisson #1							
Generation (Kwh)	9,697,800	9,227,700	9,829,600	9,989,200	9,793,900	9,267,900	57,806,100
Kwh/Barrel	494	482	483	491	499	507	493
Total Barrels	19,616	19,151	20,331	20,358	19,630	18,265	117,351
Mmbtu/Kwh (Heat Rate)	12,339	12,660	12,617	12,432	12,226	12,022	12,383
Tanguisson #2							
Generation (Kwh)	9,641,800	3,051,100	9,812,600	9,936,800	9,130,800	7,758,700	49,331,800
Kwh/Barrel	485	484	482	481	472	523	487
Total Barrels	19,896	6,298	20,352	20,652	19,351	14,830	101,379
Mmbtu/Kwh (Heat Rate)	12,587	12,591	12,652	12,678	12,928	11,660	12,536
Piti Plant (Navy)							
Generation (Kwh)	-	-	-	-	-	-	-
Kwh/Barrel	-	-	-	-	-	-	-
Total Barrels	-	-	-	-	-	-	-
Mmbtu/Kwh (Heat Rate)							
Piti #8 (MEC/Enron)							
Generation (Kwh)	27,178,800	25,974,500	28,327,200	23,335,100	22,818,000	27,295,800	154,929,400
Kwh/Barrel	731	728	727	767	703	709	727
Total Barrels	37,170	35,700	38,963	30,432	32,444	38,506	213,215
Mmbtu/Kwh (Heat Rate)	8,342	8,384	8,390	7,955	8,673	8,605	8,395
Piti #9 (MEC/Enron)							
Generation (Kwh)	13,189,800	14,415,500	-	18,549,900	26,444,700	22,152,800	94,752,700
Kwh/Barrel	736	732	-	670	709	716	709
Total Barrels	17,927	19,686	-	27,670	37,318	30,949	133,550
Mmbtu/Kwh (Heat Rate)	8,291	8,330	-	9,099	8,608	8,522	8,598
Total Gen.Kwh (B/load)	152,047,440	149,552,663	152,879,959	149,640,831	139,371,191	153,768,532	897,260,616
Total Barrels	236,369	229,268	239,064	230,100	212,016	235,171	1,381,988
Price per Barrel	65.17	63.49	69.10	76.40	77.12	77.22	71.33
Total Cost	15,405,079	14,557,230	16,520,102	17,580,335	16,351,633	18,160,770	98,575,149

Guam Power Authority
 Actual Generation, Fuel, Sales & Losses
 Fiscal Year 2008

Description	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	TOTAL
Dededo CT #1							
Generation (Kwh)	88,838	464,888	428,375	971,175	52,900	-	2,006,176
Kwh/Barrel	372	403	393	393	311	-	391
Total Barrels	239	1,155	1,090	2,474	170	-	5,128
Mmbtu/Kwh (Heat Rate)	15,604	14,410	14,758	14,775	18,639		14,825
Dededo CT #2							
Generation (Kwh)	-	-	-	-	-	-	-
Kwh/Barrel	-	-	-	-	-	-	-
Total Barrels	-	-	-	-	-	-	-
Mmbtu/Kwh (Heat Rate)							
Macheche CT							
Generation (Kwh)	874,800	590,400	640,800	1,274,400	111,600	349,200	3,841,200
Kwh/Barrel	462	487	473	478	461	489	475
Total Barrels	1,895	1,213	1,356	2,665	242	714	8,085
Mmbtu/Kwh (Heat Rate)	12,564	11,916	12,273	12,129	12,577	11,859	12,208
Yigo CT							
Generation (Kwh)	-	-	-	-	-	-	-
Kwh/Barrel	-	-	-	-	-	-	-
Total Barrels	-	-	-	-	-	-	-
Mmbtu/Kwh (Heat Rate)							
TEMES CT (Piti #7)							
Generation (Kwh)	4,642,438	2,535,745	5,320,900	2,399,961	1,326,209	1,762,720	17,987,973
Kwh/Barrel	407	412	412	416	414	411	411
Total Barrels	11,400	6,158	12,909	5,775	3,202	4,289	43,733
Mmbtu/Kwh (Heat Rate)	14,243	14,085	14,071	13,956	14,004	14,112	14,101
Tenjo Vista							
Generation (Kwh)	868,320	2,017,440	3,296,880	3,475,440	1,139,040	850,320	11,647,440
Kwh/Barrel	672	626	627	626	619	619	628
Total Barrels	1,293	3,223	5,256	5,551	1,839	1,373	18,535
Mmbtu/Kwh (Heat Rate)	8,637	9,266	9,247	9,264	9,364	9,365	9,230
Manengon (MDI)							
Generation (Kwh)	-	-	-	-	-	20,153	20,153
Kwh/Barrel	-	-	-	-	-	611	611
Total Barrels	-	-	-	-	-	33	33
Mmbtu/Kwh (Heat Rate)						9,497	9,497
Talofoto							
Generation (Kwh)	-	-	-	-	-	-	-
Kwh/Barrel	-	-	-	-	-	-	-
Total Barrels	-	-	-	-	-	-	-
Mmbtu/Kwh (Heat Rate)							
Dededo Diesel							
Generation (Kwh)	24,500	-	-	-	-	-	24,500
Kwh/Barrel	521	-	-	-	-	-	521
Total Barrels	47	-	-	-	-	-	47
Mmbtu/Kwh (Heat Rate)	11,127						11,127

**Guam Power Authority
Actual Generation, Fuel, Sales & Losses
Fiscal Year 2008**

Description	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	TOTAL
Marbo CT							
Generation (Kwh)	-						
Kwh/Barrel	-	-	-	-	-	-	-
Total Barrels	-	-					
Mmbtu/Kwh (Heat Rate)							
Orote Diesel (Navy)							
Generation (Kwh)							
Kwh/Barrel							
Total Barrels							
Total Gen.Kwh (CT/DSL)	6,498,896	5,608,473	9,686,955	8,120,976	2,629,749	2,982,393	35,527,442
Total Barrels	14,874	11,749	20,611	16,465	5,453	6,409	75,561
Price per Barrel	102.57	108.38	116.13	115.95	118.66	120.62	112.78
Total Cost	1,525,670	1,273,415	2,393,527	1,909,135	647,050	773,047	8,521,844
Total Gross Generation	158,546,336	155,161,136	162,566,914	157,761,807	142,000,940	156,750,925	932,788,058
Total Barrels	251,243	241,017	259,675	246,565	217,469	241,580	1,457,549
Total Fuel Costs	16,930,749	15,830,645	18,913,629	19,489,470	16,998,683	18,933,817	107,096,993
	(16)	(35)	(4)	(43)	(15)	(10)	
Sales (Kwh):							
Civilian	106,110,375	107,460,615	111,597,204	109,978,607	101,501,381	103,902,570	640,550,752
Navy	28,815,693	27,521,749	29,091,977	29,180,475	24,269,947	26,180,617	165,060,458
Sub-Total	134,926,068	134,982,364	140,689,181	139,159,082	125,771,328	130,083,187	805,611,210
Plant Use	8,940,809	8,429,571	9,172,913	8,555,007	7,350,736	9,087,617	
T & D Losses	14,679,459	11,749,201	12,704,820	10,047,718	8,878,876	17,580,121	75,640,195
Company Use	244,868	264,934	238,573	259,582	232,728	237,295	51,536,653
Gross Generation	158,546,336	155,161,136	162,566,914	157,761,807	142,000,940	156,750,925	75,640,195
Fuel Expense:							
Total Fuel Costs	16,930,749	15,830,645	18,913,629	19,489,470	16,998,683	18,933,817	107,096,993
Fuel Handling	393,940	415,691	458,142	159,722	335,119.64	311,176	2,073,790
Sounding Variance	-	-	-	-	-	-	-
Total Fuel Expense	17,324,689	16,246,336	19,371,771	19,649,192	17,333,803	19,244,993	109,170,783
Recoveries from Navy	(3,660,832)	(3,385,898)	(4,061,975)	(4,222,036)	(\$3,356,580)	(\$3,927,278)	(22,614,599)
Net Fuel Expense	13,663,857	12,860,438	15,309,796	15,427,156	13,977,223	15,317,715	86,556,185
Civilian Recovery:							
Beg. Recovery Balance	2,141,464	2,652,197	2,192,140	3,668,681	5,463,219	6,858,635	2,141,464
Net Fuel Expense	13,663,857	12,860,438	15,309,796	15,427,156	13,977,223	15,317,715	86,556,185
Current Fuel Cost Rec.	(13,153,124)	(13,320,495)	(13,833,255)	(13,632,618)	(12,581,807)	(15,633,908)	(82,155,207)
End Recovery Balance	2,652,197	2,192,140	3,668,681	5,463,219	6,858,635	6,542,442	6,542,442
Monthly (over)/under	510,733	(460,057)	1,476,541	1,794,538	1,395,416	(316,193)	4,400,978

GL Cumulative Balance of Deferred Asset as of 03.31.08 7,255,990
Less: Adjustments made in April due to Navy Backbilling (713,548)
GI Balance should be after adjustments as of 03.31.08 **6,542,442**

Notes:

- a) Company Use is excluded from the calculation of T and D Losses as such KWH are already part of Civilian Sales.
- b) These figures are unaudited

ATTACHMENT IV

SUPPORT FOR DISPATCH ASSUMPTION

Generation Forecast
LEAC Period Oct 2005 - Mar 2006

	Mar 31	Apr 30	May 31	Jun 30	Jul 31	Aug 31	Sept 30	Oct 31	Nov 30	Dec 31	Jan 31	Feb 28	SUM
No. of Scenario Days Per Month													
baseline	0	0	6	12	14	26	14	3		21	22	2	62
cabras 1 down	0	0	0	0	2	3	3	2				21	28
cabras 2 down	0	0	19	9	0	0							0
cabras 3 down	0	0	2	0	4	0		6				5	11
cabras 4 down	0	0	0	0	7	0	2	4			4		10
mec 8 down	0	0	2	2	1	0	7	13					27
mec 9 down	0	0	0	2	1	1					3		4
tango 1 down	0	0	0	0	0	0			13				13
tango 2 down	0	0	0	0	0	0			13				13
cabras 1 / cabras 2 down	0	0	0	0				1					10
cabras 1 / cabras 3 down	0	0	0	0									11
cabras 2 / cabras 3 down	0	0	0	0									12
cabras 1 / cabras 4 down	0	0	0	0			1						13
cabras 2 / cabras 4 down	0	0	0	5									14
cabras 1 / mec 8 down	0	0	0	0	1		1						15
cabras 2 / mec 8 down	0	0	0	0									16
cabras 1 / mec 9 down	0	0	0	0		1							17
cabras 2 / mec 9 down	0	0	2	0									18
cabras 1 / tango 1 down	0	0	0	0									19
cabras 2 / tango 1 down	0	0	0	0									20
cabras 1 / tango 2 down	0	0	0	0					1				21
cabras 2 / tango 2 down	0	0	0	0									22
cabras 3 / cabras 4 down	0	0	0	0				1					23
cabras 3 / mec 8 down	0	0	0	0				1					24
cabras 4 / mec 8 down	0	0	0	0									25
cabras 3 / mec 9 down	0	0	0	0	1								26
cabras 4 / mec 9 down	0	0	0	0			2				1		27
cabras 3 / tango 1 down	0	0	0	0					1				28
cabras 4 / tango 1 down	0	0	0	0									29
cabras 3 / tango 2 down	0	0	0	0					1				30
cabras 4 / tango 2 down	0	0	0	0									31
mec 8 / mec 9 down	0	0	0	0						1			32
mec 8 / tango 1 down	0	0	0	0									33
mec 9 / tango 1 down	0	0	0	0					1				34
mec 8 / tango 2 down	0	0	0	0									35
mec 9 / tango 2 down	0	0	0	0									36
tango 1 / tango 2 down	0	0	0	0									37
total days	0	0	31	30	31	31	30	31	30	31	31	28	
Total MWH Per Unit Per Month													
Cabras 1	0	0	37,297	35,094	30,116	26,531	26,533	31,613	29,026	29,988	31,538	7,335	
Cabras 2	0	0	10,534	16,417	33,930	28,648	32,561	37,156	28,809	31,764	27,676	33,042	
Cabras 3	0	0	24,564	25,440	21,700	25,282	25,127	18,693	22,930	25,810	25,377	19,011	
Cabras 4	0	0	25,786	20,381	19,302	24,430	19,981	21,299	23,726	24,853	20,483	22,001	
ENRON 1	0	0	28,648	27,759	28,793	29,251	21,626	16,765	29,540	25,602	26,969	27,360	
ENRON 2	0	0	28,648	27,759	28,793	29,251	27,674	30,877	28,532	26,610	27,974	27,360	
HEI 1	0	0	9,072	8,727	8,434	7,812	8,217	8,689	3,752	8,006	7,784	7,979	
HEI 2	0	0	7,632	5,775	4,746	1,516	4,493	7,569	3,716	2,814	2,304	7,308	
Dededo CT 1	0	0	0	0	0	0	0	0	0	0	0	0	
Dededo CT 2	0	0	0	0	0	0	0	0	0	0	0	0	
Macheche Ct	0	0	160	450	130	90	190	100	30	30	0	0	
Marbo Ct	0	0	0	0	0	0	0	0	0	0	0	0	
Yigo CT	0	0	0	0	0	0	0	0	0	0	0	0	
TEMES CT	0	0	120	150	30	30	30	0	0	0	0	0	
Dededo Diesel 1	0	0	0	0	0	0	0	0	0	0	0	0	
Dededo Diesel 2	0	0	0	0	0	0	0	0	0	0	0	0	
Dededo Diesel 3	0	0	0	0	0	0	0	0	0	0	0	0	
Dededo Diesel 4	0	0	0	0	0	0	0	0	0	0	0	0	
Pulantat Diesel 1	0	0	64	140	32	20	68	40	28	20	0	0	
Pulantat Diesel 2	0	0	24	40	24	4	36	24	24	0	0	0	
Talofofo Diesel 1	0	0	88	332	100	52	136	92	76	56	12	0	
Talofofo Diesel 2	0	0	88	180	64	32	108	56	56	28	8	0	
Tenjo Diesel 1	0	0	1,120	884	276	216	404	272	212	216	56	588	
Tenjo Diesel 2	0	0	936	776	248	184	372	260	200	148	52	252	
Tenjo Diesel 3	0	0	844	684	216	144	324	220	180	128	48	252	
Tenjo Diesel 4	0	0	448	612	188	104	268	180	148	104	44	168	
Tenjo Diesel 5	0	0	372	428	144	100	252	172	108	80	36	0	
Tenjo Diesel 6	0	0	280	428	132	88	228	144	88	72	16	0	
total system	0	0	176,726	172,456	177,398	173,786	168,628	174,220	171,180	176,328	170,376	152,656	
total baseload	0	0	172,182	167,352	175,814	172,722	166,212	172,660	170,030	175,446	170,104	151,396	
total peak units	0	0	4,544	5,104	1,584	1,064	2,416	1,560	1,150	882	272	1,260	
total system	0	0	176,726	172,456	177,398	173,786	168,628	174,220	171,180	176,328	170,376	152,656	
% baseload	0.0%	0.0%	97.4%	97.0%	99.1%	99.4%	98.6%	99.1%	99.3%	99.5%	99.8%	99.2%	
% peak units	0.0%	0.0%	2.6%	3.0%	0.9%	0.6%	1.4%	0.9%	0.7%	0.5%	0.2%	0.8%	

ATTACHMENT V

SUPPORT FOR FUEL PRICE PER BARREL



BP SINGAPORE PTE LIMITED (CRN 196600436K)

1 HARBOUR FRONT AVENUE
 HEX 02-01 KEPPEL BAY TOWER
 SINGAPORE 098632

DIRECT TEL : 6371 8520
 DIRECT FAX : 6371 8971

COMMERCIAL INVOICE

GST REG. NO.: MR-6500296-6

GUAM POWER AUTHORITY P.O BOX 2977 HAGATNA, GUAM 96932-2977 GUAM (US)		PORT OF LOADING SINGAPORE PORT OF DISCHARGE GUAM TERMS OF SETTLEMENT 30 DAYS FROM BILL OF LADING DATE		INVOICE NUMBER 90075308 AND 80075306 INVOICE DATE 02-MAY-2008 SHIPPED PER VESSEL BRITISH TRANQUILITY BILL DATE 22-APR-08 PRICING BASIS DES GUAM	
PRODUCT DESCRIPTION	QUANTITATIVE DETAILS PRICING QUANTITY	UNIT PRICE US\$/BBL	AMOUNT US\$	PRICE CLAUSE AS PER LC NO. LM9802/8140	
HIGH SULPHUR FUEL OIL (HSFO) HIGH SULPHUR FUEL OIL (HSFO)	30,000.000 BBL 211,773.000 BBL	77.301 81.592	2,319,030.00 17,278,982.62		
US DOLLARS NINETEEN MILLION FIVE HUNDRED NINETY EIGHT THOUSAND TWELVE AND CENTS SIXTY TWO ONLY		TOTAL INVOICE VALUE IN US\$		19,598,012.62	
0%		THIS INVOICE ALSO SERVES AS A TAX INVOICE FOR THE PURPOSE GST IN SINGAPORE.		BP SINGAPORE PTE LIMITED 	

A070002064-TW121/002 AND 001

Energy Noon Call – Asia

Crude Oil and Product Swaps

May 16, 2008

Below are our good-faith estimates of where we value (at mid-market) crude / product swaps for the periods indicated. The numbers simply represent our assessment of where fair value for the underlying commodities is, and do not represent a bid or an offer to buy or to sell the commodities.

