



1 **Resolution No. 2017-42**

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

3  
4 **WHEREAS**, in October 2016, the PUC approved the Guam Power Authority's petition for up to  
5 180MW of new generation capacity<sup>1</sup>; and

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

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

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

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

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

21 **WHEREAS**, five (5) responses were received on July 3, 2017, and the combined proposal of Lots  
22 5010-1NEW, 5042-1, and 5042-R1, Ukudu, Dededo were determined to be the best suited location for  
23 the new power generation plant due to the reduced transmission costs; and

24 **WHEREAS**, GPA negotiated with the property owners and issued an offer to purchase the  
25 aforementioned lots with an approximate area of 239,744 ± square meters<sup>3</sup> at Ukudu, Dededo for  
26 \$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.

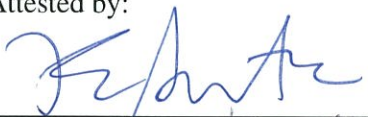
30 NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, the  
31 GOVERNING BODY of the GUAM POWER AUTHORITY HEREBY APPROVE AND AUTHORIZE AS  
32 FOLLOWS:

- 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:  
44  
45   
46  
47 **JOSEPH T. DUENAS**  
48 Chairperson  
49 Consolidated Commission on Utilities  
50

Attested by:  
51   
52  
53 ~~J. GEORGE BAMBA~~ FRANCIS E. SANTOS  
54 ~~Secretary~~ VICE CHAIR  
55 Consolidated Commission on Utilities

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 Eyes: 3  
59 Nays: 0  
60 Absent: 2  
61 Abstain: 0

