RESOLUTION NO. 2019-07

AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY (GPA) TO PETITION THE PUC FOR APPROVAL OF THE UTILITY ENERGY SERVICE CONTRACT COSTS

WHEREAS, GPA issued GPA-RFP-16-013 for Partnering Opportunities for the Development of Demand-Side Energy Conservation Programs and Utility Energy Services Contract Programs; and

WHEREAS, Siemens was selected for the above solicitation and signed into a contract on May 15, 2017 for a base contract of 5 years with an optional renewal for 5 additional years (see Contract in Exhibit A); and

WHEREAS, the Utility Energy Services Contract supports GPA’s demand side management program in the implementation or execution of energy efficiency and renewable projects for our large customers which may include financing as well as technical support; and

WHEREAS, Siemens’ initial task was to provide energy efficient products for the UOG Sea Grant Office in a joint effort with UOG to promote Demand Side Management and provide a model reference for energy consumption and cost savings to similar buildings located in the UOG Dean Circle; and

WHEREAS, under this contract GPA also tasked Siemens to conduct a Feasibility Study on Guam Department of Education (GDOE) schools for energy efficiency and renewable projects and to execute a pilot project demonstrating cost savings through these programs; and

WHEREAS, the GDOE Feasibility Study and Pilot project is part of the Bringing Energy Solutions to Schools that was initially presented for the use of a portion of FY 18 bond refinancing savings; and

WHEREAS, during the evaluation of the GDOE schools, GPA, Siemens, and GDOE collaborated in developing grant proposals for several lighting retrofit projects at various schools as part of a Demand Side Management Program Expansion Project grant submittal for the FY2018 Energizing Insular Communities Program (EIC) under the Department of Interior, Office of Insular Affairs; and

WHEREAS, in September 2018, GPA received notice of award for $1.2 M of grant funds for lighting retrofit at the George Washington and Southern High Schools (see Notice of Award in Exhibit B); and

WHEREAS, GPA and Siemens continue to collaborate on other grant opportunities to include Electric School Bus grant submittal which is anticipating an initial announcement of award selection end of May 2019; and

WHEREAS, the Guam Energy Office (GEO) has requested for GPA to execute a portion of their grant for Smart Energy Schools requiring energy audits and conference support to educate schools on the smart use of energy; and

WHEREAS, the GEO’s grant scope is to be tasked to Siemens under their contract as well; and

WHEREAS, Siemens and GPA have met with other large commercial customers to include University of Guam and Navy to provide services as needed which would be at the expense of the customer, however no formal task requests have been received; and
WHEREAS, the tasks for Siemens total more than $1.8 M which exceeds the General Manager approval authority and under the PUC Contract Protocol also requires PUC approval; and

WHEREAS, of the $1.8M for current tasks, $1.3M is to be funded through grant funds as shown in Exhibit C; and

WHEREAS, the total contract costs may increase to $1.93M should GPA be awarded the grant for the Electric Bus to be announced in May 2019.

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. The General Manager is authorized to petition for approval of contract for Siemens for up to $1,933,374.

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

DULY and REGULARLY ADOPTED this 28th day of May 2019.

Certified by:  
JOSEPH T. DUENAS  
CHAIRMAN

Attested by:  
MICHAEL T. LIMTIACO  
SECRETARY
Resolution No.: 2019-08

SECRETARY'S CERTIFICATE

I, Michael T. Limtiaco, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows: The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting of the members of Guam Consolidated Commission on Utilities, 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
Absent: 0
Abstain: 0
Resolution No.: 2019-08

