



CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority • Guam Waterworks Authority
P.O. BOX 2977 • Agana, Guam 96932

RESOLUTION NO. 2016-24

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3 **AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY TO IMPLEMENT AND COMPLETE**
4 **THE REPAIRS REQUIRED TO PLACE YIGO COMBUSTION TURBINE PLANT BACK INTO SERVICE**
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6 **WHEREAS**, the Guam Power Authority (GPA) has utilized Performance Management Contracts
7 (PMC) for the management, operations, and maintenance of the base load power plants; and

8 **WHEREAS**, PMCs have provided GPA valuable assistance for continued operation and
9 maintenance of power plants, including completion of major projects to meet availability, reliability, and
10 efficiency standards; and

11 **WHEREAS**, GPA has 25 MW in Solar PV Renewables contributing to the island-wide power
12 system, and the impact of major surges or intermittency in the day from these renewable energy supply
13 requires the dispatching of units that can react quickly to the surges, such as the Combustion Turbine
14 units; and

15 **WHEREAS**, GPA intends to continue the addition of renewable energy to its power system,
16 through projects such as, but not limited to Phase II and Phase III of Renewable Resource Acquisition;
17 and

18 **WHEREAS**, on March 14, 2016 at 2222 hrs, abnormal noise from Yigo CT turbine prompted
19 operations to place unit offline for investigation; and

20 **WHEREAS**, initial assessment completed by the Yigo CT team and CT PMC (TEMES Guam)
21 showed material loss, corrosion and other issues that warranted further investigation; and

22 **WHEREAS**, the loss of Yigo CT further reduces GPA's capacity by up to 20 MW; and

23 **WHEREAS**, results of initial engineering assessment show that repair will take about three
24 months to complete, at a cost of approximately \$2.3M; and

25 **WHEREAS**, GPA and the CT PMC intend to maximize the downtime of the unit to complete
26 necessary repairs along with other projects that will extend the life and improve the efficiency and
27 performance of the unit; and

28 **WHEREAS**, the CT PMC would help GPA to expeditiously assess the units, make the necessary
29 repairs, and render the units available to meet system demand; and

30 **WHEREAS**, GPA, through Resolution NO. 2015-46 completed IFB GPA-001-16 Invitation for Bid
31 for a Performance Management Contract for GPA's Combustion Turbine Plants; and

32 **WHEREAS**, GPA, through Resolution 2016-02 awarded the contract to Taiwan Electrical and
33 Mechanical Engineering Services, Inc. (TEMES) was determined to be the most responsive, responsible
34 and qualified Bidder based on Qualitative Proposal Evaluations and Price Proposal Evaluations;

35 **WHEREAS**, GPA will allocate funds from its working capital for the repair and rehabilitation of
36 Yigo CT; and

37 **WHEREAS**, approval is requested to allow the General Manager to petition the PUC to approve
38 the implementation and completion of repairs needed to the Yigo CT plant, including the use of funds
39 amounting to \$2.3M.

40 **WHEREAS**, the change out of the Yigo CT unit would result in about \$59K fuel savings monthly.

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42 **NOW, THEREFORE, BE IT RESOLVED**, by the CONSOLIDATED COMMISSION ON UTILITIES subject
43 to the review and approval of the Public Utilities Commission as follows:

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- 45 1. The General Manager is authorized an increase in obligating authority in the amount of
46 \$2,300,000 as additional CIP funds allotted to Yigo CT for FY2016 to implement and
47 complete the repairs needed for the Yigo CT plant, through the PMC Contract with
48 TEMES, Guam Inc.
- 49 2. The General Manager is authorized to allocate working capital funds to fund the Yigo CT
50 repairs.

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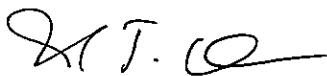
52 **RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the Commission
53 attests the adoption of this Resolution.

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55 **DULY and REGULARY ADOPTED** this 26th day of April 2016.

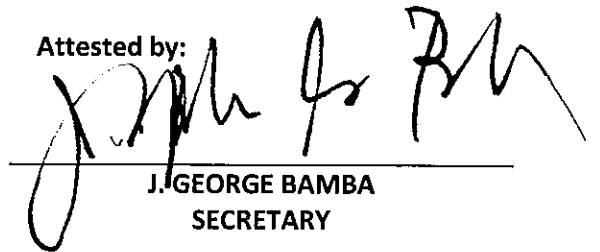
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Certified by:



JOSEPH T. DUENAS
CHAIRMAN

Attested by:



J. GEORGE BAMBA
SECRETARY

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SECRETARY'S CERTIFICATE

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I, J. George Bamba, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on April 26, 2016 at which meeting of all said members had due notice and at which at least a majority thereof were present, and

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

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Ayes: 5

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Nays: 0

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Absent: 0

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Abstain: 0

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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.

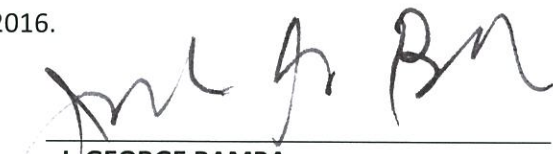
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SO CERTIFIED this 26th day of April, 2016.



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J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities