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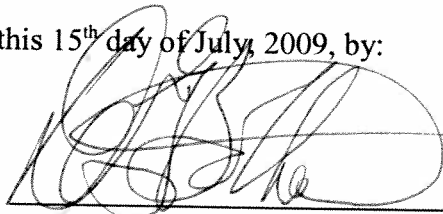
8  
9 *Attorney for the Guam Power Authority*

10  
11 **BEFORE THE PUBLIC UTILITIES COMMISSION**

12  
13 IN THE MATTER OF ) DOCKET NO.94-04  
14 )  
15 The Guam Power Authority's Filing )  
16 of Quarterly Excess Bonds Status )  
17 Reports )  
18 )  
19 )  
20 \_\_\_\_\_ )

21 **COMES NOW, GUAM POWER AUTHORITY** and hereby files GPA's Excess Bonds  
22 Quarterly Status Reports for the GPA Integrated Resource Plan Development, Wind Study, Cost  
23 of Service Study and Transmission Study for April to June 2009.

24 **RESPECTFULLY SUBMITTED** this 15<sup>th</sup> day of July, 2009, by:

25  
26 

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

**COPY**

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

**Report Date:** July 10, 2009

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

**Business Units:** 100091

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

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

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

**Contract Amount:**

\$ 343,156.79	<b>FY 07-09 Total</b>
\$ 50,000.00	FY 07 O&M Funds (11753-OP)
\$ 34,441.24	FY 07 Excess Bond Funds (11753-OP)
\$ 215,558.76	FY 08 Excess Bond Funds (11992-OP)
\$ 22,161.09	FY 08 O&M Funds (11992-OP)
\$ 20,995.70	FY 09 Excess Bond Funds (13034-OP)

*(Additional Request)*

## Activities Completed:

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

**Project Schedule:**

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

**Completed to Date:** 99%

**Progress Payment:** \$ 72,162.09 O&M Funds  
\$ 250,000.00 Excess Bond Funds  
\$ 19,642.00 Excess Bond Funds *(Additional Request)*

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

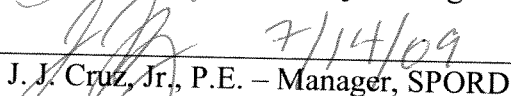
*See summary spreadsheet attached.*

**Prepared By:**



J. G. Sablan – Special Projects Engineer, SPORD

**Approved By:**



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

**BOND FUNDS QUARTERLY REPORT**

Integrated Resource Plan - Project Costs Summary (FY07-08)  
 Vendor: Winzler Kelly  
 Updated: 7/10/09

Task	Description	Project Original Est. (FY07-FY08)	FY 2007 Invoices (1)			Updated Total Project Est. (FY07-FY08)(2)	Amended FY 2008 Budget Amount	FY 2008 Invoices Paid to Date	PERCENT COMPLETE
			Invoices (O&M Funds)	Invoices (Excess Bond Funds)	Total Invoices				
101	Review of Proposed PURPA Legislation	15,132.70	12,010.80	-	12,010.80	-	-	100%	
102	Review Current IRP Database	19,192.80	2,666.40	-	2,666.40	32,709.60	32,709.60	100%	
103	Provide DSM Parameters	37,984.10	17,510.90	-	17,510.90	37,336.20	37,336.20	100%	
104	Update Supply Side Options	9,528.20	-	-	-	13,114.20	13,114.20	100%	
105	Facilitate Stakeholder Process	80,676.20	15,961.28	-	15,961.28	103,667.17	103,667.17	100%	
106	Review Letter Report	15,037.00	-	-	-	2,943.60	2,943.60	99%	
107	White Paper on Impacts of 2005	17,278.80	1,850.62	1,261.83	3,112.45	-	-	100%	
108	Project Management	17,770.80	-	13,473.46	13,473.46	20,726.28	20,726.28	100%	
109	Regulatory and Legislative Support	18,000.40	-	19,705.95	19,705.95	5,636.40	5,636.40	100%	
110	Environmental Issues	19,213.00	-	-	-	13,979.35	(4)	100%	
113	Wind Study Discussion & Development	-	-	-	-	976.80	976.80	100%(6)	
114	Integrated Gasification Combined Cycle (IGCC) Research	-	-	-	-	2,505.80	2,505.80	100%	
115	Central Stat PV Power Plant Research	-	-	-	-	4,001.80	4,001.80	100%	
116	Review Military Planning Impacts	-	-	-	-	6,520.80	6,520.80	100%	
117	New Acquisition Discussion	-	-	-	-	7,581.20	7,581.20	100%	
		<b>249,814.00</b>	<b>50,000.00</b>	<b>34,441.24</b>	<b>84,441.24</b>	<b>330,020.36</b>	<b>237,719.85</b> (3)	<b>98%</b> (7)	

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

**NOTES:**

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

BOND FUNDS QUARTERLY REPORT

Integrated Resource Plan - Project Costs Summary (FY09)  
 Vendor: Winzler Kelly  
 Updated: 7/10/09

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

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

**NOTES:**

- (1) PUC approved additional Excess Bond Funds on Oct. 3, 2008 up to \$50K to address additional concerns. This is the current P.O. amount based on initial tasks.
- (2) This is total invoice amounts thru June 2009 paid to date. No additional invoices pending at this time.





**Progress Payment:** *Pending contract award.*

**Procurement Documents Development & Support**

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

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

**Project Schedule:** Planned Start – Dec 2008  
Actual Start – Dec 2008

Planned Completion - Nov 2009  
 Actual Completion -  
 Procurement Documents Completed - April 2009

The following is the latest procurement schedule for the Phase I Renewable Acquisition:

Bid Process	Milestone	From Date	To Date
	Bid Announcement	4/30/09	5/12/09
	Submit Questions	4/30/09	6/19/09
	Pre-Bid Conference	5/12/09 10:00AM (Guam Standard Time)	
	Cut Off Date for Receipt of Questions	6/19/09	
	GPA Review and Answer Questions	4/30/09	6/26/09
	Vendor Prepare Bids	4/30/09	7/14/09
	Bid Submittal Closing Date	7/14/09 4:00PM (Guam Standard Time)	
<b>Bid Evaluation</b>			
Step One:	Determine & Notify Qualified Bidders	7/15/09	7/22/09
Step Two:	Opening & Evaluation of Priced Offers / Selection of Vendor	7/23/09	7/29/09
	Evaluation Approval/Recommendation	7/30/09	8/10/09
	System Integration Study	8/11/09	9/7/09
	Contract Negotiation	9/8/09	9/21/09
	Contract Approval & Recommendation to Award (GPA Mgmt & CCU)	9/22/09	9/29/09
	Public Utilities Commission Review	9/30/09	11/13/09
	Contract Signing	11/16/09	

**Progress Payment:** \$ 122,607.63

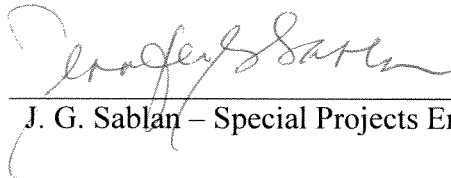
*Includes \$59,939.73 invoiced for services completed thru April 2009.*

**Project Funding Balance:** \$ 27,515.47

*Includes \$ 8,540.48 for anticipated billing for services completed thru June 2009.*

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

**Prepared By:**



J. G. Sablan – Special Projects Engineer, SPORD

**Approved By:**

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

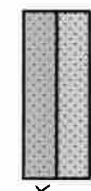
GPA Renewable Acquisition Project Schedule

		MONTHS												
		Dec	Jan 2009	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Phase 1 Renewable Acquisition</b>	Schedule													
Assist staff in drafting BID with focus on contracting options, financing options, risk options. Will also help draft criteria for BID evaluation	6-8 wks	█	█											
Accelerated outreach - RWB would suggest to GPA 10 to 20 suitable developers to contact and undertake briefing calls (prior to release of BID, in connection with GPA staff. - will likely include a second round of calls in the BID process (after release)	6-8 wks													
1st Level Outreach	1 mo			█										
2nd Level Outreach	2wks					█								
Initial siting analysis for central station solar by W&K	3-4 wks				█									
BID Packaging & Approval (CCU/PUC)	1 mo				█	█								
Issue BID	3 mos							█	█	█				
Assist GPA staff in evaluating bid - assistance in technical due diligence of offers and evaluation of risk and optionality values	16 wks													
Contract Negotiations & Award BID	6-8 wks													
<b>Phase 1 Renewable Acquisition Process Duration:</b>		~ 11-12 mos												