	Settled	May-08	Jun-08	Jul-08	3Q 08	4Q 08	1Q 09	2Q 09	3Q 09	4Q 09	1Q 10
Crude Levels											
NYMEX WTI Swaps	124.12	124.56	124.43	124.24	124.08	123.56	122.84	122.13	121.52	121.10	120.68
ICE Brent Swaps	121.25	123.43	123.66	123.98	124.14	124.19	123.70	123.09	122.55	122.11	121.76
Dubai Swaps	119.17	118.95	118.65	118.75	118.84	118.93	118.78	118.57	118.36	118.15	117.94
APPITapis *	125.16	129.03	127.13	127.43	127.60	127.69	127.26	126.66	126.09	125.64	125.25
Asian Product Levels											
Sing Naphtha	110.45	110.44	109.91	109.95	110.07	110.28	111.04	111.55	111.27	110.64	110.00
Japan Naphtha	1013.95	1014.05	1014.90	1015.90	1016.90	1019.90	1022.90	1024.57	1021.90	1018.90	1015.90
Sing Kerosene	162.04	160.50	158.85	157.75	157.07	156.63	154.53	151.55	150.47	149.98	148.78
Sing Gasoil 0.5%	160.14	159.00	157.60	156.10	155.27	153.33	150.93	148.35	147.05	146.28	145.02
Sing HSFO 180CST	608.66	609.00	606.25	604.50	603.92	605.92	610.17	613.50	616.00	618.25	620.25
Sing HSFO 380CST	576.20	575.50	573.25	573.00	574.25	579.25	585.25	590.75	595.25	599.25	602.58
Sing 380 Bunker wire	582.50	582.50	581.25	581.00	582.25	587.25	593.25	598.75	603.25	607.25	610.58
Euro Product Levels											
ICE Gasoil Swaps	1198.25	1191.25	1188.62	1185.61	1183.65	1174.05	1156.33	1129.66	1121.80	1118.67	1105.38
Rotterdam 3.5% S Barges	535.00	532.25	536.25	540.75	544.42	552.25	558.83	563.17	565.50	567.75	569.50
CI F N W E Jet	1304.00	1289.25	1285.62	1282.11	1280.65	1277.55	1259.33	1232.66	1224.80	1221.67	1204.38

This database was prepared for informational purposes only and is based on publicly available information from sources believed to be reliable. No representation is made that it is accurate or complete or that any returns will be achieved. Changes to assumptions may have a material impact on returns. Past performance is not indicative of future results. Additional information available upon request. Morgan Stanley & Co., Incorporated (M S & Co.), Morgan Stanley & Co., International Limited (M SIL) and their affiliates may have positions in, and may effect transactions in commodities, securities and other instruments mentioned herein. This database has been issued by M S & Co., and approved by M SIL (a member of the U.K. Securities and Futures Authority), Morgan Stanley Japan Ltd., Morgan Stanley Canada Limited and Morgan Stanley Dean Witter (Singapore) Pte. NOT FOR DISTRIBUTION TO PRIVATE CUSTOMERS AS DEFINED BY THE U.K. SECURITIES AND FUTURES AUTHORITY.

This material was prepared by sales, trading, banking or other non-research personnel of one of the following: Morgan Stanley & Co. Incorporated, Morgan Stanley & Co. International plc, Morgan Stanley Japan Securities Co., Ltd., Morgan Stanley Capital Group Inc., Morgan Stanley Dean Witter Australia Limited and/or Morgan Stanley Dean Witter Capital Group (Singapore) Pte (together with their affiliates, hereinafter "Morgan Stanley"). Unless otherwise indicated, these views (if any) are the author's and may differ from those of the Morgan Stanley fixed income or equity research department or others in the firm.

This material has been prepared for information purposes only and is not an offer to buy or sell or a solicitation of any offer to buy or sell any security, commodity or instrument or related derivative (hereinafter "instrument") or to participate in any trading strategy. Any such offer would be made only after a prospective participant had completed its own independent investigation of the instrument or trading strategy and received all information it required to make its own investment decision, including, where applicable, a review of any prospectus, prospectus supplement, offering circular, term sheet or memorandum describing such instrument or trading strategy. That information would supersede this material and contain information not contained herein and to which prospective participants are referred. If this material is being distributed in connection with or in advance of the issuance of asset backed securities, information herein regarding any assets backing any such securities supersedes all prior information regarding such assets. We have no obligation to tell you when information herein is stale or may change. We make no representation or warranty with respect to the accuracy or completeness of this material, nor are we obligated to provide updated information on the instruments mentioned herein.

This material may have been prepared by or in conjunction with Morgan Stanley trading desks that may deal as principal in our own or act as market maker or liquidity provider for the instruments mentioned herein. Where you provide us with information relating to an order or proposed transaction ("information"), we may use that information to facilitate the execution of your orders or transactions, in managing our market making, other counterparty facilitation activities or otherwise in carrying out our legitimate business (which may include, but is not limited to, hedging a risk or otherwise limiting the risks to which we are exposed). Counterparty facilitation activities may include, without limitation, us taking a principal position in relation to providing counterparties with quotes or as part of the ongoing management of inventories used to facilitate counterparties. Trading desk materials are not independent of the proprietary interests of Morgan Stanley, which may conflict with your interests. Morgan Stanley may also perform or seek to perform investment banking services for the issuers of instruments mentioned herein.

Any securities referred to in this material may not have been registered under the U.S. Securities Act of 1933, as amended, and, if not, may not be offered or sold absent an exemption therefrom. In relation to any member state of the European Economic Area, a prospectus may not have been published pursuant to measures implementing the Prospectus Directive (2003/71/EC) and any securities referred to herein may not be offered in circumstances that would require such publication. Recipients are required to comply with any legal or contractual restrictions on their purchase, holding, sale, exercise of rights or performance of obligations under any instrument or otherwise applicable to any transaction.

The securities, commodities or other instruments (or related derivatives) discussed in this material may not be suitable for all investors. This material has been prepared and issued by Morgan Stanley for distribution to market professionals and institutional investor clients only. Other recipients should seek independent investment advice prior to making any investment decision based on this material. This material does not provide individually tailored investment advice or offer tax, regulatory, accounting or legal advice. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the transaction. You should consider this material as only a single factor in making an investment decision.

Options are not for everyone. Before purchasing or writing options, investors should understand the nature and extent of their rights and obligations and be aware of the risks involved, including the risks pertaining to the business and financial condition of the issuer and the underlying instrument. A secondary market may not exist for certain of these instruments. For Morgan Stanley customers who are purchasing or writing exchange-traded options, please review the publication "Characteristics and Risks of Standardized Options," which is available from your account representative.

The value of and income from investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities prices of instruments, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in instruments (or related derivatives) transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and Morgan Stanley does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. Some of the information contained in this document may be aggregated data of transactions executed by Morgan Stanley that has been compiled so as not to identify the underlying transactions of any particular customer.

Notwithstanding anything herein to the contrary, Morgan Stanley and each recipient hereof agree that they (and their employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the U.S. federal and state income tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to the tax treatment and tax structure. For this purpose, "tax structure" is limited to facts relevant to the U.S. federal and state income tax treatment of the transaction and does not include information relating to the identity of the parties, their affiliates, agents or advisors.

In Europe, this material is directed to those persons who are market counterparties or intermediate customers (as defined in the UK Financial Services Authority's rules). In or from the DIFC, this information is communicated by Morgan Stanley & Co. International plc (DIFC Branch), regulated by the Dubai Financial Services Authority (the DFSA), and is directed at wholesale customers only, as defined by the DFSA. In Japan, this material is directed to the qualified institutional investors as defined under the Securities Exchange Law of Japan and its ordinances thereunder. In Singapore, this material is directed to Accredited Investors as defined under the Commodities Trading Act of Singapore and its schedule thereunder. In Australia, this material is disseminated by Morgan Stanley Dean Witter Australia Limited ABN 67 003 734 576. For additional information, research reports and important disclosures see <https://secure.ms.com/servlet/cb>. The trademarks and service marks contained herein are the property of their respective owners. Third-party data providers make no warranties or representations of any kind relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages of any kind relating to such data.

Please note that market data may be proprietary and confidential to the relevant exchange, index owner or information provider and may reserve all intellectual property rights in such data. Such data should also not be disseminated without their consent, and such permission may depend upon execution of an agreement or payment of an applicable fee. No representation or warranty, express or implied, can be given with respect to the accuracy, completeness, correctness, sufficiency or usefulness of the information. Morgan Stanley and the relevant exchange, index owner or information provider disclaim any and all liability for any loss howsoever arising from, related to or in connection with any use of any of the information or other materials contained herein, including without limitation any express or implied representations or warranties for statements contained in, omissions from, the information contained herein. Morgan Stanley or the relevant exchange, index owner or information provider may suspend or terminate receipt or display of any data it believes it is being misused or misrepresented.

