



CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

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

Regular Board Meeting
CCU Conference Room, Gloria B. Nelson Public Service Building
5:30 p.m., May 26, 2020

MINUTES

1. CALL TO ORDER

The CCU Chairman called the regular meeting of April 28, 2020 to order at 5:32 p.m. He said four [4] Commissioners were present – Comm. Santos was excused. Others in attendance include:

Commissioners:

Joseph T. Duenas	CCU Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Executive Mgmt.:

Miguel Bordallo	GM / GWA
John Benavente	GM / GPA
Melinda Mafnas	AGMP / GPA
Tricee Limtiaco	AGMA / GPA
Chris Budasi	AGMA / GWA
John Kim	CFO / GPA
Taling Taitano	CFO / GWA
Graham Botha	Legal Counsel / GPA
Kelly Clark	Legal Counsel / GWA

Management & Staff:

Vien Wong	IT Support / GPA
Vladimir Navaska	IT Support / GPA
Lou Sablan	Board Secretary / CCU, GPA, GWA
Ann Borja	Management Analyst, GM's Office / GWA

2. APPROVAL OF MINUTES

The Minutes of March 24, 2020 was presented for approval.

Comm. Guthertz motioned to approve the Minutes subject to verification and written correction, second by Comm. Limtiaco. There was no objection or discussion and the motion passed. The vote was 4 ayes, 1 absent.

3. GWA

3.1 GM Report

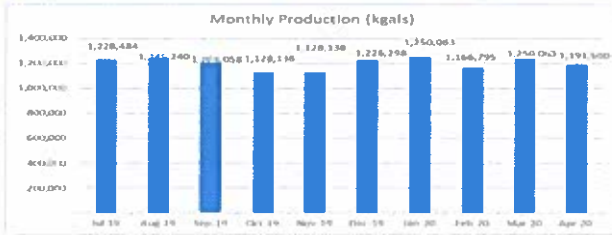
The GM submitted his usual GM Summary Report – highlights noted below.

Operations Update

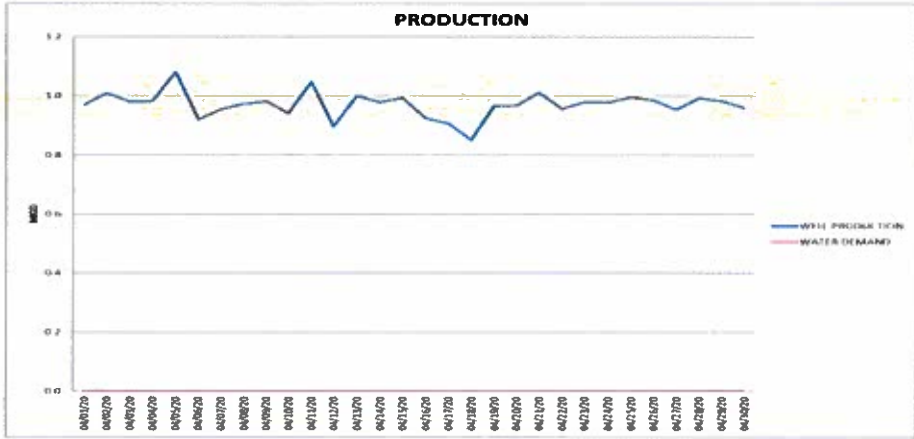
Production (updated for April 2020)

Monthly Production Summary - April 2020		
Deep Wells		36.3 MGD
Active wells =	96 of 120	
Avg days in operation =	30 days	
Total Production =	1,089,192 Kgals	
Springs		0.18 MGD
Avg days in operation =	30 days	
Total Production =	5,384 Kgals	
Ugum Surface Water Plant		2.3 MGD
Avg days in operation =	30 days	
Total Production =	67,804 Kgals	
Tumon Maui Well		0.97 MGD
Avg days in operation =	30 days	
Total Production =	29,120 Kgals	
TOTAL		39.7 MGD

DW Status as of 4/30/2020		
Active	96	
Grounded motor or Pump Failure	4	A10-003-496-A21
Out of commission	8	A03-A07-A10-008-010-M14-A01-A095
Temporarily Secured	2	A10-A25
Standby	8	A10-A25-008-M-110-111-120-M12
TOTAL	120	

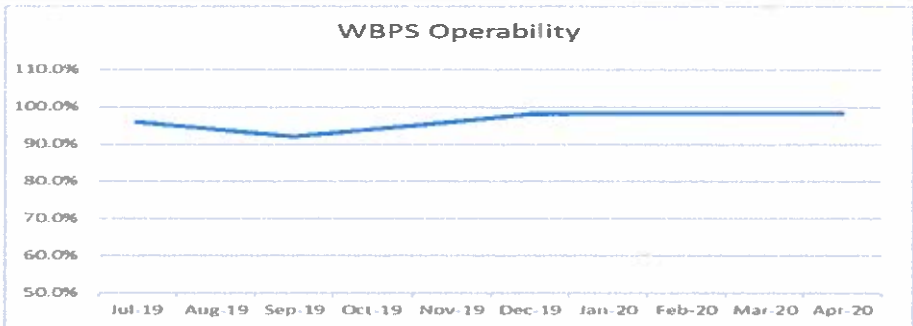


Tumon Maui Well Production (April 2020)

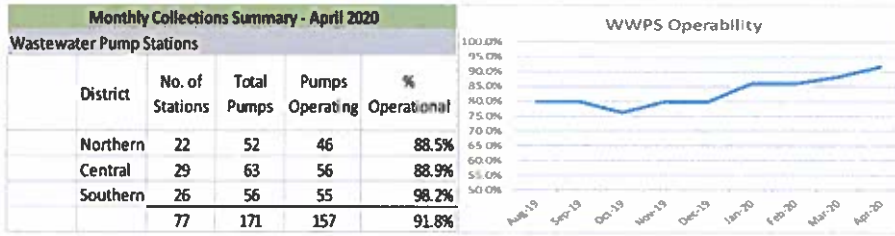


Distribution (April 2020)

Monthly Distribution Summary - April 2020					
Water Booster Pump Stations					
District	No. of Stations	Total Pumps	Pumps Operating	% Operational	
Northern	13	26	25	96.2%	
Central	7	15	15	100.0%	
Southern	7	15	15	100.0%	
	27	56	55	98.2%	



Wastewater Collections (April 2020)

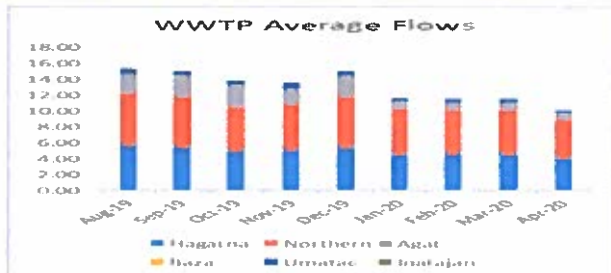


Wastewater Treatment (April 2020)

Monthly Waste Water Treatment Summary - April 2020

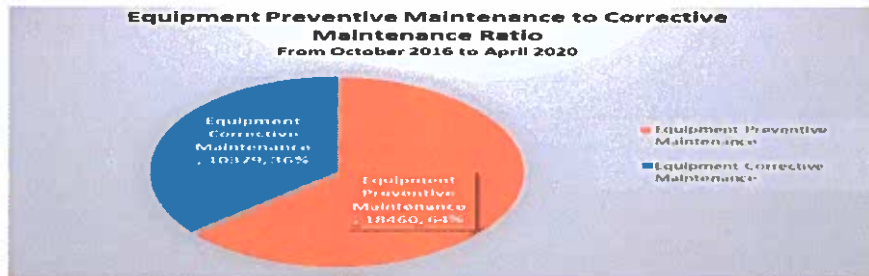
WW Treatment Plants - Flows

Facility	Avg. Daily Flows	Sludge (lbs)	Sludge Disp. (\$)
Hagatna	3.94	386,580	\$ 34,792
Northern	4.95	809,300	\$ 72,837
Agat	0.97	-	\$ -
Baza	0	-	\$ -
Umatac	0.20	-	\$ -
Inarajan	0.04	-	\$ -
Total	10.10	1,195,880	\$ 107,629

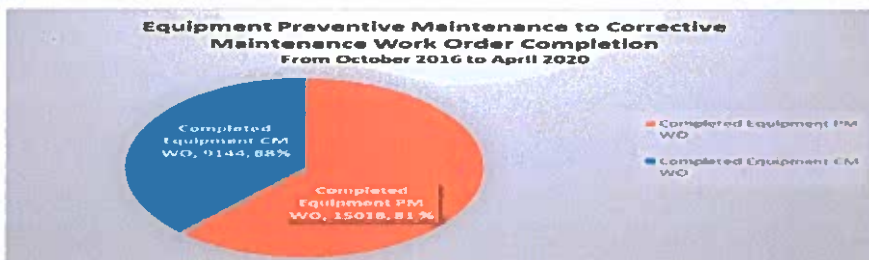


Asset Management (April 2020)

I. Equipment Preventive Maintenance to Corrective Maintenance **Ratio**

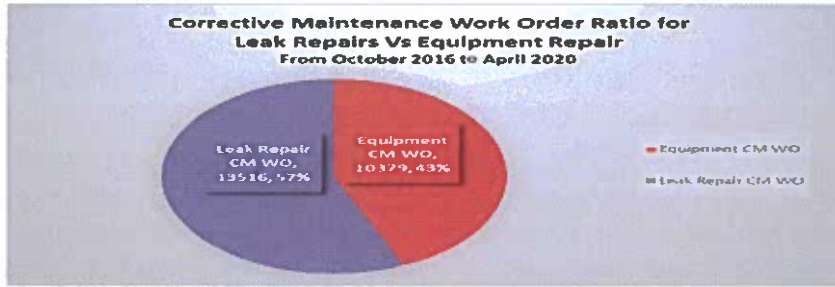


II. Equipment Preventive Maintenance to Corrective Maintenance **Work Order Completion**

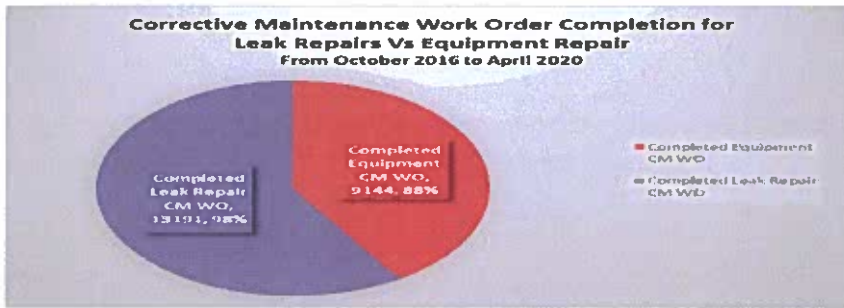


Asset Management (April 2020)