**LEGEND**  
 Updated Schedule (7/14/09): GPA  
 Original Estimated Schedule (1/6/09):



GPA & W&K/RWBeck

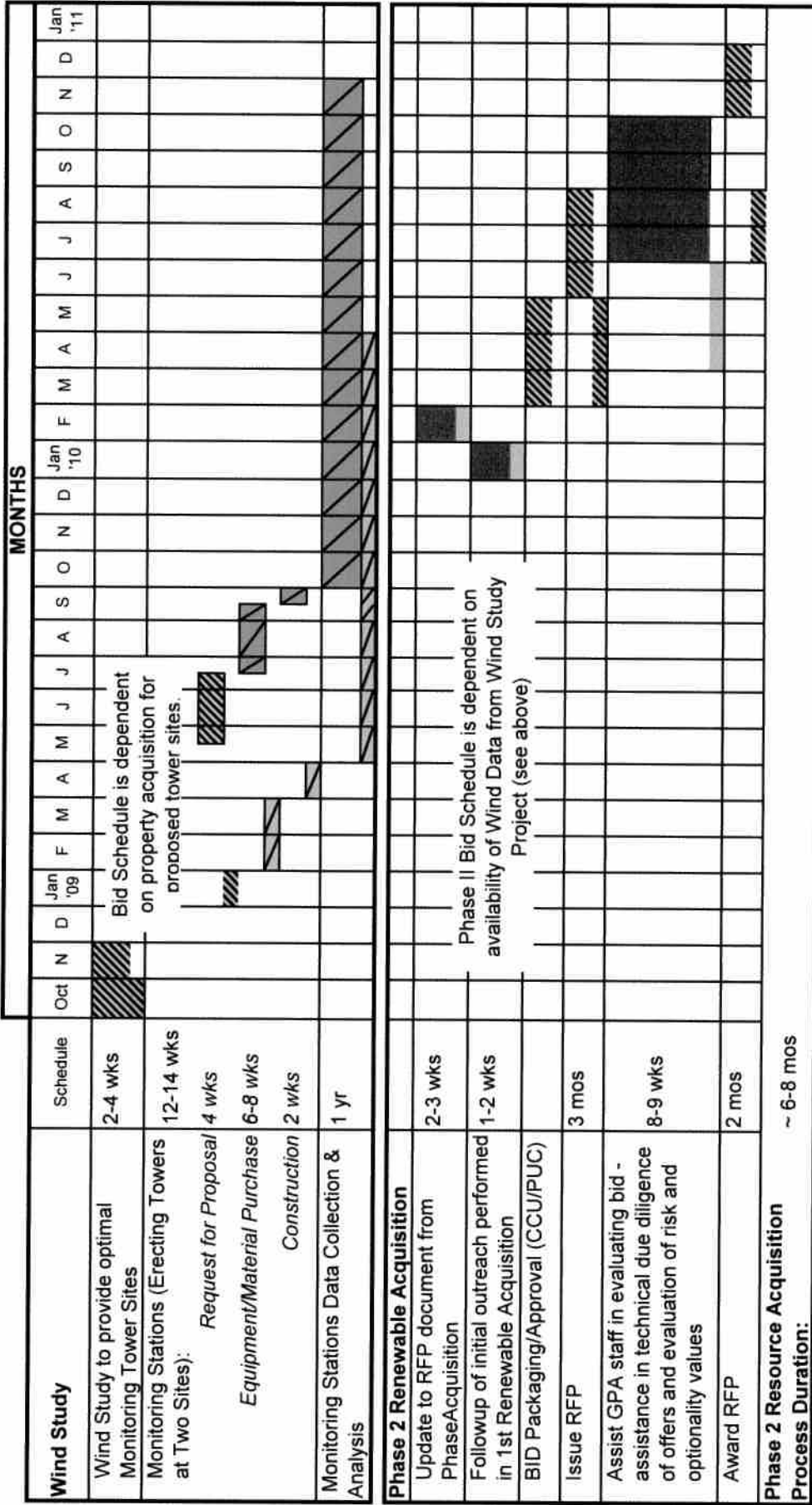


**NOTES:**

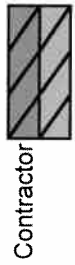
This schedule reflects the current bid process. Updates to the schedule include the following:

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

GPA Renewable Acquisition Project Schedule



**LEGEND**  
 Updated Schedule (7/14/09): GPA  
 Original Estimated Schedule (1/6/09):



**NOTES:**

1. Lease agreement is ratified by CCU on April 28, to site towers on GWA owned property as determined by real estate research.
2. GPA announces the Request for Proposal for Wind Resource Assessment on May 11, 2009 (GPA-09-009). RFP submittal date is July 17, 2009.
4. Phase 2 Renewable Acquisition Bid Evaluation period is extended 4 weeks to allow for system impact study.
5. Total project estimate duration update is 11-12 months.