This information is confidential and is solely for your internal use. This information is based on or derived from information generally available to the public from sources believed to be reliable. Morgan Stanley & Co. International plc and its affiliates disclaim any and all liability relating to this information, including without limitation any express or implied representations or warranties for statements contained in, and omissions from, this information. Additional information is available on request. Where you provide us with information relating to a customer order or proposed transaction, we may use that information to facilitate the execution of your order or transaction, in managing our market making, other client facilitation activities or otherwise in carrying out our legitimate business (which may include, but is not limited to, hedging a risk or otherwise limiting

ATTACHMENT VI

**DOCUMENTATION ON
ALL FUEL HANDLING
EXPENSES
(EXISTING CONTRACTS
SUBMITTED IN THE
PREVIOUS LEAC
FILING)**

GUAM POWER AUTHORITY
 FY08 FUEL BUDGET
 Approved 9/11/07

Revised: 9/10/07

DESCRIPTION OF SERVICES	FY2008
(A) <u>RESIDUAL FUEL OIL # 6 (RFO)</u>	\$171,060,106
(B) <u>DIESEL FUEL OIL NO.2 (DFO)</u>	\$12,000,000
(C) <u>ENGINE CYLINDER OIL (CAB 3 & 4)</u>	\$1,400,000
(D) <u>FUEL HANDLING SERVICES</u>	
(1) Ship Demurrage Cost	\$176,883
(2) Fuel Farm Management & Operations (Peterra)	\$750,000
(3) Cargo Inspection, Testing & Facility Calibration (SGS)	\$165,000
(4) Dock Usage fee (Shell/PAG, including other charges)	\$390,000
(5) Pipeline Use Fee (Shell)	\$400,000
(6) Tankage Use Lease (Tanks 1902/1910/1911)	\$1,290,000
(7) Diesel Delivery Fee to WSD	\$45,000
(8) Vacuum Truck Rental (Plant Waste Oil Recovery)	\$14,900
(9) Bank Charges for RFO L/C processing fee	\$900,000
(10) Petro-Tanker Hauling Services	\$14,500
(11) Insurance Fee	\$763,914
(12) Miscellaneous associated fuel costs:	
- Labor cost 2 FTE's	\$110,000
- Training and seminars *	\$10,000
- Subscriptions/technical books *	\$16,000
- Office equipment *	\$8,000
Total miscellaneous fuel costs	\$144,000
(13) Others: Shell Pipeline repair / Inspections (24" line used by GPA for cargo receipt & plants refilling)	\$650,000
(14) GPA Fuel Farm RFO/DFO Pipeline Guardrail Repair and Painting	\$191,000
Total Fuel Handling:	\$5,895,197.00
GRAND TOTAL FUEL BUDGET	\$190,355,303.00

* subject to GM approval



Shell Guam, Inc.

Shell Guam, Inc.
Shell Co. (Pacific Islands), Ltd.

Suite 100
643 Chalan San Antonio
Tamuning, Guam 96913-3644

Corporate:
Telephone (671) 647-0000
Facsimile (671) 649-4353

Operations/Engineering:
Telephone (671) 565-2300
Facsimile (671) 565-3909

Dispatch:
Telephone (671) 565-2949
Facsimile (671) 565-2913

Email guam.corporate@shell.com.gu
Website www.shellguam.com

May 15, 2008

Mr. Joaquin C. Flores
Guam Power Authority
P.O. Box 2977
Hagatna, Guam 96932

Subject: F-1 User agreement and Fee increase notice

Dear Mr. Flores,

On May 8, 2008 the Port Authority of Guam (PAG) Board approved its Management Agreement with Shell Guam Inc. to manage the F-1 Fuel Pier. Although this Agreement has become effective on May 1, 2008; the PAG Board granted GPA a waiver for your May 3 import.

Please be advised that there have been some changes from the former agreement. The significant change not included in the attached User Agreement is:

Facility User Fees: In the agreement the PAG changed the dock import fees from \$0.10/bbl to the posted \$0.16/bbl. The export fees have also changed from \$0.038 to \$0.075/ bbl. The PAG has insisted on charging the posted 1993 tariff rate for dock fees.

Within the attached User Agreement, please note there are some changes. Shell's SAFE™ vessel vetting system is now embodied in the Agreement and the demurrage and OT rates have been updated. Also attached is Section 6 of Management Agreement that details the Third Party Use. Finally, please note the Agreement will be renewed on an annual basis.

Please review the User Agreement and advise if you have any questions. Your concurrence is needed prior to the next vessel docking.

Yours faithfully,
For: Shell Guam, Inc.

Eloy Lizama
President

Attachments
User Agreement/ Section 6 Third Party Use

***F-1 FACILITY MANAGEMENT
AND
OPERATIONS AGREEMENT***

—
PORT AUTHORITY OF GUAM
AND
SHELL GUAM, INC.

MAY 1, 2008

6. Third Party Use. Any importer or exporter of petroleum products (a "user") may off-load or on load petroleum products at the Facility provided that it enters into a Facility user agreement in form and substance as set forth in Exhibit "E", as the same may be amended from time to time by PAG and Manager. The user agreement shall contain the following requirements:

a. The user shall secure appropriate and adequate insurance coverage for potential liabilities, including loss of its own inventory, in accordance with the requirements set forth in Exhibit "E" hereto. All insurance policies relating to F-1 shall name Manager and PAG as co-insureds, and provide that the insurer shall notify Manager and PAG of any policy changes or termination not later than thirty (30) days prior to such change or termination. Certificates of insurance evidencing such coverage shall be provided to Manager and PAG prior to the user's use of the Facility.

b. The user shall agree to indemnify PAG and Manager (relating to liabilities arising out of its use of the Facility) in a form consistent with the requirements set forth in Exhibit "E" hereto. Such agreement shall include provisions that: (i) all damages to the Facility caused by such use may be repaired by Manager and user shall be liable for all such expenses; (ii) user shall indemnify, defend and hold

Manager and PAG harmless from all claims, injury, demands and liability arising out of the use of the Facility by user, its agents, employees, jobbers or representatives, whether such liability arises directly or from claims by third parties; (iii) user shall indemnify and hold Manager and PAG harmless from all liability arising from product contamination or air or water pollution including claims made by subsequent users of contaminated products and fines and penalties imposed by government authorities unless such contamination or pollution results from an intentional act or omission by Manager; (iv) interest shall be paid to Manager on the unpaid portion of amounts due hereunder at the rate of one percent (1%) per month; and (v) Manager shall be reimbursed by user for reasonable attorneys' fees incurred in enforcing the terms of the Facility user agreement. Such agreement may require, at Manager's discretion, that a bond or other form of financial assurance acceptable to Manager be provided to ensure that sufficient funds will be available to cover all liabilities of user arising out of the use of the Facility.

c The user shall agree to pay fees for such use as are established by PAG, such fees to be paid to Manager as agent for PAG no later than the fifteenth (15th) day of the calendar month following the month in which such fees are incurred.

d The Facility shall be made available to vessels subject to the priorities set out in the operating procedures which are contained in Exhibit "E" hereto, or as the same may be amended from time to time by Manager and PAG. Scheduling of vessels calling at the Facility shall be done in coordination with PAG's Harbor Master. With respect to all fees payable by user, no allowance, deduction or set off shall be allowed to any user who elects to employ its own personnel in connection with the loading or unloading of any vessel, such personnel being at all times subject to Manager's supervision in the carrying out of such activities and Manager shall in such eventuality remain responsible for the operation of the Facility.

e A user may not transfer any interest in or right to use the Facility.

Exhibit E

FACILITY USER AGREEMENT

F-1 DOCK

THIS AGREEMENT is made by and between SHELL GUAM, INC., (“SGI”) and _____, (“Customer”) and is entered into as of this _____, 2008.

1. **Scope.** Pursuant to agreement between the Port Authority of Guam and SGI, SGI as Manager of the F-1 Dock (“Dock Facility”), shall allow Customer to discharge or load fuel from and to Customer’s vessels at said dock, pursuant to the terms of this agreement. SGI will provide the equipment and labor necessary to accommodate Customer provided that in the event Customer’s vessel has fittings or attachments that are not compatible with SGI’s equipment, Customer shall supply the same or reimburse SGI for the cost of any adopting equipment that may be necessary.

2. **Responsibility of Customer.**

a. **Description of Services.** Customer shall obtain pilot and tug service and all other services required to bring its vessels to berth at the Dock Facility. In addition, Customer shall arrange, at its expense, for customs and health clearances, samplings, tank gauging, and for the transfer of the fuel past the Dock Transfer Point.

b. **Customer’s Other Responsibilities.** Customer shall designate the types of fuel to be unloaded at the Dock Facility. Customer shall provide SGI with all special instructions as to the care, custody and handling of fuels to be unloaded at the Dock Facility. SGI’s liability in this case, if any, shall be limited to the value of

replacing the product if Customer's fuel becomes contaminated during such process of unloading and if such admixture is due to the gross negligence or willful conduct of SGI's agents or employees.

c. **Taxes.** Customer shall pay all taxes, duties and charges, of any nature, including but not limited to port charges, levied against its fuel so unloaded by SGI.

d. **Safety.** Customer shall ensure that its employees, and the master and crew of any vessels unloading petroleum products at the Dock Facility, shall at all times abide by the Port Authority of Guam's posted safety rules and regulations which include the Harbor Regulations established and enforced by the United States Navy or Coast Guard or any other agency of the United States government.

e. **Demurrage.** No demurrage payable by Customer or any other party shall be SGI's responsibility regardless of the cause, including, but not limited to , dock use conflicts as described in Paragraph 4 (b).