III. Corrective Maintenance Work Order *Ratio* for Leak Repairs vs. Equipment Repair



IV. Corrective Maintenance Work Order *Completion* for Leak Repairs vs. Equipment Repair



Meters from January 2017 through May 12, 2020

COMPLETED FIELD ACTIVITY JAN 2017 THRU MAY 12 2020 (POSTED IN CIS)										COMPLETED FIELD ACTIVITIES (in process) TO BE POSTED IN CIS
2017	2018	2019	Jan-20	Feb-20	Mar-20	04/18/20	05/12/20	TOTAL		
GWA - Meter Exchange	6437	13353	10650	1079	714	546	117	44	33192	0
# OF METERS TESTED AS PER METER TEST PAD UNIT REPORTS:	6079	12059	9276	749	908	1116	341	662	31392	
AVG # OF FIELD STAFF PERFORMING CHANGE OUTS (MON THRU FRI):	19	16	7	7	7	7	7	1		
# OF ADMIN STAFF TO CREATE AND POST FIELD ACTIVITIES IN CIS:	10	63	5	5	5	2	1	1		
TOTAL:	29	22	12	12	12	9	8	2		

*Graphics not presented after 5/14/2020

REMAINING ACTIVE BADGER LP MODELS TO BE REPLACED AS OF 04/18/20:

447

3/4" BADGER METERS IN STOCK AS OF April 17, 2020

Size	Meter Description	New Meters Placed	New Meters Unplaced	Placed Field Meters	MMP	Meters Available
3/4"	METER, Badger AMR 5/8" X 3/4" RCCL Model M23 Dec Meter	361	0	246	0	627
3/4"	METER, Badger AMR 5/8" X 3/4" W/ WARRANTY RCCL Model M23	0	0	0	0	0
3/4"	METER, Badger 5/8" X 3/4" NSP 1-G RCCL M23 Dec Meter Integral	2	0	3	0	5
3/4"	METER, Badger AMR 3/8" X 3/4" RCCL Model M23 ***REPL***	0	0	0	0	0
3/4"	METER, Badger E-SERIES 5/8" X 3/4" ULTRASONIC	960	0	0	0	960

Backbilling through April 2020

Guam Waterworks Authority

Collections Report on Accounts Backbilled thru April 30, 2020

For fiscal years 2015 thru 2020 (Apr)

Accounts Billed			Collection Status												
			Amounts Collected			Amounts Adjusted			Total Uncollected (Active)			Total Uncollected (Inactive)			
FY Billed	No. of Accounts	Amount	No. of Accounts	Amount	%	No. of Accounts	Amount	%	No. of Accounts	Amount	%	No. of Accounts	Amount	%	
FY2015															
FY2016	17	\$ 882	17	\$ 882	100%	0	\$ -		0	\$ -		0	\$ -		
FY2017	537	\$ 397,450	473	\$ 301,732	76%	14	\$ 20,967	5%	23	\$ 48,869	12%	27	\$ 25,883	7%	
FY2018	1,374	\$ 742,109	1,206	\$ 564,906	76%	48	\$ 61,850	8%	68	\$ 74,137	10%	50	\$ 41,216	6%	
FY2019	8,324	\$ 3,064,384	7,473	\$ 2,426,146	79%	151	\$ 133,752	4%	487	\$ 401,807	13%	213	\$ 112,679	4%	
FY2020	1,815	\$ 526,622	1,344	\$ 289,234	41%	17	\$ 5,541	1%	426	\$ 285,229	56%	29	\$ 6,618	0%	
Total	12,068	\$ 4,711,447	10,515	\$ 3,492,900	74%	238	\$ 222,110	5%	1,004	\$ 618,043	17%	319	\$ 186,395	4%	

Collected thru May 12, 2020

One Guam Update

Meetings suspended due to COVID-19

Court Order Summary (April 2020)

	Total Items	On-time Items Completed / Continuous	In Progress - late	Completed - Late	In Progress - on time	Performance %
Court order total	93	78	1	14	0	98.90%



	Court Order Items	%	Performance (on-time or completed)
Completed/Continuous - on time	78	84%	98.9%
Completed - late	14	15%	
In Progress - on time	0	0%	
In Progress - late	1	1%	
Totals	93	100%	

Court Order

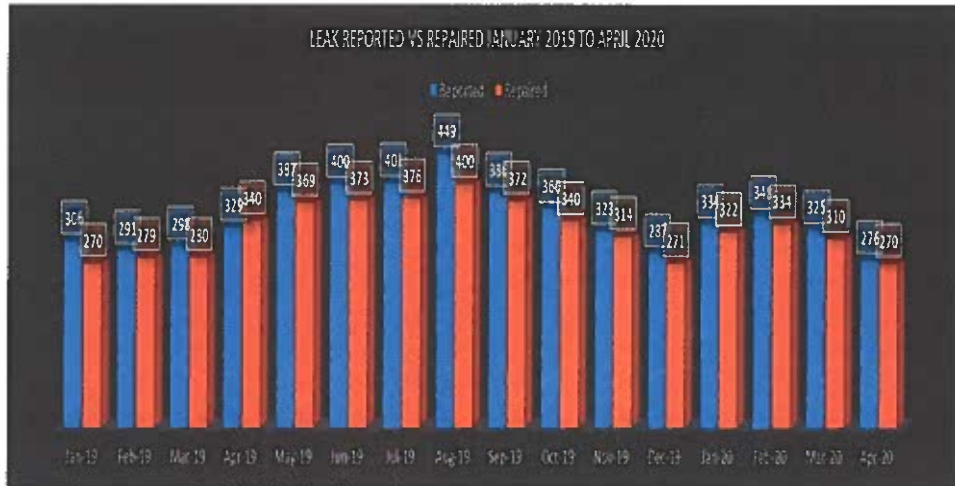
Status Information (for April and May 2020)

