



**CONSOLIDATED COMMISSION ON UTILITIES**

Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | [guamccu.org](http://guamccu.org)

**Special Board Meeting  
CCU Conference Room  
Gloria B. Nelson Public Service Building  
4:30 p.m., October 13, 2017**

**AGENDA**

1. CALL TO ORDER
2. COMMUNICATIONS
  - 2.1 Public Comments (2 min. per person)
3. NEW BUSINESS
  - 3.1 GPA
    - 3.1.1 [Resolution No. 2017-42 Approval for Purchase of Land for New 180 MW Power Plant](#)
4. ANNOUNCEMENTS
  - 4.1 Next CCU Meetings: GWA Work Session – Oct 17; GPA Work Session – Oct. 19; CCU Meeting – Oct. 20
5. ADJOURNMENT



## **Presentation For: Resolution No. 2017-42**

***Relative to Authorizing the Guam Power Authority  
to Acquire Real Property for 180MW New Power  
Generation Plant***

## Overview

**Resolution 2017-42** authorizes GPA to:

- Execute a purchase agreement for ~59 acres of real property to site the new 180MW power generation plant
- Commence rezoning efforts
- Petition the PUC for approval

# Site Location & Infrastructure Plan



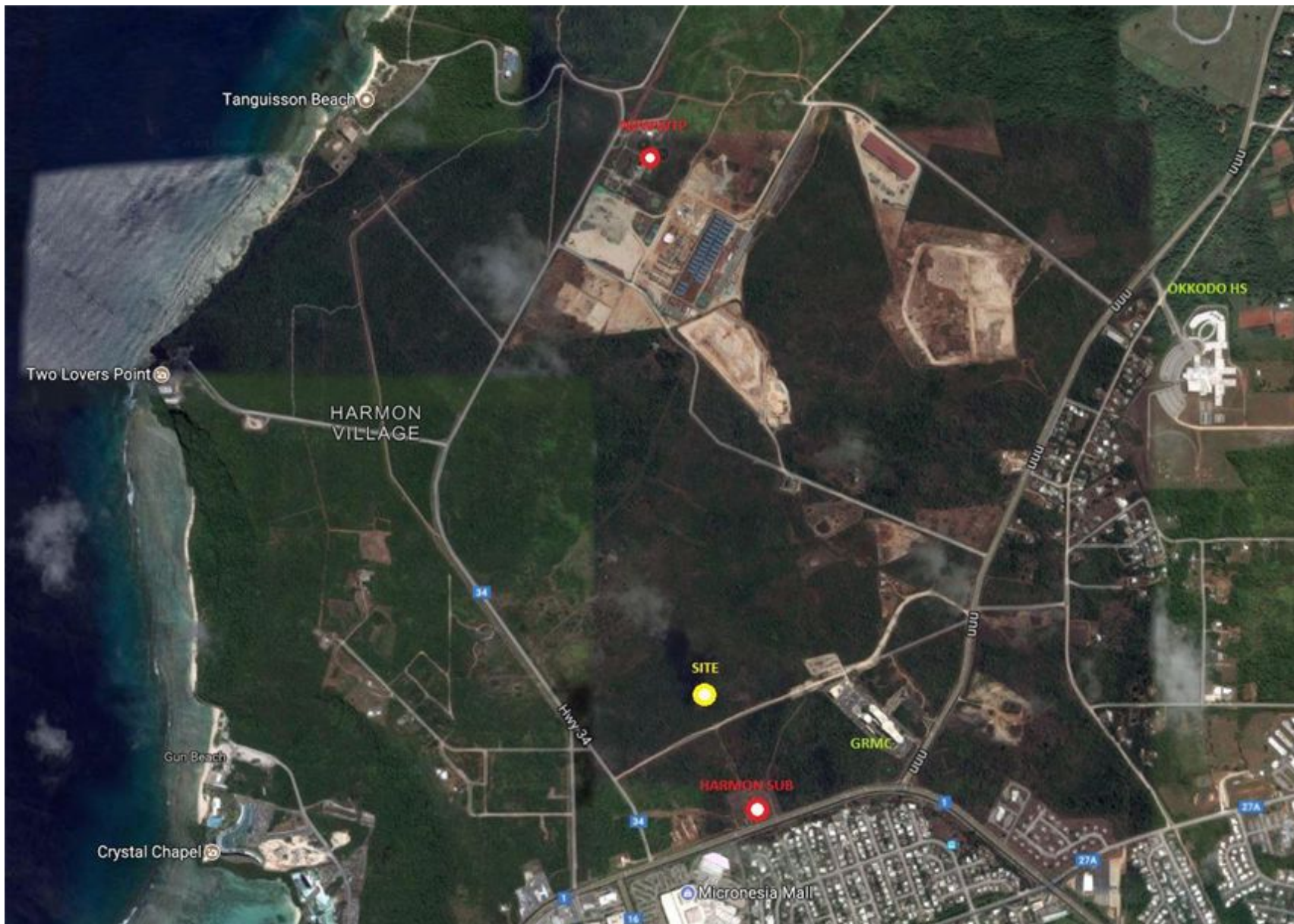
## Guam Power Authority New Generation Infrastructure Lot 5010-1New&5042-R1&5042-1