3. **Fees and Payments.** Customer shall pay to SGI, as Agent for the Port Authority of Guam, fees for the use of the Dock Facility in the amounts, set by the Port Authority of Guam from time to time SGI may require advance deposits, should it at any time determine, in its sole discretion, that such a deposit is advisable. SGI will invoice Customer for unloading or loading, which invoices are due and payable fifteen (15) days following their date. Thereafter, the invoice amount shall bear interest at the rate of one percent (1%) per month.

4. **Operating Procedures.**

a. Priority for use of the Dock Facility shall be in the following order:

First priority: The United States Navy;

Second Priority: All other dock users in order as scheduled below:

b. **Scheduling of Deliveries.** Customer shall provide SGI not less than fourteen (14) days' advance notice at its scheduling office of a two (2) day date range during which it desires to use the Dock Facility. SGI shall coordinate the scheduling request with the Harbor Master of the Port Authority of Guam. SGI will notify Customer within seventy-two (72) hours after receipt of the notice whether the Dock Facility will be available for Customer's use. In the event that such requested time is not available because of a higher priority user or reservation previously granted, SGI shall notify Customer of the next available two-day due date range. Customer shall give SGI forty-eight (48) hours advance notice of the firm day of arrival at the Dock Facility. If that firm day of arrival falls within the requested two (2) day date range, Customer shall have the right to use the Dock Facility, unless a first priority user has requested the use of the Facility. If the actual date of arrival falls outside of the two (2) day range, Customer shall nonetheless have the right to use the Dock Facility unless it is being used by a higher priority user, or falls within the date range reserved by another user. If Customer's actual date of arrival is previous to the time reserved for another user, Customer may nonetheless use the Dock. If, upon the actual date of arrival, the Facility is being used by another user, Customer shall lay off until such other user completes its use of the Facility.

c. **Records.** Customer shall, immediately following discharging or loading, provide SGI with a written report of the date of off-load, or on-load use,; name of vessel; name of importer, exporter, or user; address thereof; and quantity in gross and net barrels of fuel off loaded, or on-loaded (in both cases by shore tank measurement). This report shall be signed by an officer of Customer thereby certifying its accuracy. SGI shall have the right upon its reasonable request to have access to and inspect Customer's actual records of shore tank measures.

d. **Use Interruptions.** Customer is advised and understands that notwithstanding any notice of availability from Dock Manager, Customer's use of the Dock Facility shall at all times be subject to interruption, postponement or delay, at Customer's sole expense, due to:

- i. A higher priority user's need to use the Dock Facility;
- ii. Events and Circumstances constituting Force Majeure under Section 3.

e. **Notice of Use Interruptions.** Dock Manager agrees to notify Customer at the earliest possible time if the use of the Dock Facility is to be interrupted, postponed or delayed so that Customer can make alternative plans or take accommodating measures.

5. **Excess Lay Time.** In the event a vessel has not departed from the Dock Facility within thirty-six (36) hours after the discharge begins, Customer shall pay to SGI, in addition to the Dock Facility use charge, lay time for the vessel's overstay at the

Dock Facility at the rate of \$1,000.00 per hour for each of the first thirty-six (36) hours of overstay, and at the rate of \$600 per hour for each hour thereafter.

6. **Overtime SGI Labor Costs.** Normal hours of operation are 8:00 A.M. through 4:00 P.M., Monday through Friday. Operations during normal hours of operation will not be subject to any overtime labor charges. Services requested by Customer outside of normal hours will be subject to overtime charges at the rate of \$38.00 per hour, for each person, and for as many SGI employees as SGI determines is necessary, in its sole discretion to perform the work, in accordance with SGI's operating standards.

7. **Staving Over.** After disconnection of the hose is completed, if Customer's vessel is at the dock and is interfering with another scheduled user, Customer shall take whatever steps are necessary to move the vessel.

8. **Force Majeure.**

a. **Force Majeure Excuses Performance.** No failure or omission by SGI to provide Facility services or by Customer to comply with the terms of these conditions of use shall give rise to any claim by one party against the other if the same shall be caused by or arise out of (i) War, etc. War, hostilities, acts of public enemies or belligerents, sabotage, blockade, revolution, insurrection, riot, disorder, terrorism; (ii) Restraints. Arrest or restraint of princes, rulers or peoples, or seizure under legal process; (iii) Confiscation. Expropriation, requisition, confiscation or nationalization; (iv)

Rationing. Embargoes, export or import restrictions or rationing or allocation, whether imposed by law, decree or regulation or by voluntary cooperation of industry at the insistence or request of any governmental authority or person purporting to act therefore;

(v) Regulations. Interference by restriction or onerous regulations imposed by civil or military authorities, whether legal or de facto and whether purporting to act under some constitution, decree, law or otherwise; (vi) Acts of God. Act of God, fire, earthquake, typhoon conditions of category rated two or greater, lightning, tide, tsunami, or peril of the sea, accident of navigation or breakdown or injury of vessels; (vii) Loss of Storage Tanks. Loss of storage tanks due to action by belligerents or to governmental taking whether or not by formal requisition; (viii) Accidents. Accidents to vessels or to adjuncts of shipping navigation; (unless within the scope of liability provided herein); (ix) Disease. Epidemics or quarantine; (x) Strikes. Strikes or combinations of workers, lockouts, or other labor disturbances; (xi) Explosions. Explosions, accidents by fire or otherwise to the Dock Facility, pipes, storage facilities, installations, machinery; (xii) Naval Operations. Operations by the Navy, including, but not limited to, weapons operations, which require that the dock facility not be used; (xiii) Any event, matter or thing wherever occurring and whether or not of the same class or kind as those set forth which by the exercise of due diligence that party concerned is unable to overcome, whether or not said occurrence is reasonably foreseeable. Each party shall promptly notify in writing the other upon the occurrence of any contingency excusing its non-performance or delay under this Article.

b. **Payment Required.** Notwithstanding the provision of Section 8(a), supra, Customer shall not be relieved of any obligation to make payments for any services actually performed pursuant to this agreement.

c. **Moving of Vessel.** Should any of the events described in Section 8(a), supra, occur while Customer's vessel is at berth at the Dock Facility, Customer shall remove its vessel therefrom in the shortest reasonable time after notice from SGI, failing which SGI may cause such vessel to be removed at Customer's sole risk and expense.

d. **Resumption of Performance.** If SGI or Customer is prevented from delivering or receiving all or any petroleum products to be delivered hereunder, the reasons for which fall within the provisions of Section 8(a), supra, then the party so prevented shall, as to the remainder of the petroleum products not affected thereby, promptly resume performance of this Agreement, and to that end such party shall remove or remedy the cause of such interruption as rapidly as may be practicable.

9. **Indemnification and Insurance.**

a. **Indemnification.**

i. Customer shall indemnify SGI, the Port Authority of Guam (PAG), and their directors, officers, employees, agents and servants against and hold them harmless from any and all liability, costs, expenses, damages, claims, charges, actions, proceedings, or judgments brought by or on behalf of any person, firm, corporation or governmental agency arising from or in connection with:

(1) Any act, omission, conduct, occurrence, accident, injury or damage done or caused by Customer or its directors, officers, employees,

agents, contractors, servants, licensees or by any other person, firm or corporation, including without limitation, vessels and its master and crew, which deliver Customer's petroleum products in connection with the use of the Dock Facility, including without limitation any damages or loss caused by any notice or failure of notice, whether or not said act, omission, conduct, occurrence, accident, injury or damage is criminal in nature;

(2) Any change of condition of the dock, pipelines, surrounding waters, wetlands, or land, arising from any act, omission or occurrence done or caused by Customer or any of its directors, officers, employees, agents, contractors, servants or licensees or by any other person, firm or corporation, including without limitation, vessels and its master and crew, which deliver Customer's petroleum products in connection with the use and benefit of the Dock Facility; or

(3) Any breach on the part of Customer in the performance of any covenant or obligation to be performed pursuant to these conditions of use.

ii. Customer shall indemnify and hold SGI and PAG harmless to the extent of all costs, expenses, damages, counsel's fees, liabilities and loss of whatsoever nature incurred as a result of any of the claims, charges, actions or proceedings as described hereinabove; and in case any claims, charges, actions or proceedings shall be brought or threatened against SGI, PAG or their directors, officers, employees, agents or servants by reason of any of the foregoing, Customer, upon notice from SGI, shall, at its own expense, resist or defend against such claims, charges, actions or proceedings by counsel satisfactory to SGI, provided that Customer shall have full control of all matters of defense, including settlement.

iii. SGI shall indemnify Customer and its directors, officers, employees, agents and servants against and hold them harmless from any and all liability, costs, expenses, damages, claims, charges, actions, proceedings, or judgments brought by or on behalf of any person, firm, corporation or governmental agency arising from or in connection with SGI's negligent performance of its duties and responsibilities under this Agreement. No claims against either party for consequential losses, special or penal damages shall be made.

