GUAM CONSOLIDATED COMMISSION ON UTILITIES
GPA RESOLUTION NO.: 2016-63

RELATIVE TO AUTHORIZING THE APPROVAL OF A BOND ISSUANCE TO
REFINANCE A PORTION OF THE OUTSTANDING REVENUE BONDS

WHEREAS, the Consolidated Commission on Utilities is a body corporate a politic,
organized and existing under the laws of the Government of Guam; and

WHEREAS, the Consolidated Commission on Utilities is the governing body of the
Guam Power Authority (“GPA”); and

WHEREAS, GPA has been pursuing strategies for reducing debt service payments; and

WHEREAS, one strategy that has emerged as a result of historically low interest rates
has been the concept of refunding portion of GPA’s 2010 Series A revenue bonds for interest
rate savings; and

WHEREAS, GPA expects that opportunities will arise from time to time to refund all or
a portion of its other then outstanding revenue bonds for debt service savings, which is expected
to result in potential savings to ratepayers; and

WHEREAS, low interest rate warrants action from the CCU; and

WHEREAS, after several months of reviewing this strategy with Barclays, GPA Bond
Counsel, and GEDA, GPA believes this strategy has potential for providing significant benefit
for GPA ratepayers; and
WHEREAS, this transaction will still need the approval of the Guam Legislature, GEDA, the PUC, and the Governor; and

WHEREAS, the CCU desires to pursue this plan for refund GPA’s debt service costs in order to provide a net present value savings to ratepayers; and

WHEREAS, the present value of debt service on the refunding bonds shall be at least two percent (2%) less than the present value of debt service on the prior bonds, using the yield on the refunding bonds as the discount rate; and

NOW THEREFORE, BE IT RESOLVED BY THE CONSOLIDATED COMMISSION ON UTILITIES, AS THE GOVERNING BODY OF THE GUAM POWER AUTHORITY, AS FOLLOWS:

1. The General Manager and the CCU Chairman are authorized to proceed forward with the refund of outstanding revenue bonds.
2. The General Manager and CCU Chairman are authorized to petition the Public Utilities Commission for authorization to complete the bond refunding initiative.
3. The General Manager and CCU Chairman are authorized to submit the proposed bond refunding legislation to the Guam Legislature for their approval.
4. The General Manager and CCU are authorized to seek approval from the Governor and GEDA to proceed with the proposed bond refunding.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 25TH DAY OF OCTOBER, 2016.

Certified by: Attested by:

JOSEPH “JOEY” T. DUENAS J. GEORGE BAMBA
Chairperson CCU Board Secretary
SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the CCU 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 CCU, duly and legally held at the meeting place thereof on October 25, 2016 at which meeting all said members had due notice and at which at least a majority thereof were present;

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

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 25th day of October 2016

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities