



**CONSOLIDATED
COMMISSION ON UTILITIES**

Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana, Guam 96932

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

1 **WHEREAS**, this transaction will still need the approval of the Guam Legislature,
2 GEDA, the PUC, and the Governor; and

3
4 **WHEREAS**, the CCU desires to pursue this plan for refund GPA's debt service costs in
5 order to provide a net present value savings to ratepayers; and

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

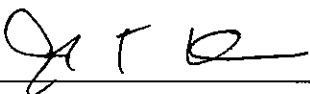
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11 **NOW THEREFORE, BE IT RESOLVED BY THE CONSOLIDATED**
12 **COMMISSION ON UTILITIES, AS THE GOVERNING BODY OF THE GUAM POWER**
13 **AUTHORITY, AS FOLLOWS:**

- 14
15 1. The General Manager and the CCU Chairman are authorized to proceed forward with
16 the refund of outstanding revenue bonds.
17 2. The General Manager and CCU Chairman are authorized to petition the Public
18 Utilities Commission for authorization to complete the bond refunding initiative.
19 3. The General Manager and CCU Chairman are authorized to submit the proposed
20 bond refunding legislation to the Guam Legislature for their approval.
21 4. The General Manager and CCU are authorized to seek approval from the Governor
22 and GEDA to proceed with the proposed bond refunding.

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

26
27 **DULY AND REGULARLY ADOPTED AND APPROVED THIS 25TH DAY OF**
28 **OCTOBER, 2016.**

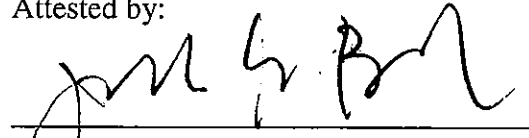
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30 Certified by:

31 

32 _____
33 **JOSEPH "JOEY" T. DUENAS**

34 **Chairperson**

Attested by:



J. GEORGE BAMBA
CCU Board Secretary

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2
3 **SECRETARY'S CERTIFICATE**
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5 **I, J. George Bamba**, Secretary for the CCU do hereby certify that the foregoing is
6 a full, true, and correct copy of the resolution duly adopted at a regular meeting of the
7 members of Guam's CCU, duly and legally held at the meeting place thereof on October
8 25, 2016 at which meeting of all said members had due notice and at which at least a
9 majority thereof were present;

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

11
12 Ayes: 4

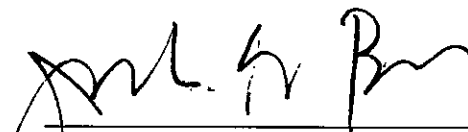
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14 Nays: 0

15
16 Absent: 1

17
18 Abstain: 0

19
20 As of the date of this certification, said original resolution has not been amended,
21 modified, or rescinded since the date of its adoption, and the same is now in full force and effect.
22

23 **SO CERTIFIED** this 25th day of October 2016

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26 
27 **J. GEORGE BAMBA**

28 Secretary

29 Consolidated Commission on Utilities
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