b. Notwithstanding any other provision herein, nothing shall obligate any party hereto to indemnify any other party hereto or any third party person or entity in respect of any loss, damage or expense arising from that party, entity or person's gross negligence or willful misconduct, nor require any insurer to waive any rights of subrogation against any party in relation to any claim, expense or damage arising from that party, entity or person's gross negligence or willful misconduct. Without limitation to the foregoing, Sections 2(d) and 9 shall be subject to this provision.

c. **Insurance.** In order to assure full and complete Performance of its indemnification duty as set forth in Section 9(a), supra, Customer shall secure and maintain at its own cost and expense, oil spill and public liability insurance as described hereafter from an insurance company which is acceptable to SGI.

iv. **Marine Pollution Insurance.** Customer shall maintain marine pollution insurance in an amount of not less than \$5,000,000.00, or may be allowed by SGI to self insure, which shall be at SGI's sole and absolute discretion, insuring against damages and expenses of any kind, including but not limited to all clean-up expenses resulting from the spill of Customer fuel at the Dock Facility caused by the

negligent acts or omissions of Customer or its directors, officers, employees, agents, contractors, servants, licensees or by any other person, firm or corporation, including without limitation, vessels and its master and crew, which deliver Customer's petroleum products in connection with the use of the Dock Facility. Written approval to self-insure must be obtained from SGI prior to using the Dock Facility. SGI shall have the right to withdraw its approval to self-insure without notice and for any reason whatsoever.

v. **Public Liability Insurance.** Customer shall maintain general public liability insurance in an amount of not less than One Hundred Million Dollars (\$100,000,000.00), or may be allowed by SGI to self insure, which shall be at SGI's sole and absolute discretion, for bodily injury and property damage caused by the negligent acts or omissions of Customer or its directors, officers, employees, agents, contractors, servants, licensees or by any other person, firm or corporation, including without limitation, vessels and its master and crew, which deliver Customer's petroleum products in connection with the use of the Dock Facility. Customer confirms that its public liability insurance policy includes contractual liability coverage and that license agreements are not excluded thereunder. Written approval to self-insure must be obtained from SGI prior to using the Dock Facility. SGI shall have the right to withdraw its approval to self-insure without notice and for any reason whatsoever.

vi. **Subrogation Waiver.** Customer shall procure from its insurer, in form satisfactory to SGI, a waiver of the insurer's rights of subrogation against SGI and PAG arising by reason of any payment made under Customer's insurance policy.

vii. **Co-Insured's.** Customer shall cause both SGI and PAG to be named as co-insured on each of such policies of insurance.

viii. **Proof of Coverage.** Within fifteen (15) days hereafter and following any renewal or replacement of any policy, Customer will provide SGI a certificate of insurance satisfactory to SGI, which shall include a provision that the insurance policy may not be terminated or materially altered without forty-five (45) days' prior written notice to SGI.

ix. **Deductible.** Insurance policies secured and maintained pursuant to this Article may contain a deductible. In the event a claim is made by SGI for damage or loss of SGI's or PAG's property or for other damages to SGI or PAG, then Customer shall pay SGI the deductible on demand and without set-off of any kind. Interest shall accrue on any such deductible after demand is made for its payment at the rate of twelve percent (12%) per annum.

10. **Terms.** This agreement shall expire on _____, 200____, provided that in the event any party breaches this agreement, in addition to its other remedies granted by law the other remedies may terminate the same upon fifteen (15) days prior notice. In the event PAG should change the rates charged hereunder, such changes shall automatically amend this agreement upon the effective date of any such rate change.

11. **SAFE™ Vetting.** Customer shall be subject to and shall abide by Manager's SAFE vessel vetting system.

12. **Assignment.** Customer may not assign this agreement or any interest herein. This agreement, however, shall inure to the benefit of any ships chartered by Customer.

13. **Attorney's Fees.** Should any litigation be commenced between the parties hereto concerning this Agreement or the rights and duties of either in relation thereto, the party, SGI or Customer, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation or in a separate action brought for that purpose.

14. **Entire Agreement.** Neither SGI nor Customer is liable or bound by any warranties, guarantees, statements, or representations made by any agent, employee, or other person representing or purporting to represent SGI or Customer, respectively, unless herein expressly set forth. It is understood and agreed that all understandings and agreements relating to the use of the Dock Facility heretofore and between the parties hereto are merged in this Agreement which alone fully and completely expresses their agreement and that the same is entered into after full investigation, neither party relying on any statement or representation not embodied in this Agreement made by the other. This Agreement may not be changed or terminated orally.

15. **Relationship of Parties.** Nothing contained in this Agreement shall be deemed or constructed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between

SGI or Customer. Customer's agents, employees and independent contractors, including the master and crew of any Customer vessels, are not to be regarded while present at the Dock Facility as under the control or management of SGI notwithstanding the obligations of Customer and such agents, employees or independent contractors under this Agreement.

16. **Number and Gender.** In this Agreement the singular number includes the plural, and the word "person" includes corporation, partnership, firm, or association wherever the context so requires.

DATED this _____, 2008.

SGI:

Customer:

SHELL GUAM, INC.

~~SHELL GUAM, INC.~~

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

ATTACHMENT VII

BILLING ILLUSTRATIONS – Residential, Large Power Service, Large Government Service

GUAM POWER AUTHORITY
BILL ILLUSTRATION RATE SCHEDULE R - RESIDENTIAL
 Without change in Base Rates

	RATE SCHEDULE R			
	Existing Rate		Effective 06-01-08	
KWH		500		500
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.21	\$ 5.21
Non-Fuel Energy Charge				
First 500 KWH	0.033540	16.77	0.033540	16.77
Over 500 KWH	0.079500	-	0.079500	-
Emergency Water-well charge	0.002420	-	0.002420	-
Insurance Charge	0.002900	1.45	0.002900	1.45
Total Electric Charge before Fuel Recovery Charges		23.43		23.43
Fuel Recovery Charge	0.150467	75.23	0.172558	86.28
Total Electric Charge		\$ 98.66		\$ 109.71
Increase in Total Bill				\$ 11.05
% Increase in Total Bill				11.20%
% Increase in LEAC rate				14.68%

	RATE SCHEDULE R			
	Existing Rate		Effective 06-01-08	
KWH		1,000		1,000
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.21	\$ 5.21
Non-Fuel Energy Charge				
First 500 KWH	0.033540	16.77	0.033540	16.77
Over 500 KWH	0.079500	39.75	0.079500	39.75
Emergency Water-well charge	0.002420	1.21	0.002420	1.21
Insurance Charge	0.002900	2.90	0.002900	2.90
Total Electric Charge before Fuel Recovery Charges		65.84		65.84
Fuel Recovery Charge	0.150467	150.47	0.172558	172.56
Total Electric Charge		\$ 216.31		\$ 238.40
Increase in Total Bill				\$ 22.09
% Increase in Total Bill				10.21%
% Increase in LEAC rate				14.68%

	RATE SCHEDULE R			
	Existing Rate		Effective 06-01-08	
KWH		1,500		1,500
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.21	\$ 5.21
Non-Fuel Energy Charge				
First 500 KWH	0.033540	16.77	0.033540	16.77
Over 500 KWH	0.079500	79.50	0.079500	79.50
Emergency Water-well charge	0.002420	2.42	0.002420	2.42
Insurance Charge	0.002900	4.35	0.002900	4.35
Total Electric Charge before Fuel Recovery Charges		108.25		108.25
Fuel Recovery Charge	0.150467	225.70	0.172558	258.84
Total Electric Charge		\$ 333.95		\$ 367.09
Increase in Total Bill				\$ 33.14
% Increase in Total Bill				9.92%
% Increase in LEAC rate				14.68%

	RATE SCHEDULE R			
	Existing Rate		Effective 06-01-08	
KWH		2,000		2,000
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.21	\$ 5.21
Non-Fuel Energy Charge				
First 500 KWH	0.033540	16.77	0.033540	16.77
Over 500 KWH	0.079500	119.25	0.079500	119.25
Emergency Water-well charge	0.002420	3.63	0.002420	3.63
Insurance Charge	0.002900	5.80	0.002900	5.80
Total Electric Charge before Fuel Recovery Charges		150.66		150.66
Fuel Recovery Charge	0.150467	300.93	0.172558	345.12
Total Electric Charge		\$ 451.59		\$ 495.78
Increase in Total Bill				\$ 44.18
% Increase in Total Bill				9.78%
% Increase in LEAC rate				14.68%

	RATE SCHEDULE R			
	Existing Rate		Effective 06-01-08	
KWH		2,500		2,500
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.21	\$ 5.21
Non-Fuel Energy Charge				
First 500 KWH	0.033540	16.77	0.033540	16.77
Over 500 KWH	0.079500	159.00	0.079500	159.00
Emergency Water-well charge	0.002420	4.84	0.002420	4.84
Insurance Charge	0.002900	7.25	0.002900	7.25
Total Electric Charge before Fuel Recovery Charges		193.07		193.07
Fuel Recovery Charge	0.150467	376.17	0.172558	431.40
Total Electric Charge		\$ 569.24		\$ 624.47
Increase in Total Bill				\$ 55.23
% Increase in Total Bill				9.70%
% Increase in LEAC rate				14.68%

GUAM POWER AUTHORITY
BILL ILLUSTRATION RATE SCHEDULE R - RESIDENTIAL
With Base Rate Increase

RATE SCHEDULE R					
		Existing Rate		Effective 06-01-08	
KWH			500		500
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.64	\$ 5.64	
Non-Fuel Energy Charge					
First 500 KWH	0.033540	16.77	0.033540	16.77	
Over 500 KWH	0.079500	-	0.086010	-	
Emergency Water-well charge	0.002420	-	0.002620	-	
Insurance Charge	0.002900	1.45	0.002900	1.45	
Total Electric Charge before Fuel Recovery Charges		23.43		23.86	
Fuel Recovery Charge	0.150467	75.23	0.172558	86.28	
Total Electric Charge		\$ 98.66		\$ 110.14	
Increase in Total Bill				\$ 11.48	
% Increase in Total Bill				11.63%	
% Increase in LEAC rate				14.68%	

RATE SCHEDULE R					
		Existing Rate		Effective 06-01-08	
KWH			1,000		1,000
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.64	\$ 5.64	
Non-Fuel Energy Charge					
First 500 KWH	0.033540	16.77	0.033540	16.77	
Over 500 KWH	0.079500	39.75	0.086010	43.01	
Emergency Water-well charge	0.002420	1.21	0.002620	1.31	
Insurance Charge	0.002900	2.90	0.002900	2.90	
Total Electric Charge before Fuel Recovery Charges		65.84		69.63	
Fuel Recovery Charge	0.150467	150.47	0.172558	172.56	
Total Electric Charge		\$ 216.31		\$ 242.18	
Increase in Total Bill				\$ 25.88	
% Increase in Total Bill				11.96%	
% Increase in LEAC rate				14.68%	

RATE SCHEDULE R					
		Existing Rate		Effective 06-01-08	
KWH			1,500		1,500
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.64	\$ 5.64	
Non-Fuel Energy Charge					
First 500 KWH	0.033540	16.77	0.033540	16.77	
Over 500 KWH	0.079500	79.50	0.086010	86.01	
Emergency Water-well charge	0.002420	2.42	0.002620	2.62	
Insurance Charge	0.002900	4.35	0.002900	4.35	
Total Electric Charge before Fuel Recovery Charges		108.25		115.39	
Fuel Recovery Charge	0.150467	225.70	0.172558	258.84	
Total Electric Charge		\$ 333.95		\$ 374.23	
Increase in Total Bill				\$ 40.28	
% Increase in Total Bill				12.06%	
% Increase in LEAC rate				14.68%	

RATE SCHEDULE R					
		Existing Rate		Effective 06-01-08	
KWH			2,000		2,000
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.64	\$ 5.64	
Non-Fuel Energy Charge					
First 500 KWH	0.033540	16.77	0.033540	16.77	
Over 500 KWH	0.079500	119.25	0.086010	129.02	
Emergency Water-well charge	0.002420	3.63	0.002620	3.93	
Insurance Charge	0.002900	5.80	0.002900	5.80	
Total Electric Charge before Fuel Recovery Charges		150.66		161.16	
Fuel Recovery Charge	0.150467	300.93	0.172558	345.12	
Total Electric Charge		\$ 451.59		\$ 506.27	
Increase in Total Bill				\$ 54.68	
% Increase in Total Bill				12.11%	
% Increase in LEAC rate				14.68%	

RATE SCHEDULE R					
		Existing Rate		Effective 06-01-08	
KWH			2,500		2,500
Monthly Charge	\$ 5.21	\$ 5.21	\$ 5.64	\$ 5.64	
Non-Fuel Energy Charge					
First 500 KWH	0.033540	16.77	0.033540	16.77	
Over 500 KWH	0.079500	159.00	0.086010	172.02	
Emergency Water-well charge	0.002420	4.84	0.002620	5.24	
Insurance Charge	0.002900	7.25	0.002900	7.25	
Total Electric Charge before Fuel Recovery Charges		193.07		206.92	
Fuel Recovery Charge	0.150467	376.17	0.172558	431.40	
Total Electric Charge		\$ 569.24		\$ 638.32	
Increase in Total Bill				\$ 69.08	
% Increase in Total Bill				12.14%	
% Increase in LEAC rate				14.68%	

GUAM POWER AUTHORITY
BILL ILLUSTRATION RATE SCHEDULE P - LARGE POWER SERVICE (THREE PHASE)
Without change in Base Rates

		RATE SCHEDULE P			
		Current Rates		Proposed Rates	
THREE PHASE					
KWH			100000		100000
MINIMUM	200		40000		40000
Monthly Charge		19.43	19.43	19.43	19.43
Demand Energy charge					
First 200 KWH per KW Billing Demand		0.15847	633.88	0.15847	633.88
Next 200 KWH per KW Billing Demand		0.10967	3,948.12	0.10967	3,948.12
Over 400 KWH per KW Billing Demand		0.06750	2,700.00	0.06750	2,700.00
Emergency Water-well charge		0.04420	884.00	0.04420	884.00
Insurance Charge		0.00242	242.00	0.00242	242.00
		0.00290	290.00	0.00290	290.00
Total Electric Charge before Fuel Recovery Charges			8,717.43		8,717.43
Fuel Recovery Charge		0.150467	15,046.70	0.172558	17,255.80
Total Electric Charge			<u>\$23,764.13</u>		<u>\$25,973.23</u>
Increase in Total Bill					<u>\$2,209.10</u>
% Increase					9.30%

GUAM POWER AUTHORITY
BILL ILLUSTRATION RATE SCHEDULE L - LARGE GOVT SERVICE (THREE PHASE)

		RATE SCHEDULE L			
		Current Rates		Proposed Rates	
THREE PHASE					
KWH			100000		100000
MINIMUM	200		40000		40000
Monthly Charge		19.43	19.43	19.43	19.43
Demand Energy charge					
First 200 KWH per KW Billing Demand		0.16812	672.48	0.16812	672.48
Next 200 KWH per KW Billing Demand		0.11933	4,295.88	0.11933	4,295.88
Over 400 KWH per KW Billing Demand		0.07950	3,180.00	0.07950	3,180.00
Emergency Water-well charge		0.04636	927.20	0.04636	927.20
Insurance Charge		0.00242	242.00	0.00242	242.00
		0.00290	290.00	0.00290	290.00
Total Electric Charge before Fuel Recovery Charges			9,626.99		9,626.99
Fuel Recovery Charge		0.150467	15,046.70	0.172558	17,255.80
Total Electric Charge			<u>24,673.69</u>		<u>26,882.79</u>
Increase in Total Bill					<u>2,209.10</u>
% Increase					8.95%

GUAM POWER AUTHORITY
BILL ILLUSTRATION RATE SCHEDULE P - LARGE POWER SERVICE (THREE PHASE)
With change in Base Rates

		RATE SCHEDULE P			
		Current Rates		Proposed Rates	
THREE PHASE					
KWH			100000		100000
MINIMUM	200		40000		40000
Monthly Charge		19.43	19.43	21.02	21.02
Demand Energy charge					
First 200 KWH per KW Billing Demand		0.15847	633.88	0.17146	685.84
Next 200 KWH per KW Billing Demand		0.10967	3,948.12	0.11866	4,271.76
Over 400 KWH per KW Billing Demand		0.06750	2,700.00	0.07303	2,921.20
Emergency Water-well charge		0.04420	884.00	0.04782	956.40
Insurance Charge		0.00242	242.00	0.00262	262.00
		0.00290	290.00	0.00290	290.00
Total Electric Charge before Fuel Recovery Charges			8,717.43		9,408.22
Fuel Recovery Charge		0.150467	15,046.70	0.172558	17,255.80
Total Electric Charge			<u>\$23,764.13</u>		<u>\$26,664.02</u>
Increase in Total Bill					<u>\$2,899.89</u>
% Increase					12.20%

GUAM POWER AUTHORITY
BILL ILLUSTRATION RATE SCHEDULE L - LARGE GOVT SERVICE (THREE PHASE)

		RATE SCHEDULE L			
		Current Rates		Proposed Rates	
THREE PHASE					
KWH			100000		100000
MINIMUM	200		40000		40000
Monthly Charge		19.43	19.43	21.02	21.02
Demand Energy charge					
First 200 KWH per KW Billing Demand		0.16812	672.48	0.18190	727.60
Next 200 KWH per KW Billing Demand		0.11933	4,295.88	0.12911	4,647.96
Over 400 KWH per KW Billing Demand		0.07950	3,180.00	0.08601	3,440.40
Emergency Water-well charge		0.04636	927.20	0.05016	1,003.20
Insurance Charge		0.00242	242.00	0.00262	262.00
		0.00290	290.00	0.00290	290.00
Total Electric Charge before Fuel Recovery Charges			9,626.99		10,392.18
Fuel Recovery Charge		0.150467	15,046.70	0.172558	17,255.80
Total Electric Charge			<u>24,673.69</u>		<u>27,647.98</u>
Increase in Total Bill					<u>2,974.29</u>
% Increase					12.05%

ATTACHMENT VIII

CASH FLOW PROJECTIONS

Week ending May 9, 2008

to

Week ending October 3, 2008

GUAM POWER AUTHORITY

CASH PROJECTIONS

From May 2, 2008 to October 3, 2008

	WEEK ENDING												
	09-May-08	16-May-08	23-May-08	30-May-08	06-Jun-08	13-Jun-08	20-Jun-08	27-Jun-08	04-Jul-08	11-Jul-08	18-Jul-08	25-Jul-08	01-Aug-08
CASH BALANCE, BEGINNING(05/02/08)	10,403,000.00	\$13,163,839	\$18,541,109	\$2,399,379	\$2,105,839	\$8,505,818	\$14,875,485	(\$1,653,848)	(\$856,760)	\$4,129,321	\$9,728,321	(\$7,798,679)	(\$5,320,679)
RECEIPTS:													
REVENUE COLLECTIONS													
PRIVATE	4,781,000	4,781,000	4,781,000	4,781,000	5,605,000	5,605,000	5,605,000	5,605,000	4,921,000	4,921,000	4,921,000	4,921,000	4,921,000
GOVT	996,270	996,270	996,270	996,270	1,084,667	1,084,667	1,084,667	1,084,667	878,000	878,000	878,000	878,000	878,000
NAVY	1,000,000	1,000,000	1,000,000	1,000,000	2,595,000	1,100,000	1,100,000	1,100,000	2,700,000	1,200,000	1,200,000	1,200,000	1,200,000
GOVT PROMISSORY NOTE					329,668				329,668				329,668
APPLICATION OF NEW LEAC RATE IN JUNE													
OTHERS/MISCELLANEOUS					85,000				85,000				85,000
TOTAL RECEIPTS	<u>6,777,270.00</u>	<u>6,777,270.00</u>	<u>6,777,270.00</u>	<u>6,777,270.00</u>	<u>9,699,335.00</u>	<u>7,789,667.00</u>	<u>7,789,667.00</u>	<u>7,789,667.00</u>	<u>8,913,668.00</u>	<u>6,999,000.00</u>	<u>6,999,000.00</u>	<u>6,999,000.00</u>	<u>7,413,668.00</u>
CASH AVAILABLE	17,180,270.00	19,941,109.00	25,318,379.00	9,176,649.00	11,805,174.00	16,295,485.00	22,665,152.00	6,135,819.00	8,056,908.00	11,128,321.00	16,727,321.00	(799,679.00)	2,092,989.00
DISBURSEMENTS:													
CRITICAL													
DEBT SERVICE-P& I BONDS	2,300,000				2,300,000				2,300,000				
DEBT SERVICE-TCP				85,000				85,000					85,000
DEBT SERVICE-CATHAY BANK						20,000				275,000			
INSURANCE-NORICK-Property/boiler/mach.				473,243				473,243					473,243
INSURANCE-NORICK-Excess liag(\$561,800)				45,144				45,144					45,144
INSURANCE-AON (Takagi for 50,000)													
IPP:													
MARIANAS ENERGY				2,496,000				2,496,000				2,496,000	
TEMES				557,000				557,000				557,000	
PRUVIENT				503,000					503,000				503,000
OIL:													
BP SINGAPORE			19,601,000					19,601,000			19,601,000		
PREPAID			2,500,000					3,900,000			3,900,000		
OIL (SHELL)				950,000				1,500,000					950,000
PAYROLL		1,400,000		1,400,000		1,400,000		1,400,000		1,400,000		1,400,000	
FIXED													
TEMES FINANCING													
DOOSAN FINANCING				125,231					125,231				
PMC MONTHLY FEE (Doosan & Temes)	262,075			262,075				262,075					262,075
FUEL STORAGE LEASE (SHELL)				115,560				115,560					115,560
DOCK/PIPELINE FEES (SHELL)				58,557				58,557					58,557
FUEL FARM FACILITY (PETERRA)	54,356				54,356				54,356				
RENTAL-HARMON OFFICE					45,000				45,000				45,000
OTHER PAYABLES													
NAVY			68,000					68,000				68,000	
OTHER O & M / MISCELLANEOUS	1,400,000		750,000		900,000		750,000		900,000		750,000		
SUPPLEMENTAL/ MED (1525904/484590)													
TOTAL	<u>4,016,431</u>	<u>1,400,000</u>	<u>22,919,000</u>	<u>7,070,810</u>	<u>3,299,356</u>	<u>1,420,000</u>	<u>24,319,000</u>	<u>6,992,579</u>	<u>3,927,587</u>	<u>1,400,000</u>	<u>24,526,000</u>	<u>4,521,000</u>	<u>2,537,579</u>
CASH BALANCE, END	<u>\$13,163,839</u>	<u>\$18,541,109</u>	<u>\$2,399,379</u>	<u>\$2,105,839</u>	<u>\$8,505,818</u>	<u>\$14,875,485</u>	<u>(\$1,653,848)</u>	<u>(\$856,760)</u>	<u>\$4,129,321</u>	<u>\$9,728,321</u>	<u>(\$7,798,679)</u>	<u>(\$5,320,679)</u>	<u>(\$444,590)</u>

**GUAM POWER AUTHORITY
CASH PROJECTIONS**

From May 2, 2008 to October 3, 2008

	08-Aug-08	15-Aug-08	22-Aug-08	29-Aug-08	05-Sep-08	12-Sep-08	19-Sep-08	26-Sep-08	03-Oct-08
CASH BALANCE, BEGINNING(05/02/08)	(\$444,590)	\$5,958,803	\$12,301,884	(\$4,549,035)	(\$2,298,533)	\$2,772,831	\$10,565,313	(\$7,636,205)	(\$3,936,302)
RECEIPTS:									
REVENUE COLLECTIONS									
PRIVATE	5,469,000	5,469,000	5,469,000	5,469,000	5,331,738	5,331,738	5,331,738	5,331,738	5,331,738
GOVT	1,074,081	1,074,081	1,074,081	1,074,081	1,260,744	1,260,744	1,260,744	1,260,744	1,260,744
NAVY	2,700,000	1,200,000	1,200,000	1,200,000	2,816,570	1,200,000	1,200,000	1,200,000	2,232,337
GOVT PROMISSORY NOTE	329,668				329,668				329,668
APPLICATION OF NEW LEAC RATE IN JUNI									
OTHERS/MISCELLANEOUS	85,000				85,000				85,000
TOTAL RECEIPTS	9,657,749.00	7,743,081.00	7,743,081.00	7,743,081.00	9,823,720.00	7,792,482.00	7,792,482.00	7,792,482.00	9,239,487.00
CASH AVAILABLE	9,213,159.00	13,701,884.00	20,044,965.00	3,194,046.00	7,525,187.00	10,565,313.00	18,357,795.00	156,277.00	5,303,185.00
DISBURSEMENTS:									
CRITICAL									
DEBT SERVICE-P& I BONDS	2,300,000				2,300,000				
DEBT SERVICE-TCP				85,000				85,000	
DEBT SERVICE-CATHAY BANK			275,000				275,000		
INSURANCE-NORICK-Property/boiler/mach.				473,243				473,243	
INSURANCE-NORICK-Excess liag(\$561,800)				45,144				45,144	
INSURANCE-AON (Takagi for 50,000)									
IPP:									
MARIANAS ENERGY				2,496,000				2,496,000	
TEMES				557,000				557,000	
PRUVIENT					503,000				503,000
OIL:									
BP SINGAPORE			19,601,000				19,601,000		
PREPAID			3,900,000				3,900,000		
OIL (SHELL)					950,000				950,000
PAYROLL		1,400,000		1,400,000			1,400,000		
FIXED									
TEMES FINANCING									
DOOSAN FINANCING									
PMC MONTHLY FEE (Doosan & Temes)				262,075				262,075	
FUEL STORAGE LEASE (SHELL)				115,560				115,560	
DOCK/PIPELINE FEES (SHELL)				58,557				58,557	
FUEL FARM FACILITY (PETERRA)	54,356				54,356				54,356
RENTAL-HARMON OFFICE					45,000				
OTHER PAYABLES									
NAVY			68,000				68,000		
OTHER O & M / MISCELLANEOUS	900,000		750,000		900,000		750,000		900,000
SUPPLEMENTAL/ MED (1525904/484590)									
TOTAL	3,254,356	1,400,000	24,594,000	5,492,579	4,752,356	0	25,994,000	4,092,579	2,407,356
CASH BALANCE, END	\$5,958,803	\$12,301,884	(\$4,549,035)	(\$2,298,533)	\$2,772,831	\$10,565,313	(\$7,636,205)	(\$3,936,302)	\$2,895,829