Resolution No. 2016-64

Relative to Authorizing Additional Expenditures for the
Dededo CT Return to Service Project

WHEREAS, the Dededo Combustion Turbine (DCT) Units 1 and 2 have not been operational since
the generators failed in 2010 and 2004 respectively; and

WHEREAS, the IWPS is at a vulnerable state, lacking adequate generation reserve capacity to
support the outage of a large generation unit; and

WHEREAS, the Dededo CT plant upon its rehabilitation will be used to support peak loads and
base load unit outages; and

WHEREAS, the United States Air Force funded and constructed an underground transmission
line to directly tie in the Dededo CT plant to the Andersen Air Force base substation to provide improved
reliability; and

WHEREAS, GPA has issued a Performance Management Contract with TEMES for the
rehabilitation and improved operations of GPA’s combustion turbines; and

WHEREAS, TEMES has conducted an assessment of the Dededo CT Units 1 and 2 and identified
the projects necessary to return the units to service for an estimated total cost of $9.7M; and

WHEREAS, rehabilitation work includes the overhaul of the generators, rotor and stator repair,
water system upgrade, air cooling tower replacement, control system upgrade, switchgear replacement,
black start generator repair, new DC batteries, and repair of the fire protection system; and

WHEREAS, GPA received approval from the CCU and PUC to utilize $6.36M from 1999 and 2010
bond funds and $736,000 from the 2014 bond funds for the Dededo CT Return to Service project; and

WHEREAS, an additional $2.607M has been budgeted in FY 2017 revenue CIP funds for the
balance of the work necessary to restore Dededo CT units 1 and 2; and

WHEREAS, the restoration of the Dededo CT units 1 and 2 results in an average expenditure of
approximately $243/kW for standby capacity which is reasonable and prudent; and

WHEREAS, the return to service is expected to be completed by March 2017 in adequate time to
support the next major baseload overhaul in July 2017; and
WHEREAS, the Consolidated Commission on Utilities fully supports GPA's efforts in the recovery of the Dededo CT plant; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to approve the additional work needed for the Dededo CT return to service project at an estimated cost of $2.607 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:

1. After careful review of the attached documents, the Consolidated Commission on Utilities finds the Dededo CT Return to Service project to be reasonable, prudent and necessary.

2. The General Manager is authorized an increase in obligating authority in the amount of $2.607 million as additional CIP revenue funds allotted to Dededo CT for FY 2017 to return the units to service. The total authority for this project increase now is $9.7M.

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

Duly and regularly ADOPTED AND APPROVED THIS 25TH DAY OF OCTOBER, 2016.

Certified by:

[Signature]
JOSEPH T. DUENAS
CHAIRMAN

Attested By:

[Signature]
J. GEORGE BAMBA
SECRETARY

Date: ____________________

Date: ____________________
SECRETARY’S CERTIFICATE

I, J. George Bamba Secretary, Consolidated Commission on Utilities hereby certifies as follows:

The foregoing is a full, true and correct copy of a 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 October 25, 2016, at which meeting all of 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

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