EXHIBIT B

Notice of Award

EIC Grant (DOI/OIA)
### EXHIBIT C

#### Summary of Contract Costs

<table>
<thead>
<tr>
<th>Task Description</th>
<th>Fund Source</th>
<th>Task Cost</th>
<th>Running Total</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 DSM Model House @ UOG Sea Grant Office</td>
<td>GPA - DSM Funds</td>
<td>$12,274</td>
<td>$12,274</td>
<td>Completed</td>
</tr>
<tr>
<td>2 GDOE Feasibility Study &amp; Carbullido Pilot</td>
<td>GPA - Bond Refinancing Savings</td>
<td>$500,000</td>
<td>$512,274</td>
<td>Study Completed / Pilot to start in June</td>
</tr>
<tr>
<td>3 GW Lighting Retrofit</td>
<td>Grant (DOI)</td>
<td>$295,315</td>
<td>$807,589</td>
<td>Scheduled for June</td>
</tr>
<tr>
<td>4 SHS Lighting Retrofit</td>
<td>Grant (DOI)</td>
<td>$954,685</td>
<td>$1,762,274</td>
<td>Scheduled for June</td>
</tr>
<tr>
<td>5 Guam Energy Office Energy Smart School Grant</td>
<td>DOE Grant (thru GEO)</td>
<td>$61,100</td>
<td>$1,823,374</td>
<td>Assigned to GPA / MOU in review</td>
</tr>
</tbody>
</table>

**Subtotal** $1,823,374  
**Total to be funded by Grant Funds:** $1,311,100

#### Future Scope

<table>
<thead>
<tr>
<th>Task Description</th>
<th>Fund Source</th>
<th>Task Cost</th>
<th>Running Total</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Electric School Bus Pilot Program</td>
<td>GPA (55%) / EPA DERA Grant (45%)</td>
<td>$110,000</td>
<td>$1,933,374</td>
<td>Grant submitted. Pending award announcement. Of a $853K Grant, $110K is for Siemens Scope.</td>
</tr>
</tbody>
</table>
CONTRACT FOR TECHNICAL SERVICES

This CONTRACT is made and entered into on the 15th day of May, 2017, by SIEMENS INDUSTRY, INC., hereinafter called the CONSULTANT, and the Guam Power Authority, hereinafter called GPA.

GPA engages the CONSULTANT to perform technical services for a project known and described as Partnering Opportunities for the Development of Demand-Side Energy Conservation Programs and Utility Energy Services Contract Programs, GPA-RFP-16-013, hereinafter called the "Project."

SECTION I - SERVICES OF THE CONSULTANT

The CONSULTANT shall perform the following technical services in accordance with the degree of care and skill that a registered professional in Guam would exercise under similar conditions:

A. GPA and the CONSULTANT have entered into this contract, wherein GPA will call upon a task and discuss scope and schedule with the CONSULTANT. The CONSULTANT shall provide services as described in the task list provided in Exhibit A. This list is not all-inclusive; GPA can negotiate tasks so long as it falls under the scope of Demand-Side Energy Conservation Programs and Utility Energy Services Contracts.

B. The CONSULTANT has assigned Mike Hubbard, SIEMENS' Senior Project Manager, as the Project Manager for this CONTRACT. Prior written approval is required in the event the CONSULTANT needs to change the Project Manager. The CONSULTANT shall submit the qualifications of the proposed substituted personnel to GPA for approval.

C. The CONSULTANT shall submit all final documents in both hard copy and electronic format. The software version used shall be compatible to current GPA standards.

SECTION II - CONTRACT PERIOD

GPA and the CONSULTANT have agreed that this CONTRACT will be effective June 1st, 2017 for a base contract period of five years or until all of the tasks in Exhibit A are completed. Upon mutual agreement, the CONTRACT may be extended for a period no more than five years beyond the base contract term. GPA shall, at its sole discretion, determine task completion.

SECTION III - CONSULTANT'S COMPENSATION

The CONSULTANT's compensation for this CONTRACT shall be obtained from the customer, through savings generated from the effective implementation of demand-side energy conservation programs and Utility Energy Services Contracts. A portion of the savings generated through these programs and contracts shall be allocated to pay for the services the CONSULTANT has provided.

Compensation structure shall be developed by CONSULTANT for each project implemented, based on generated savings, and shall be included in the proposal during the design and construction of each
project. Compensation structure should meet the approval of GPA and DoD or any other federal agency to whom GPA and the CONSULTANT shall provide the programs and contracts.

SECTION IV – CONSULTANT’S STATUS

The CONSULTANT agrees that there shall be no employee benefits occurring from this CONTRACT, such as:

A. Insurance coverage provided by GPA;
B. Participation in the Government of Guam retirement system;
C. Accumulation of vacation or sick leave;
D. There shall be no withholding of taxes by GPA;
E. That it is expressly understood and agreed that, in the performance of services under this CONTRACT, the CONSULTANT and its employees shall at all times act as independent CONSULTANTS with respect to GPA, and not as an employee or agent of GPA. Further, it is expressly understood and agreed by the parties that nothing contained in this CONTRACT shall be construed to create a joint venture, partnership, association, or other affiliation or like relationship and shall remain that of independent parties to a contractual relationship set forth in this CONTRACT.

SECTION V – GUAM POWER AUTHORITY’S RESPONSIBILITIES

A. GPA shall designate a project manager during the term of this CONTRACT. The project manager has the authority to administer this CONTRACT and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by GPA on any aspect of the work shall be directed to the project manager.
B. GPA shall review submittals by the CONSULTANT and provide prompt response to questions and rendering of decisions pertaining thereto, to minimize delay in the progress of the CONSULTANT’S work. GPA will keep the CONSULTANT advised concerning the progress of GPA’s review of the work. The CONSULTANT agrees that GPA’s inspection, review, acceptance or approval of CONSULTANT’S work shall not relieve CONSULTANT’S responsibility for errors or omissions of the CONSULTANT or its sub-consultant(s).
C. Unless included in the CONSULTANT’S Services as identified in Section I, GPA shall furnish the CONSULTANT gratis, the following information or services for this Project:

1. Available GPA data relative to policies, regulations, standards, criteria, studies, etc., relevant to the Project.

SECTION VI – INVOICING AND PAYMENT TERMS & CONDITIONS

This is a revenue-neutral, zero-cost contract, and GPA shall not be invoiced for any services provided by the CONSULTANT related to Demand-Side Management Program and Utility Energy Services Contract activities.

Upon the finalization of the contract for this RFP, GPA and the CONSULTANT shall create Demand-Side Energy Conservation and UESC Programs that shall be proposed to the DoD and any other federal agency. These programs shall include Invoicing and Payment Terms based on Energy Savings realized by
DoD or the federal agency through the implementation of the Demand-Side Energy Programs and UESC Programs. The CONSULTANT shall properly keep track of all invoices including supporting documents (i.e. timesheets, shipping invoices, consumable listings). All supporting documents must be regularly reviewed and approved by the GPA Project Manager prior to invoice submittal for charges. Once DoD has approved the programs proposed by GPA and the CONSULTANT, invoicing shall commence based on the Payment Terms and Conditions proposed by the CONSULTANT. All invoices will be paid not 30 days from date invoice is received at the GPA Accounting Department. Payment shall be made using a method mutually agreed upon by GPA and the CONSULTANT.

SECTION VII - TERMINATION

The Procurement Officer may, when the interest of GPA or the Territory so require, terminate this contract in whole or in part, for the Convenience of the Territory. The Procurement Officer shall give written notice of the termination to the CONSULTANT specifying the part of the contract terminated and when termination becomes effective. [GSA Procurement Regulations 6-101.10.]

Immediately after receiving such notice, the CONSULTANT shall discontinue advancing the services under this CONTRACT and proceed to close said operations under this CONTRACT. The CONSULTANT shall appraise the services it has completed and submit an appraisal to GPA for evaluation. GPA shall have the right to inspect the CONSULTANT’S work to appraise the services completed.

CONSULTANT shall deliver to GPA all drawings, special provisions, field survey notes, reports, estimates and any and all other documents or work product generated by the CONSULTANT under the CONTRACT, entirely or partially completed, together with all unused materials supplied by GPA.

In the event of such termination or abandonment, the CONSULTANT shall be paid for services performed prior to receipt of said notice of termination including reimbursable expenses then incurred.

