



CONSOLIDATED COMMISSION ON UTILITIES

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

RESOLUTION NO. 2016-41

AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY TO IMPLEMENT AND COMPLETE THE REPAIRS REQUIRED TO PLACE MACHECHE COMBUSTION TURBINE PLANT IN SERVICE

WHEREAS, the Macheche Combustion Turbine (CT) power plant installed in 1993 is rated for 22 MW and is used to support peak loads and base load unit outages for the island wide power system (IWPS); and

WHEREAS, on July 1, 2016 the unit was shut down after a turbine blade borescope inspection revealed corrosion on the turbine blades; and

WHEREAS, the unit has been in operation for more than 20 years utilizing the original turbine engine; and

WHEREAS, TEMES, the Performance Management Contractor (PMC) for the CT has recommended for the replacement of the engine at a cost not to exceed \$2.7 million; and

WHEREAS, the timeframe to complete is estimated at five weeks; and

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

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

WHEREAS, GPA will allocate funds from its revenue CIP account for the repair and rehabilitation of Macheche CT; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to approve the implementation and completion of repairs needed for the Macheche CT, including the use of funds not to exceed \$2.7 million.

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



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- 1 1. The General Manager is authorized an increase in obligating authority in the amount of \$2.7
2 million as additional CIP funds allotted to Macheche CT for FY 2016 to implement and
3 complete the repairs needed for the Macheche CT through the CT PMC contract with
4 TEMES, Inc.
5 2. The General Manager is authorized to allocate revenue CIP funds for the repair of
6 Macheche CT.

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9 **DULY and REGULARLY ADOPTED this 26th day of July 2016.**

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Certified by:

JOSEPH T. DUENAS
Chairman

Attested by:

J. GEORGE BAMBA
Secretary



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SECRETARY'S CERTIFICATE

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 July 26, 2016, at which meeting of all said members had due notice and at which at least a majority thereof were present, and


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

Ayes:	<u>4</u>
Nays:	<u>0</u>
Absent:	<u>1</u>
Abstain:	<u>0</u>

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 26th day of July 2016.





J. George Bamba
Secretary
Consolidated Commission on Utilities