MAP CREATED BY:  
Timothy C.S. Muna  
GPA Engineering GIS Section

DISCLAIMER:  
The information provided is for  
official use only and not to be  
used for design or analysis.  
All locations and distances  
are approximate.

Document Path: C:\Users\lcmuna\Desktop\GIS\DATA REQUEST\NEW GENERATION PROJECT LAND ACQUISITION 20170316\MXD\New Generation Infrastructure Lot 5010-1New&5042-R1&5042-1.mxd

# Satellite View



# Projected Schedule

Purchase Price: *\$10,788,653*

Funding Source: *Cabras 3&4 Insurance Proceeds*

Open Escrow: *Oct 2017 (\$100,000 earnest deposit)*

Rezoning Efforts: *4Q 2017*

PUC Approval: *4Q 2017*

Close Escrow: *1Q 2018*

| Milestone                    | 2017 |    |    | 2018 |   |   |    |   |   |    |   |   |    |    |    | 2019 |   |   |    |   |   |    |   |   |    |    |                 |
|------------------------------|------|----|----|------|---|---|----|---|---|----|---|---|----|----|----|------|---|---|----|---|---|----|---|---|----|----|-----------------|
|                              | 4Q   |    |    | 1Q   |   |   | 2Q |   |   | 3Q |   |   | 4Q |    |    | 1Q   |   |   | 2Q |   |   | 3Q |   |   | 4Q |    |                 |
|                              | 10   | 11 | 12 | 1    | 2 | 3 | 4  | 5 | 6 | 7  | 8 | 9 | 10 | 11 | 12 | 1    | 2 | 3 | 4  | 5 | 6 | 7  | 8 | 9 | 10 | 11 | 12              |
| Land Acquisition & Rezoning  |      |    |    |      |   |   |    |   |   |    |   |   |    |    |    |      |   |   |    |   |   |    |   |   |    |    |                 |
| IPP RFP Qualification Period |      |    |    |      |   |   |    |   |   |    |   |   |    |    |    |      |   |   |    |   |   |    |   |   |    |    |                 |
| IPP RFP Technical Period     |      |    |    |      |   |   |    |   |   |    |   |   |    |    |    |      |   |   |    |   |   |    |   |   |    |    |                 |
| Approval of IPP Award        |      |    |    |      |   |   |    |   |   |    |   |   |    |    |    |      |   |   |    |   |   |    |   |   |    |    |                 |
| Construction Period          |      |    |    |      |   |   |    |   |   |    |   |   |    |    |    |      |   |   |    |   |   |    |   |   |    |    | through 2021 >> |



**GUAM POWER AUTHORITY**

ATURIDÂT ILEKTRESEDÂT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

## **Issues for Decision**

**Resolution No. 2017-42:**

**Relative to: Authorizing the Management of Guam Power Authority to Acquire Real Property for 180 MW Power Generation Plant**

**What is the project's objective? Is it necessary and urgent?**

In January 2017, the CCU authorized the award of the engineering, procurement and construction management contract for the procurement development of an IPP contract for new generation capacity and to represent GPA as Owner's engineer support in the construction of a new power plant. The commissioning of the new power generation plant is critical to GPA's Compliance Plan with USEPA and to ensure adequate baseload units to meet future system demand.

The location of the new power generation plant must be proximate to the GWA Northern District Waste Water Treatment Plant to utilize its tertiary treated waste water to cool the new power plant thus eliminating the extraction of up to three million (3,000) gallons of water daily from Guam's fresh water aquifer. The location of the new power generation plant must be proximate to GPA's Harmon Substation to reduce transmission line construction, operations and maintenance costs, and maximize reliability.