If the remuneration scheduled hereunder is based upon a fixed fee or definitely ascertainable sum, the portion of such sum payable shall be proportionate to the percentage of services completed by the CONSULTANT based upon the scope of work set forth in Exhibit A, and shall be agreed upon mutually by the CONSULTANT and GPA. However, in no event shall the fee exceed that set forth in Section III.

GPA shall make final payment within thirty (30) days after the CONSULTANT has delivered the last of the partially completed items and the final fee has been agreed upon.

In the event this CONTRACT is terminated, GPA shall have the option of completing the work, or entering into a contract with another party for the completion of the work according to the provisions and agreements herein.

SECTION VIII - CHANGES

GPA may at any time, by written order (“Change Order”), make any changes or deletions in the services to be performed hereunder. If such changes or deletions cause an increase or decrease in the costs of doing work under this CONTRACT, or in the time required for this performance, an equitable adjustment shall be made as agreed to by the parties and the CONTRACT shall be modified in writing accordingly. CONSULTANT shall have no obligation to perform any Change Order work until the parties reached an agreement on the equitable adjustment of CONSULTANT’s compensation and/or time for performance.
SECTION IX – ASSIGNMENT OF AGREEMENT

The CONSULTANT may not assign this CONTRACT, or any sum becoming due to under the provisions of this CONTRACT, without the prior written consent of GPA which consent shall not be unreasonably withheld, provided, however, that no consent will be required if, as a result of a corporate reorganization an affiliate of the CONSULTANT becomes the CONSULTANT’s successor in interest.

SECTION X – FORCE MAJEURE

Neither party shall be liable for any delay in meeting or failure to meet its obligations under this CONTRACT due to a Force Majeure.

Force Majeure referred to herein shall mean an occurrence beyond the control and without the fault or negligence of the party affected including, but not limited to, acts of God or the public enemy, expropriation or confiscation; changes in law procedures, war, rebellion, or riots; floods, unusually severe weather that could not reasonably have been anticipated; fires, explosions, epidemics, catastrophes, or other similar occurrences which are not within the control of the party affected. However, the following shall not be considered as Force Majeure:

a) Delay caused by lack or inability to obtain raw materials, congestion at CONSULTANT’s or its subcontractor’s facilities, or elsewhere; market shortages, or similar occurrences, or

b) Delay, either on the part of THE CONSULTANT or its subcontractors, caused by shortages of supervisors or labor, inefficiency, or similar occurrences, or

c) Sabotage, strikes, or any other concerted acts of workmen, which occur only in the facilities of THE CONSULTANT or its subcontractors.

Should the circumstances of Force Majeure continue over a period of ninety (90) days, GPA has the right, if no other understanding is reached, to terminate the whole Agreement or any part thereof. Any delay or failure in performing the obligations under the Contract Documents of the parties hereeto shall not constitute default under this CONTRACT or give rise to any claim for damages or loss or anticipated profits if, and to the extent, such delay or failure is caused by Force Majeure, and if a claim is made therefore.

SECTION XI - TAXES

The CONSULTANT shall be liable for Guam Gross Receipt Taxes and all other applicable taxes and duties. GPA shall have no tax liability under this order. Specific information on taxes may be obtained from the Director of Revenue and Taxation.

GPA is a government agency exempted from ALL government taxes as stipulated in the Guam Code Annotated.

SECTION XII – NOTICES

Any notice, demand or other document required or permitted to be delivered hereunder shall be in writing and may be delivered personally (not to include facsimile transmission) or shall be deemed to be delivered when received postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at their respective address as specified herein:

TO: Siemens Industry, Inc.
Building Technologies Division

Contract for Technical Services
GPA-RFP-18-013
SECTION XIII – GOVERNING LAW

The validity of this CONTRACT and any of its terms or provisions, as well as the rights and duties of the parties to this CONTRACT, shall be governed by the laws of Guam, and the Federal Acquisition Regulation (FAR), in cases where FAR preempts the laws of Guam.

SECTION XIV - SUPPLEMENTAL CONTRACT PROVISIONS

There are no supplemental contract provisions to this Contract.

SECTION XV – INDEMNIFICATION

The CONSULTANT shall indemnify and hold GPA harmless from any claim, liability or product liability, loss, damage, demand, cause of action or suit, expense, or reasonable fee of legal counsel to the extent resulting from negligent acts or omissions of the CONSULTANT, including its employees, agents and subcontractors.

SECTION XVI - LIMITATION OF LIABILITY

UNLESS OTHERWISE PROVIDED IN THE APPLICABLE TASK ORDER, NEITHER PARTY IS LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL OR EQUITABLE THEORY, FOR: LOSS OF USE, REVENUE, SAVINGS, PROFIT, INTEREST, GOODWILL OR OPPORTUNITY, COSTS OF CAPITAL, COSTS OF REPLACEMENT OR SUBSTITUTE USE OR PERFORMANCE, LOSS OF INFORMATION AND DATA, LOSS OF POWER, VOLTAGE IRREGULARITIES OR FREQUENCY FLUCTUATION, CLAIMS ARISING FROM BUYER'S THIRD PARTY CONTRACTS, OR FOR ANY TYPE OF INDIRECT, SPECIAL, LIQUIDATED, PUNITIVE, EXEMPLARY, COLLATERAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS OR COST OF A SIMILAR TYPE.
UNLESS OTHERWISE PROVIDED IN THE APPLICABLE TASK ORDER, CONSULTANT'S MAXIMUM LIABILITY UNDER THIS CONTRACT SHALL BE LIMITED TO THE AMOUNT PAID TO THE CONSULTANT UNDER THAT TASK ORDER.

SECTION XVII - WORK PRODUCT DELIVERABLES

A. For the purposes of this Article "Intellectual Property" shall mean all trade secrets, patents and patent applications, trademarks (whether registered or unregistered and including any goodwill acquired in such trademarks), services marks, trade names, internet domain names, copyrights (including rights in computer software), moral rights, database rights, design rights, rights in know-how, rights in inventions (whether patentable or not) including, but not limited to, any and all renewals or extensions thereof, and all other proprietary rights (whether registered or unregistered, and any application for the foregoing), and all other equivalent or similar rights which may subsist anywhere in the world, including, but not limited to, any and all renewals or extensions thereof.

B. For the purposes of this Article, "CONSULTANT's Pre-Existing Intellectual Property" shall mean any Intellectual Property: (i) that has been conceived or developed by an employee or subcontractor of CONSULTANT before CONSULTANT performs any services under this CONTRACT; (ii) that is conceived or developed by such employee or subcontractor at any time wholly independently of CONSULTANT performing services under this Contract.

C. All reports, drawings, field survey notes, special provisions, estimates and any other documents commissioned by or deliverable to GPA under this CONTRACT ("Work Product Deliverables") shall become GPA's property upon receipt by GPA. CONSULTANT may retain file copies of such Work Product Deliverables. All CONSULTANT's Pre-existing Intellectual Property that may be included in the Work Product Deliverables provided to GPA under this CONTRACT shall also remain CONSULTANT's property.

CONSULTANT hereby grants GPA a royalty-free, non-transferable, perpetual, nonexclusive license to use any CONSULTANT's Pre-existing Intellectual Property solely as incorporated into the Work Product Deliverables provided to GPA under this CONTRACT. Under such license, GPA and the customer shall have a right to:

(a) Use, in object code form only, any software that is owned or licensed by the CONSULTANT and that is included in the Work Product Deliverables ("Software Deliverables"); and

(b) Use all such Work Product Deliverables, provided however, that such use shall be limited to the particular project and location for which the Deliverables are provided. Any reuse of such Deliverables for other projects or locations without the written consent of the CONSULTANT will be at user's risk and without liability to the CONSULTANT.

(c) In consideration of such license, GPA agrees not to reverse engineer any Work Product Deliverables to discover any source code, object code, firmware, underlying ideas, or algorithms of such Deliverables.