- 1 item delayed - The Court Order is down to one item remaining, § II, (C), (29) – Storage tank Repair, Restoration, Replacement or Relocation – which is the item that will take longer than the “end” of the court order. That makes us 98.9% done with the CO.
- Final Date to complete all Court Order Items will be delayed past December 31, 2020.
 - CO 29(b) has been expanded by 31% beyond the original Court Order Requirements
 - General Counsel is reviewing filing requirements and content
 - Additional impact likely if 2020 Bond issuance is delayed due to COVID-19 impacts
- Overflow or Bypass events reported to USEPA:
 - 04-08-2020 Chalan Kanton Tasi, Sinajana – PS Controller Failure
 - 04-16-2020 Gills Apartment – Service Lateral (pipe) Failure
 - 04-20-2020 Chalan Goro Elena sewer backup – FOG
 - 04-20-2020 Tal Mangilao PS, Wetwell – PS Controller Failure
 - 04-21-2020 Carnation RD sewer backup – FOG
 - 04-28-2020 Aga Dr#126 – contractor bypass pump failure
 - 04-29-2020 Aga Dr#127 – contractor bypass pump failure
 - 05-04-2020 Aschena, Barrigada, Force Main break
 - 05-07-2020 SSO#132 Wusstig RD sewer overflow – damaged manhole allowed debris to get into the sewer line
 - 05-11-2020 Aga St#140 – contractor bypass pump failure
 - 05-12-2020 Aga St#140 – contractor bypass pump failure

Land Acquisition Summary (as of April 2020)

GWA Facility	Location	Gov. or Private Property	Land Acquisition Status
Tanks	Astumbo	Gov't. - CLTC	Petition of Land Registration package forwarded to Attorney General by DLM 11/04/19. Follow up update status request emailed to DLM 05/14/2020.
	Piti	Private	SHPO sect. 106 response received 1/2/20. GEPA Environmental Impact Review received 1/3/20. USFWS Environmental Consultation response received 12/12/19. Environmental Consultation from DOAg Aquatics and wildlife received 3/4/20. Response from DOAg Forestry & soils still pending.
	Airport	Private	Letter of 1 st offer to property owner mailed out on May 8, 2020.
Deep Wells	AG-12	Dept. of Agriculture/Manhita Farms	Right of Entry Agreement sent to Dept of AG for signature 05/24/18. 2 nd follow up sent on 09/12/18. 3 rd follow up sent on 04/10/19. Retracement Survey Property Map filed and recorded at DLM 7/10/19.
Booster Pump Station	Agfayan	Private	TGE working on structural design for pump station area for L28, B19, T3734, Inarajan 11/07/19.
Asan Springs	Asan	Federal	Received remaining comments from Federal and GovGuam agencies in regards to Section 106 on 12/16/19. GWA and Designer negotiated on a Revised Change Order No. 2 submitted on 2/26/2020. CO. No. 2 is to address Federal and Local agencies concerns, specifically on developing an Environmental Assessment and performing Biological Survey work. Pending approval for revised CO. No.2 as of 3/3/2020. Negotiations with NPS on a ROW agreement is ongoing.

Comparison of Leaks Reported vs. Leaks Repaired (April 2020)



Monthly Leak Report Cost (April 2020)



Assumptions:

1. Leak rate = 4 gpm
2. Cost per kgal = \$4.00

The Chair asked GM if any other updates - GM gave Insurance update

- Insurance renewal

Insurance Type	Per Month	2019-2020	2020-2021	Description
Property	\$3.0M Fire (D), TWP, FLD, S, Total Waiver	30,000,000	30,000,000	See note
	Auto/Leak per kgal 1,200,000	3,000,000	3,000,000	Auto/Leak per kgal (Sublimit)
	300,000	3,000,000	3,000,000	Uninsured Motorist (Sublimit)
	300,000	292,000	292,000	Uninsured Motorist (Sublimit)
	300,000	9,000,000	9,000,000	Uninsured Motorist (Sublimit)
General Liability	300,000	1,000,000	1,000,000	Uninsured Motorist (Sublimit)
	300,000	2,000,000	2,000,000	Uninsured Motorist (Sublimit)
	300,000	2,000,000	2,000,000	Uninsured Motorist (Sublimit)
	300,000	2,000,000	2,000,000	Uninsured Motorist (Sublimit)
	300,000	2,000,000	2,000,000	Uninsured Motorist (Sublimit)
Contractors	25,000 per kgal	5,000,000	5,000,000	Contractors
	25,000 per kgal	5,000,000	5,000,000	Contractors
	25,000 per kgal	5,000,000	5,000,000	Contractors
	25,000 per kgal	5,000,000	5,000,000	Contractors
	25,000 per kgal	5,000,000	5,000,000	Contractors
General Liability	300,000	15,000,000	15,000,000	Professional Liability
	300,000	15,000,000	15,000,000	Professional Liability
	300,000	15,000,000	15,000,000	Professional Liability
	300,000	15,000,000	15,000,000	Professional Liability
	300,000	15,000,000	15,000,000	Professional Liability
Contractors	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
Other	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
Other	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors
	300,000	2,000,000	2,000,000	Contractors