## QUARTERLY PROGRESS REPORT

**Report Date:** 07/14/09

**Project:** Cost of Service Study/Load Research Study

**Business Units:** 100093/100094

**Funding Source:** Excess Bond Funds

**Project Description:** This project involves engineering and technical services for GPA's Load Study Research and Cost of Service Study. It includes developing a briefing to Guam CCU on use of load study data and likely adjustments to rate spread between customer classes. Coordination with Guam PUC consultants on objectives and design. Stratifying the sample of customers to perform the load study on. The Purchase, installation, reading, and removal of load study meters. Analyzing and documenting data and results collected from the meters. Analyze rate spread (current rates versus cost-based rates). Prepare a final report and an executive presentation summarizing the information contained in the final report. Training of GPA personnel in meter reading protocols, meter change-out methods, and load analysis, for future use of load study meters.

**Contractor:** Economists.com Main  
Black & Veatch Sub

**Contract Amount:** \$423,093 12684 OP / 12685 OP

**Administrative Activities:**

- Purchase orders awarded on August 19, 2008.
- Invoice #1 (PO#12685) in the amount of \$61,643.75 paid March 2009.
- Invoice #2 (PO#12685) in the amount of \$10,340.00 paid April 2009
- Invoice #1 (PO#12684) in the amount of \$2,965.00 paid April 2009
- Amended Purchase Order to reflect adjusted cost of Load Study Meters and payment by Letter of

Credit.

- Finalizing Letter of Credit for the Payment of the Load Study Meters
- Invoice #3 (PO#12685) in the amount of \$127,593.00 paid June 2009
- Invoice #4 (PO#12685) in the amount of \$14,177.00 paid June 2009

**Project Activities:**

- Developed Sample Design for the Load Study
- Coordinate with Guam PUC consultants on objectives and design
- Review meter types and test meter software; obtain quotes on standard and telecom-enabled meters for study
- Completed Meter Specifications for each Locations
- Finalized Quote for the Load Study Meters
- Meters Ordered
- Load Study Meters Delivered
- Preparing Maps to Sample locations
- Coordinated with GPA Meter Shop for Meter Installation Procedures
- Creating Process QMP
- Finalizing Sample Data
  - Removing Disconnected Accounts
  - Removing Accounts with Inaccessible or Difficult to Read

**Project Schedule:**

Planned Start: August 2008  
Actual Start: August 2008  
Planned Finish: December 31, 2010  
Actual Finish:

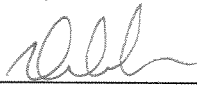
**Completed to Date:**

20%

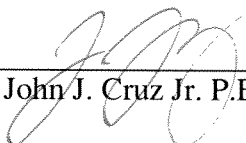
**Progress Payment:**

\$ 216,718.75

**Prepared By:**

  
\_\_\_\_\_  
Roel A. Cahinhinan, P.E.

**Approved By:**

  
\_\_\_\_\_  
John J. Cruz Jr. P.E.

## QUARTERLY PROGRESS REPORT

**Report Date:** 7/14/09

**Project:** Transmission Study

**Business Units:** 100090

**Funding Source:** Excess Bond Funds

**Project Description:** Consultant to provide assistance with GPA's Transmission Planning Study to include on-site training, remote consultation and review of Transmission Planning Study draft.

**Contractor:** Winzler & Kelly Main  
RW Beck Sub

**Contract Amount:** \$130,000 11773 OP

**Administrative Activities:**

- Purchase order awarded on September 12, 2007.
- Invoice #1 in the amount of \$78,016.68 paid March 2008.
- Invoice #2 in the amount of \$30,718.23 paid September 2008.
- Invoice #3 in the amount of \$732.60 paid February 2009.
- Invoice #4 in the amount of \$7,729.15 paid March 2009.
- Invoice #5 in the amount of \$1,079.16 paid May 2009.

**Project Activities:**

- Developed transmission study report template draft
- Provided on-site power flow analysis software training
- Developed preliminary transmission planning criteria
- Finalized load forecast to include civilian and military projects
- Finalized power flow models for analysis
- Revising and updating load forecasts

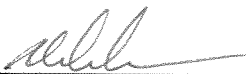
- Including wind and non-firm power impacts into study.
- Meeting with Navy on changes to Military Buildup Requirements (Firming up location of new loads)

**Project Schedule:**  
Planned Start: October 1, 2007  
Actual Start: October 1, 2007  
Planned Finish: December 1, 2009  
Actual Finish:

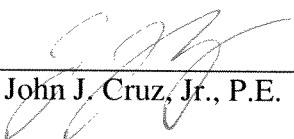
**Completed to Date:** 88%

**Progress Payment:** \$ 118,275.82

**Prepared By:**

  
\_\_\_\_\_  
Roel A. Cahinhinan, P.E.

**Approved By:**

  
\_\_\_\_\_  
John J. Cruz, Jr., P.E.