SECTION XVIII - HAZARDOUS MATERIALS

A. For the purposes of this Article, "Hazardous Materials" means any material, substance, or waste, that, by reason of its composition or characteristics, is hazardous to human health and/or the environment, including any "solid waste" or "hazardous waste," as those terms are defined by the Resource Conservation and Recovery Act of 1976, as amended, any "hazardous substance," as that term is defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and any other hazardous, toxic or radioactive chemical, waste, byproduct, pollutant, contaminant, compound, product, material or substance, including without limitation, Asbestos, Asbestos containing materials ("ACM"),
polychlorinated biphenyls, petroleum (including crude oil or any fraction or byproduct thereof), hydrocarbons, radon, urea, urea formaldehyde, and any other material that is prohibited, controlled, limited or regulated in any manner under any Environmental Laws.

B. CONSULTANT's services under this CONTRACT shall not include, either directly or indirectly, performing or arranging for the detection, monitoring, handling, storage, removal, transportation, disposal, or treatment of Hazardous Materials. In the event that CONSULTANT encounters any Hazardous Materials or other hazardous conditions at a project site, CONSULTANT shall immediately stop work in the area affected and report the condition to customer and GPA. CONSULTANT shall not have any liability arising from pre-existing Hazardous Materials present or howsoever occurring at, on or under a project site. To the extent that such Hazardous Materials impact CONSULTANT's schedule or cost to complete the work, CONSULTANT shall be entitled to a scope Change Order for such impact.

SECTION XIX – DISPUTES

All controversies between GPA and the CONSULTANT which arise under, or are by virtue of, this CONTRACT and which are not resolved by mutual agreement, shall be resolved under Guam Procurement Law and the Government Claims Act, and pursuant to the laws of Guam.

SECTION XX – RELEASE OF INFORMATION

The CONSULTANT shall not release any information, including the contract price; concerning this project or any part thereof in any form, including advertising, news releases, or professional articles, without written permission from GPA.

SECTION XXI – INSURANCE

The CONSULTANT shall not commence work under this CONTRACT until he has obtained reasonable insurance for Auto Liability and Worker's Compensation and Employer's Liability up to the statutory limits. The CONSULTANT shall maintain all insurance required during the course of the work.

SECTION XXII – LICENSING

CONSULTANTS are reminded that GPA will not consider for award any offer submitted by a CONSULTANT who has not complied with the Guam Licensing Law. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

SECTION XXIII – CONVENANT AGAINST CONTINGENT FEES

The CONSULTANT warrants that it has not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Guam Power Authority the right to terminate the CONSULTANT, or in its discretion, to deduct from the Contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commission payable by CONSULTANTS upon contracts or sales secured or made through, bona fide established commercial or selling agencies maintained by the CONSULTANT for the purpose of securing business.

Contract for Technical Services
GPA-RFP-16-013
SECTION XXVI – EQUAL EMPLOYMENT OPPORTUNITY

Section 3.01 of the Executive Order 10935 dated March 07, 1965 requires the CONSULTANT not to discriminate against an employee or applicant for employment because of race, creed, color or national origin. The CONSULTANT will take affirmative action to ensure that applicants are employed and that employees are treated equally during employment without regard to race, creed, color or national origin.

SECTION XXV – AMERICAN DISABILITIES ACT

If requested, the CONSULTANT must meet all ADA regulations and requirements.

IN WITNESS WHEREOF, the parties hereto have executed this CONTRACT this day __________________________. The CONSULTANT warrants that the person who is signing this CONTRACT on behalf of the CONSULTANT is authorized to do so and to execute all other documents necessary to carry out the terms of this CONTRACT.

Name: Dana Soukup
Title: Sr. Vice President
Date: SIEMENS INDUSTRY, INC.

Name: Pete Zerez
Title: Vice President
Date: Finance & Business Administration
SIEMENS INDUSTRY, INC.