On June 13, 2017, GPA published a Statement of Interest seeking to acquire up to 60 acres of unimproved real property to construct and operate a 180MW power generation plant. Five (5) responses were received on July 3, 2017, and the combined proposal of Lots 5010-1NEW, 5042-1, and 5042-R1, Ukudu, Dededo were determined to be the best suited location for the new power generation plant due to the reduced transmission costs.

**Where is the location?**

Ukudu, Dededo

**When will it be completed?**

End of 1<sup>st</sup> Quarter of FY'2018

**What is its funding source?**

Insurance Proceeds



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**Resolution No. 2017-42**

**Relative to Authorizing GPA to Acquire Real Property for 180MW Power Generation Plant**

**WHEREAS**, in October 2016, the PUC approved the Guam Power Authority's petition for up to 180MW of new generation capacity<sup>1</sup>; and

**WHEREAS**, in January 2017, the CCU authorized the award of the engineering, procurement and construction management contract for the procurement development of an IPP contract for new generation capacity and to represent GPA as Owner's engineer support in the construction of a new power plant<sup>2</sup>; and

**WHEREAS**, the commissioning of the new power generation plant is critical to GPA's Compliance Plan with USEPA and to ensure adequate baseload units to meet future system demand; and

**WHEREAS**, the siting of the new power generation plant must be proximate to the GWA Northern District Waste Water Treatment Plant to utilize its tertiary treated waste water to cool the new power plant thus eliminating the extraction of up to three million (3,000) gallons of water daily from Guam's fresh water aquifer; and

**WHEREAS**, the siting of the new power generation plant must be proximate to GPA's Harmon Substation to reduce transmission line construction, operations and maintenance costs, and maximize reliability; and

**WHEREAS**, on June 13, 2017, GPA published a Statement of Interest seeking to acquire up to 60 acres of unimproved real property to construct and operate a 180MW power generation plant; and

**WHEREAS**, five (5) responses were received on July 3, 2017, and the combined proposal of Lots 5010-1NEW, 5042-1, and 5042-R1, Ukudu, Dededo were determined to be the best suited location for the new power generation plant due to the reduced transmission costs; and

**WHEREAS**, GPA negotiated with the property owners and issued an offer to purchase the aforementioned lots with an approximate area of 239,744 ± square meters<sup>3</sup> at Ukudu, Dededo for \$10,788,653.00; and

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<sup>1</sup> PUC Order 15-05, *Approval of Procurement of New Generation Combined Cycle Units*, approved GPA's petition for up to 180MW of new generation capacity subject to the PUC procurement protocol and other conditions set forth in the order.

<sup>2</sup> CCU Resolution 2017-01 adopted on January 24, 2017

<sup>3</sup> Offer contains several contingencies including the express approval of the CCU, PUC and rezoning to allow the operation of a power generation plant.

27           **WHEREAS**, GPA's offer was accepted on October 2, 2017; and

28           **WHEREAS**, GPA has identified the funding of \$10,870,000 from insurance proceeds to acquire  
29 real property for the 180MW power generation plant.

30           **NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, the**  
31 **GOVERNING BODY of the GUAM POWER AUTHORITY HEREBY APPROVE AND AUTHORIZE AS**  
32 **FOLLOWS:**

- 33           1. The General Manager of GPA is hereby authorized to execute the real property purchase  
34 agreement up to \$10,870,000, including transaction fees;  
35  
36           2. The General Manager of GPA is hereby authorized to commence rezoning efforts; and  
37  
38           3. The CCU authorizes GPA to petition the PUC for approval of this purchase.

39           **RESOLVED**, that the Chairman certifies and the Board Secretary attests to the adoption of this  
40 Resolution.

41           **DULY AND REGULARLY ADOPTED AND APPROVED THIS 13TH DAY OF**  
42 **OCTOBER 2017.**

43 Certified by:

Attested by:

44  
45  
46  
47 **JOSEPH T. DUENAS**  
48 Chairperson  
49 Consolidated Commission on Utilities

\_\_\_\_\_  
47 **J. GEORGE BAMBA**  
48 Secretary  
49 Consolidated Commission on Utilities

50  
51           **I, J. George Bamba**, Secretary for the Consolidated Commission on Utilities (CCU), as  
52 evidenced by my signature above do certify as follows:

53           The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting  
54 of the members of Guam Consolidated Commission on Utilities, duly and legally held at a place  
55 properly noticed and advertised at which meeting a quorum was present and the members who were  
56 present voted as follows:

57  
58                           Ayes: \_\_\_\_\_

59                           Nays: \_\_\_\_\_

60                           Absent: \_\_\_\_\_

61                           Abstain: \_\_\_\_\_