- Series 2020 Bonds
 - S&P Affirmed "A-" rating and assessed stable outlook
 - Moody's Affirmed "Baa2" rating and removed "Review for Downgrade" but assessed negative outlook
 - Schedule moving forward
 - Investor calls this week Wed, Thu, Fri
 - On-Island retail period Wednesday 27th
 - Bond pricing Thursday 28th
 - Closing Thursday June 4th

Regarding Insurance GM Miguel updated that GWA's broker was not able to place same amount of coverage for liability so GWA renewed for \$25M and they are still working on proposal to reach \$50M. Management met with bond counsel who said this was a minor issue so all is ok he just wanted to point this out to the Commission.

3.2 Financials

CFO Taitano gave update on Revenue & Collections w/ [report was not loaded to board books but copies were provided to the Commission]. She said this is a picture to show what has been happening with collections. We saw a drop in collections and below average in April. CFO said last week collections increased slightly but overall revenue is down and collection is flat. There was a drop in demand from Commercial accounts in March and April. We are seeing impact to debt service coverage. Our collection ratio is closer to 98% but dropped in April.

3.3 Resolution No. 18-FY2020 Relative to Approving the Charge-Off of Guam Waterworks Authority Receivables Deemed Uncollectible

It is good accounting practice to regularly review accounts receivable to ensure the Allowance for Doubtful Accounts is appropriate and to write off accounts that are deemed uncollectible. If uncollectible receivables are not written off regularly, eg annually, Accounts Receivable and the related Allowance become overstated. The proposed amounts to be charged off are \$1,841,105.

The employee receivables included costs for lost or damaged equipment, uncleared travel expenses, amounts owed for insurance, and advanced salary payments. Trade receivables included billings as well as work order charges.

As receivables are written off, the Allowance is adjusted. The write off of receivables will not impact income as the amounts were expensed as the Allowance was adjusted, i.e., the write off will reduce the Accounts Receivable and the Allowance for Doubtful Accounts balances on the Statement of Net Position (aka Balance Sheet).

Note, if these receivables are eventually collected, the amounts will be recognized as Miscellaneous Income. The write off will take place immediately after CCU approval.

Comm. Sanchez motioned to approve Resolution 18-FY2020 second by Comm. Guthertz.

There was discussion on employee receivables. Comm. Guthertz asked clarification of the type of charge and management gave some examples. Comm. Limtiaco asked management to review advanced funds in terms of procedure on payback and if the matter is addressed in the employee rules and regulations. The purpose of the review is to ascertain if these types of advances are allowable using ratepayer dollars in order to avoid this type of charge off in the future. Comm. Limtiaco recommended that the rules and regs be reviewed and matter brought back at the next meeting, Comm. Sanchez said another option is to hold back last paychecks pending clearance of any outstanding receivables.

Comm. Duenas pointed out correction on the year 2000-2016 in the resolved section.

On the motion the vote was 4 ayes and 1 absent – the Resolution carried.

3.4 Resolution No. 25-FY2020 Relative to Approving the Terms of the Settlement in the Claim Against the Guam Waterworks Authority by Ronald W. Blade and Mae K. Cruz Also Referenced as GWA Government Claim No. 2019-005

This resolution is to approve the proposed settlement of the government claim of Mr. Ronald W. Blade and Ms. Mae K. Cruz. On September 24, 2019, Mr. Blade and Ms. Cruz filed a government claim with the Guam Waterworks Authority for damage to their property when a GWA employee hit the Claimants aluminum “automatic” sliding gate while driving into Claimants driveway when responding to a report of a sewer line back-up. The recommendation for settlement is Thirteen Thousand Dollars (\$13,000.00). Upon final review, approval and signature of the Release and Settlement Agreement by the Attorney General of Guam and the Governor of Guam. Funding source for this request will be revenue funds.

Comm. Sanchez motioned to approve Resolution 25-FY2020 second by Comm. Guthertz On the notion the vote was 4 ayes and 1 absent

3.5 Resolution No. 26-FY2020 Relative to Authorizing the General Manager the Authority to Settle Government Claims Against GWA

The objective of the Resolution is to authorize the General Manager the authority to settle government claims against GWA without having to get prior CCU approval up to the amount of \$50,000.00.

Comm. Sanchez motioned to approve Resolution 26-FY2020 second by Comm. Guthertz

In discussion Comm. Sanchez stated that the resolution state that the GM must notify the Commission of any such action which is included in the resolved section.

On the motion, the vote was 4 ayes and 1 absent – the resolution passed. The vote was 4 ayes; 1 absent

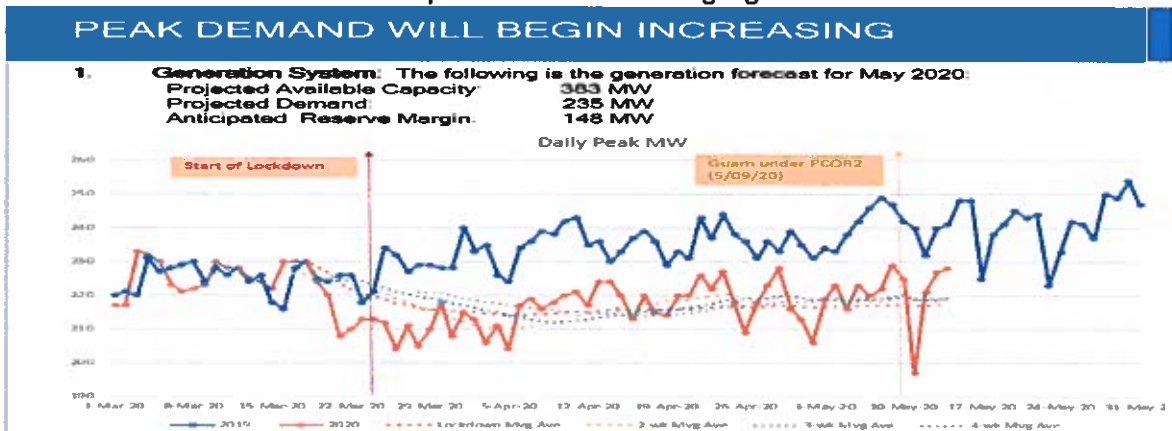
3.6 GWA Resolution No. 27FY2020 Recognizing GPWA Employees for Success in Providing Continuous Service for the Island Throughout the COVID-19 Pandemic

This is a joint resolution with GPA and was presented and discussed in Section 4.5.

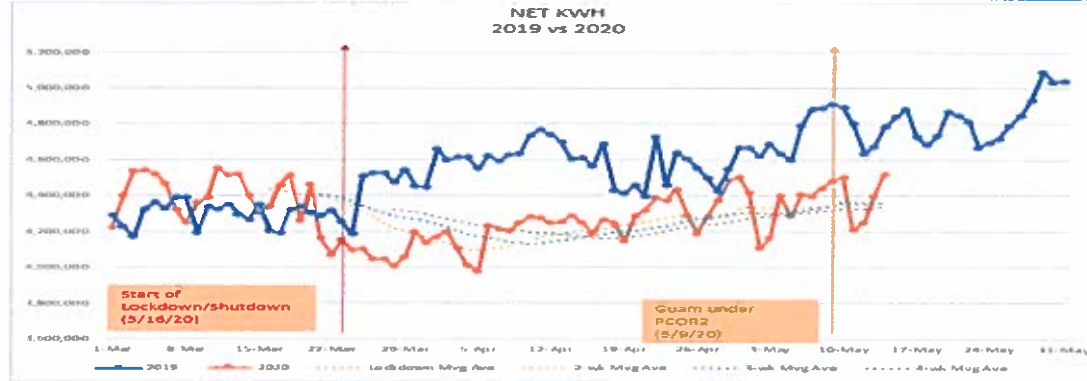
4. GPA

4.1 GM Report

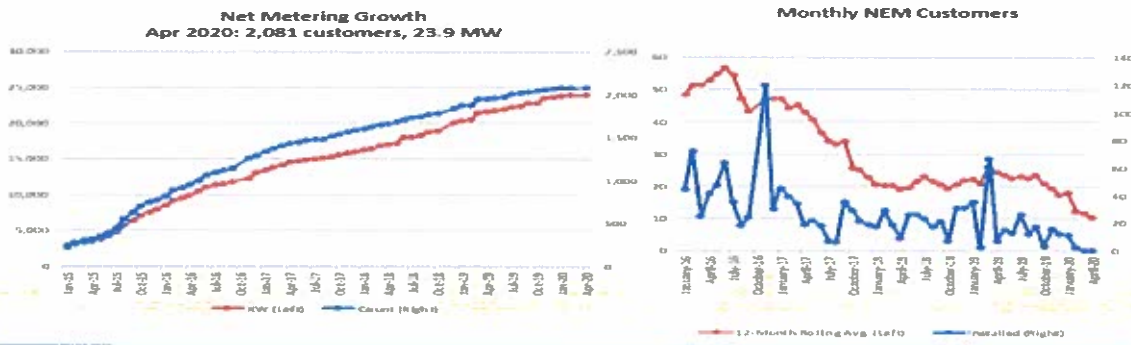
The GM submitted his usual GM Report. Here are some highlights:



NET ENERGY PRODUCTION RECOVERING GOOD INDICATOR FOR SALES



2. Net Metering (NEM) Growth Thru April 2020:



3. DSM Program Expenses

Descriptions	FY16	FY17	FY18	FY19	FY20 As of 03/31/20	Total to Date
Regular OT Pay	\$11,348.80	\$22,256.00	\$26,121.83	\$30,715.16	\$17,610.32	\$128,052.14
Other Contractual	\$28,278.50	\$85,550.05	\$116,977.50	\$3,025.00	-	\$233,831.05
Ads & Radio Announcements	-	-	-	\$7,500.00	\$1,500.00	\$9,000.00
Paid Rebates-Split AC	\$154,700.00	\$557,275.00	\$1,349,825.00	\$1,374,650.00	\$299,300.00	\$3,735,750.00
Paid Rebates-Central AC	\$3,400.00	\$8,200.00	\$4,400.00	\$6,500.00	\$500.00	\$23,000.00
Paid Rebates-Washer/Dryer	\$2,800.00	\$7,425.00	\$57,200.00	\$110,800.00	\$26,600.00	\$204,825.00
Total Expenses	\$200,527.30	\$680,706.05	\$1,554,524.33	\$1,553,190.19	\$345,510.32	\$4,834,458.19
Bank Interest (-)	\$1,676.42	\$1,722.74	\$1,222.20	\$730.03	\$246.83	\$5,598.33
Bank Fees	\$155.00	\$1,032.06	\$1,085.08	\$1,247.54	\$210.00	\$3,729.68

*Expenses for March '20 are preliminary and may be subject to adjustment during reconciliation process.

- Energy Storage System (ESS) Update:** Project suspended until the moratorium on in-coming air transportation and the 14-day quarantine requirement are lifted. Commissioning parties consist of many off-island technical expertise required to complete commissioning work.
- KEPCO 60 MW Solar PV Project:** Project Financing has been achieved by KEPCO and their Security Development Deposit of \$6,054,636 has been posted with GPA. Project Commercial Operational Date (COD) is Jan 21, 2022.
- HANWHA 60 MW Solar PV Project:** HANWHA posted their Security Development Deposit of \$4,624,161 with GPA on September 11, 2019. Project Commercial Operational Date is August 22, 2022.
- Integrated Resource Plan (IRP) 2020:** Stakeholder meetings suspended until island pandemic emergency lifted. However, virtual stakeholder meetings are being planned which may allow this process to continue earlier.

MEETING	DATE	AGENDA
1	To be rescheduled	-Introduction to the IRP and Stakeholder Process -Demand and Fuel Price Forecasting -Existing Supply-side Resources -Environmental Regulations -Update on GPA's Power Plant -DSM, Net Metering and GPA's Smart Grid Network -Renewable Energy & Energy Storage Systems -Progress in Other Areas of Operation -[Open Session w/ Stakeholders]
2		Stakeholder Breakout Sessions & Feedback
3&4	Pending updated schedule	Results

8. **Credit Rating Agencies:** We have had conference calls with all three rating agencies. We have provided updates on the impact of COVID-19 on the utility. GPA is confident it will maintain its investment grade rating, although like many other utilities credit watches are in effect.
9. **FY 2019 Audit:** The audit has been completed and Issued. All publication and notification requirements have been done.
10. **Generation KPIs:** The following graphs show the updated system information through April 2020:

There was discussed relative to Govt. Receivables and status of those in arrears. The total AR is 4.059K and DOE alone is 3.449k. Comm. Limtiaco said for the next meeting to amend the report to record those accounts over 90 or 120 days in another color code and that management needs to give these agencies notice and start disconnecting their admin buildings.

4.2 **Financials**

CFO Kim gave his usual financial highlights to include these brief updates – revenues are 8.5% lower than prior year. MWh Sales are down by 8% compared to prior year. RE O&M budget is favorable by \$346k vs. prior year. It was mentioned that residential and prepaid customers are being reminded weekly by text about their limits and other collection information.

4.3 **Resolution 2020-10 PMC for GPA's Aggreko Temporary Power Units**

GPA's contract with Aggreko expires on January 8, 2021. GPA's new Ukudu power plant and renewable energy contracts are not expected are expected to be commissioned until about 2022-2023. Therefore, to ensure adequate installed capacity to meet system demand, GPA needs to continue operating and maintaining the Aggreko Temporary Power Units. The term of the new contract is for a three-year base period beginning January 9, 2021 and two (2) additional 1-year extensions. During this period, the PMC will also assure that all necessary activities to ensure efficiency and reliability of the units are accomplished. The plant will be operated and maintained by GPA personnel and supplemented by PMC personnel as necessary.

The anticipated schedule is as follows:

Contract Commencement: January 9, 2021
Contract Base Period End: January 8, 2024
Optional Extension Year 1: January 9, 2024 – January 10, 2025
Optional Extension Year 2: January 9, 2025 – January 10, 2026

The project will be funded by revenue funds and the annual estimated cost is \$3.8M. This will result in a \$8.1M reduction in current cost for plant.

Actual	2016	2017	2018	2019	2020 (thru March)	2021 Estimated
Capacity Charge, \$/kw/Month	8,447,280.00	\$ 6,979,200.00	\$ 6,979,200.00	\$ 6,979,200.00	\$ 1,744,800.00	
Transit (or Shipping) Charge, \$/Month	1,274,363.20					
Fixed O&M, \$/Month	2,264,686.00	\$ 2,227,560.00	\$ 2,227,560.00	\$ 2,227,560.00	\$ 556,890.00	\$ 2,227,560.0
Emission Controls Monthly Charges		\$ 220,162.50	\$ 285,000.00	\$ 285,000.00	\$ 71,250.00	
Monthly Installment (Rent-to-Own)		\$ 500,004.00	\$ 500,004.00	\$ 1,771,111.20	\$ 492,778.63	
Total Fixed Charges:						
Energy Charge, \$/MWh (Min. 8,098 MWh)	995,896.05	\$ 794,517.37	\$ 660,309.76	\$ 649,326.48	\$ 158,694.54	\$ 701,384.54
DEF Charges, \$/MWh (Min. 8,098 MWh/Month)		\$ 932,898.05	\$ 914,033.50	\$ 901,526.32	\$ 220,305.65	\$ 916,152.62
Availability Penalty		\$ (155,985.42)		\$ (23,744.00)		
TOTAL ACTUAL COSTS:	\$ 12,982,225.25	\$ 11,498,356.49	\$ 11,566,107.26	\$ 12,789,980.00	\$ 3,244,718.82	\$ 3,845,097.16
5-YEAR TOTAL					\$ 52,081,387.82	
Annual Cost Reduction						\$ 8,106,384.09