APPROVED: GPA FORM: GRAHAM BOTHA, ESQ.
GPA Staff Attorney

Contract for Technical Services
GPA-RFP-16-013
## EXHIBITA: Potential Scopes of Work

### Potential Project Scope

<table>
<thead>
<tr>
<th>Potential Renewable Energy Project Development/Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar PV Ground Mounted Systems</td>
</tr>
<tr>
<td>Rooftop PV Systems</td>
</tr>
<tr>
<td>Wind Turbine Generator Systems</td>
</tr>
</tbody>
</table>

### Core Energy Services

- Energy audits including recommendations for energy efficiency measures (EEM)
- Investment Grade Audits
- Project scope development
- Engineering and design
- Financing
- Equipment selection and purchasing
- Construction management
- Commissioning
- Project documentation
- Training owner's operating staff
- Guarantee of savings through ongoing monitoring and verification activities

### Other Services

- Operations and maintenance of equipment
- Energy management services
- Chauffage: supplying end-use heating, air-conditioning, lighting, etc. for an agreed-upon rate and period of time.
- Measurement and Verification (M&V)

- Other Services as required to serve GPA's Federal Client
United States Department of the Interior
OFFICE OF THE SECRETARY
Washington, DC 20240

SEP 28 2018

Mr. John M. Benavente, P.E.
General Manager
Guam Power Authority
Post Office Box 2977
Hagåtña, Guam, 96932

Dear Mr. Benavente:

I am pleased to award the Guam Power Authority a total of $1,250,000 in Fiscal Year 2018 grant funding through the Office of Insular Affairs’ Energizing Insular Communities (EIC) program. Due to budget constraints, I am not able to fund other grant proposals submitted by the Guam Power Authority. Funding is awarded for the following two projects, as outlined in the proposals dated May 25, 2018:

- $954,685 – GUAM-EIC-2018-1, Bringing Energy Savings To (BEST) Schools, Southern High School LED Lighting Retrofit


Please feel free to contact me directly if you have any questions or concerns. You may also have your staff contact Krystina Alfano by e-mail at krystina_alfano@ios.doi.gov or by phone at 202-219-8536, should there be any issues regarding these grants.

Sincerely,

[Signature]

Nikolaos I. Pula
Director
Office of Insular Affairs

cc: Mr. Jon J.P. Fernandez, Superintendent of Educationp
May 25, 2018

The Honorable Douglas W. Dumanech
Assistant Secretary of Insular and International Affairs
U.S. Department of the Interior
1849 C Street, N.W.
Mail-Stop 2429
Washington, D.C. 20240

PROJECT TITLE: GPA Demand Side Management Expansion Program
SUBJECT: Empowering Insular Communities Program (EIC)
         CFDA No. 15.875
         Fiscal Year 2018 Grant Application

Dear Honorable Douglas W. Dumanech:

Hafa Adai! The Guam Power Authority (GPA) submits for this grant opportunity its Demand-Side Management Program Expansion Project. Our Demand-Side Management program, also known as the Energy Sense Program has Energy Efficiency Initiatives that GPA offers as rebate incentives for our customers. The Program currently offers rebates for Energy Star Washer & Dryer Units, Energy Star Window-Type Air Conditioning, and qualifying AHRI-certified Ducted and Ductless-Split Air Conditioning.

Since the re-launch of the rebate program, GPA has paid out over $M1 in rebates for over 3,200 submitted applications as of March 2018. With the anticipated population boom on-island due to the import of Marine Soldiers to Guam, the Authority has embarked on DSM efforts in able to manage the expected increase in load with the replacement of inefficient and near-obsolete appliances and equipment with those that are third-party certified to be energy-efficient.

The Authority would like to increase impacts of Demand-Side Management by extending the current Rebate Program to other types of electrical equipment like lighting and water heating to both residential and commercial customers. This will allow Guam to reduce power costs, debilitate the increasing trend of the Island Wide Power System peak, and thereby save the utility and its ratepayers money in the form of avoided peak generation and avoided energy that would otherwise serve the load differential.
Ultimately, the program expansion will pose benefits to GPA’s ratepayers by lowering their utility bills, catalyze reduction in fuel imports due to higher efficiency products, lower greenhouse gas emissions, as well as lowering the demand needed to serve the island the power its needs.

We look forward to your consideration of this request and appreciate this funding opportunity.

Si Yu’os Ma’ase,

[Signature]

John M. Benavente, P.E.
General Manager

cc:  Krystina Alfano, EIC Grant Manager