

CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

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RESOLUTION NO.: 2018 - 27

AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO PETITION THE GUAM PUBLIC UTILITIES COMMISSION FOR NO CHANGE IN THE LEVELIZED ENERGY ADJUSTMENT CLAUSE

WHEREAS, the Guam Public Utilities Commission (GPUC) has established a Tariff under which the Guam Power Authority (GPA) is allowed to recover its fuel costs and fuel related costs under a factor which is reset and trued up every (6) six months through the Levelized Energy Adjustment Clause (LEAC); and

WHEREAS, the deadline for the next filing is December 15, 2018; and

WHEREAS, for the LEAC period covered of August 1, 2018 through January 31, 2019, GPA requested to maintain the LEAC rate of \$0.154242/kWh that was approved for meters read on or after May 1, 2018. in anticipation of rising prices in the fuel market and to recover at least 70% of the under recovery at the end of the period; and

WHEREAS, since the application of the current rate beginning May 1, 2018, GPA was able to reduce the under-recovery balance of \$12.2M as of April 30, 2018 to \$8.3M by September 30, 2018; below the previously projected under-recovery balance of \$8.8 million for that same date; and

WHEREAS, the average market price of fuel in the initial filing for the current period was approved at \$77.13/bbl for the (6) six-month period ending January 31, 2018, the current projection for the remaining three months of this LEAC period is \$69.30/bbl and the projected price of fuel for the period ending July 31, 2019 is \$65.04/bbl; and

1	WHEREAS, although GPA will file the required LEAC schedules, it has determined that					
2	it will not petition for a change in the LEAC factor for secondary voltage service customers as					
3	well as alternative voltage customer for the period of February 1, 2019 to July 31, 2019; and					
4						
5	WHEREAS, based on this status quo approach, an under-recovery of about \$5.0M is					
6	anticipated by the end of the LEAC period on July 31, 2019 which will have some impact on the					
7	working capital and other financial ratios however GPA will be able to manage in a short term					
8	period; and					
9						
10	WHEREAS, GPA now is requesting the Consolidated Commission on Utilities to					
11	authorize the Authority to file such petition with the Guam Public Utilities Commission; and					
12						
13	NOW, THEREFORE BE IT RESOLVED, by the Consolidated Commission on					
14	Utilities as follows:					
15						
16	The General Manager of the Guam Power Authority is authorized to petition the Guam Public					
17	Utilities Commission for the LEAC rate to remain at \$0.154242/kWh effective for the period					
18	from February 1, 2019 thru July 31, 2019. (LEAC factors for alternative voltage levels are as					
19	reflected in the attached spreadsheets in the attached Exhibit A.)					
20						
21	RESOLVED, that the Chairman certifies and the Board Secretary attests to the adoption					
22	of this Resolution.					
23	ah					
24	DULY AND REGULARLY ADOPTED AND APPROVED THIS 27th DAY OF					
25	NOVEMBER 2018					
26	Contided by					
27	Certified by: Attested by:					
28 29	, A D A					
	91712 h/a/h. M					
1	JOSEPH T. DUENAS J. GEORGE BAMBA					
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30 31 32 33 34	JOSEPH T. DUENAS Chairperson Consolidated Commission on Utilities Consolidated Commission on Utilities					

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I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities (CCU), as evidenced by my signature above, do hereby certify as follows:

The foregoing is a full, true and correct copy of the resolution duly adopted at a regular meeting by the members of the Guam CCU, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

Ayes: 5

Nays: 0

Abstentions: 0

Absent:



GPA					
Summary of	the	Proposed	i	EAC	Dat

1 Average Price per Bbl-RFO
2 Average Price per Gal-Diesel
3 Number 6 (HSFO/LSFO)
4 Number 2 (Diesel)
5 Renewable (Solar)
6 TOTAL COST
7 Handling Costs
8 Total Current Fuel Expense
9 Civilian Allocation
10 LEAC Current Fuel Expense
11 Deferred Fuel Expense
12 50% recovered
13 Total LEAC Expense
14 Less: Trans. Level Costs
15 Distribution Level Costs
16 Under recovery at the end of the period
17 Adjusted Distribution Level Costs
18 Distribution Level Sales (mWh)
19 LEAC Factor Distribution
20 Current LEAC Factor Distribution
21 Increase/(Decrease)
22 Monthly Increase/(Decrease) - 1000 kWh
23 % Increase/(Decrease) in LEAC
24 % Increase/(Decrease) in Total Bill
25 Discount (3%) - Primary 13.8 KV
26 Discount (4%) - 34.5 KV
27 Discount (5%) - 115 KV

\$ 77.55		\$55 RFO		\$65 RFO				
Proposed Eff 2/01/2019 Proposed Eff 2/01/2019 Proposed Eff 2/01/2019 \$ 57.34 \$ 66.37 \$ 66.37 \$ 66.37 \$ 77.55 \$ 85.88 \$ 85.88 \$ 85.88 \$ 54,985 \$ 63,646 \$ 63,646 \$ 63,646 36,517 40,440 40,440 40,440 5,582 5,582 5,582 5,582 \$ 97,085 4,312 4,312 4,312 \$ 101,410 \$ 113,980 \$ 113,980 8 124% \$ 82,388 \$ 92,600 \$ 92,600 \$ 12,188 13,767 13,767 (2,932) - - \$ 94,576 (5,530) (6,048) (6,220 \$ 89,046 \$ 97,387 \$ 100,147 \$ 97,387 \$ 100,147 613,497 613,497 613,497 \$ 0.154242 0.158740 0.163239 \$ 0.154242 0.154242 0.154242 0.154242 \$ (0.00910) \$ 4.50 \$ 9.00 \$ (9.10) \$ 4.50 \$ 9.00 \$ 0.140779	(୭ Full Cost			@ 50% Cost	@ Full Cost		
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