Notes:

1. Energy Charges includes lube oil and maintenance spare parts.
2. Emission Control Monthly Charges include the supply, transport and installation of 39x SCR units and Urea shipping and piping system
3. DEF Charges the cost of urea
4. Fixed O&M include 24-hour staffing for 7 Aggreko and 12 local hires and availability with capacity factor of 50%

It was mentioned that the good news is GPA now owns the Units beginning Jan9th 2021. Huge Savings from 12M to 9M per year will be realized. These machines will be needed until Ukudu comes on line. Aggreko will be with GPA for a very long time. They fit right into plans for renewables.

GM Benavente confirmed that this matter needs to go to PUC for approval.

Comm. Guthertz motioned to approve Resolution 2020-10 second by Comm. Sanchez. The resolution passed; the vote was 4 ayes and 1 absent.

4.4 Resolution 2020-11 UKUDU Power Plant ECA Amendment

This Resolution was TABLED.

4.5 Resolution 2020-12 Recognizing GPWA Employees for Success in Providing Continuous Service for the Island Throughout the COVID-19 Pandemic

This is a dual resolution that applies to both GPA and GWA. Executive Order No. 2020-04, issued March 16, 2020, declared a public health emergency for the island of Guam due to the potential dangers posed by the Coronavirus (COVID-19), and ordered the closure of non-essential government of Guam services through March 30, 2020. Guam Power Authority and Guam Waterworks Authority (GPWA) were prepared to ensure continuity of essential utility services to the island community during the mandated two-week shutdown and beyond if necessary. GPWA developed a contingent operational plan, while the shutdown was extended. In addition to providing essential utility services, GPWA supported regular business functions to the extent practicable. To minimize exposure and spread of coronavirus, especially to and among employees in mission-critical positions, only approved key, essential employees were allowed entry into Fadian. Executive Order No. 2020-05 issued on March 19, 2020 mandated social isolation, prohibiting social gatherings and clarified status of non-essential government of Guam operations. The Government of Guam was operating in a limited capacity. It was expressed that one of the best courses of combat against community spread is through the reduction of face-to-face interaction with others and the practice of social distancing. In order to best deal with the ongoing Public Health Emergency, both Guam Power Authority (GPA) and Guam Waterworks Authority (GWA) coordinated and provided the following operational plan; I) Direction and Organization; II) Ensuring Essential Operations; III) Ensuring Customer Services; and IV) Supportive Efforts. On May 10, 2020, Governor Lou Leon Guerrero placed the island in Pandemic Condition of Readiness (PCOR) 2 under the Governor's Executive Order 2020-14. PCOR 2, expanded the categories of businesses and places authorized to reopen with moderate restrictions, including the public-facing functions of GPWA, signaling a positive movement toward normalcy.

In joint coordination, GPA & GWA General Managers ordered the full reopening of the utilities on Thursday, May 14, 2020 in compliance with PCOR 2 restrictions and requirements. To accommodate new health and safety requirements, work schedules were modified to incorporate continued telework and staggered shifts, where possible.

In addition to the Upper Tumon payment drive-thru, in-lobby and online payment options, a new, temporary payment drive-thru service was commissioned at Fadian location on May 14, 2020. Moving forward both utilities resumed full utility operations after a 2-month shutdown. As both agencies return to the business of the utility, employees were reminded to continue to do their part to slow the spread of COVID-19, and continue to promote good safety and health practices promoted by Guam Department of Public Health and Social Services, and the US Center for Disease Control and Prevention.

The coronavirus pandemic has changed our everyday lives and the way we interact with each other, moving individuals toward minimal human contact. Keeping safe, promoting healthy practices, working from home, wearing personal protective gear (mask) and practicing social distancing, is the new norm and for now part of our daily lives.

The CCU recognizes the hard work and dedication of the employees of the Guam Power Authority and Guam Waterworks Authority in providing uninterrupted power and water services to the island community during the pandemic public health emergency.

The CCU wishes to commend the employees of the Guam Power Authority and Guam Waterworks Authority for the successful efforts in providing continuous critical services to the ratepayers and people of Guam during this unprecedented emergency.

Comm. Guthertz motioned to approve GWA Resolution 27-FY2020 and GPA Resolution 2020-12 second by Comm. Sanchez. On the motion there was no further discussion or objection and the motion passed. The vote was 4 ayes and 1 absent.

5. OTHER DISCUSSION

5.1 Proposed CCU Rules

There was no discussion on this matter.

6. ANNOUNCEMENTS

6.1 Next CCU Meetings

The next CCU meeting would be on June 23. It was not mentioned whether or not a June work session would be held.

8. ADJOURNMENT

There being no other business to bring before the Commission, Comm. Sanchez motioned to adjourn the meeting second by Comm. Guthertz. There was no objection or discussion and the meeting adjourned at 6:16 p.m.

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Bls

Attested



JOSEPH T. DUENAS, Chairman



MICHAEL T. LIMTIACO Secretary