



**CONSOLIDATED COMMISSION ON UTILITIES**  
Guam Power Authority | Guam Waterworks Authority  
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | [guamccu.org](http://guamccu.org)

**GPA RESOLUTION 2021-23**

**RELATIVE TO THE ADOPTION OF A BUDGET FOR THE  
GUAM POWER AUTHORITY FOR FISCAL YEARS 2022 AND 2023**

**WHEREAS**, the Guam Power Authority (GPA) is a Public Corporation of the Government of Guam; and

**WHEREAS**, Section 8117 of Chapter 8 of Title 12 of Guam Code Annotated authorizes the Consolidated Commission on Utilities (CCU) to adopt an annual budget for the Authority; and

**WHEREAS**, Section 6.11 of the GPA Bond Indenture Agreement requires the Authority to provide a copy of an approved budget to the Bond Trustee prior to the beginning of each fiscal year; and

**WHEREAS**, the General Manager of the Guam Power Authority has reviewed and proposes the budget for Fiscal Years 2022 and 2023 totaling \$407,546,000 and \$399,444,000, respectively; and

**WHEREAS**, the General Manager has reviewed and proposes a Revenue Funded Capital Improvement Project (CIP) budget totaling \$32,202,862 and \$22,122,263; and

**WHEREAS**, the General Manager has reviewed the budget to ensure that all budget expenditures are consistent with the strategic goals of the Authority; and

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

1. The Fiscal Years 2022 and 2023 proposed budget of \$407,546,000 and \$399,444,000, respectively, of operating revenues and operating expenses in addition to other cash flow requirements such as debt services, working capital and conforming to obligatory debt coverage ratio of 1.3 are hereby approved (Exhibit A).

2. The authorized level of positions within the Authority shall be 490 FTEs.
3. The General Manager is authorized to implement structural pay adjustment to the 25<sup>th</sup> market percentile in Fiscal Year 2023 based on the 2017 Market Data or updated data as it becomes available and subject to availability of funds.
4. The General Manager is authorized to transfer no more than 10% of the overall approved GPA Budget, exception that there shall be no transfer into the personnel account from other non-labor accounts.

**RESOLVED**, that the Chairman of the Commission certifies and the Board Secretary of this Resolution.

**DULY and REGULARY ADOPTED AND APPROVED THIS this 24<sup>th</sup> DAY of AUGUST 2021**

Certified by:



JOSEPH T. DUENAS  
Chairman  
Consolidated Commission on Utilities

Attested by:



MICHAEL LIMTIACO  
Secretary  
Consolidated Commission on Utilities

**I, Michael 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 correct copy of the resolution duly adopted at a regular meeting of the members of Guam Consolidated Commission on Utilities, duly and legally held at the meeting 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



**GPA Revenue Requirement  
Fiscal Year 2022 & 2023**

**Exhibit A**

**Proforma Income Statements**

(in '000)

	<b>FY2022 Proposed</b>	<b>FY2023 Proposed</b>
<b>1 REVENUES</b>		
2 Existing Base Rate Revenues	\$ 156,200	\$ 160,800
3 Fuel Revenues	249,186	236,432
4 Miscellaneous Revenues	2,160	2,212
5 <b>Total Revenues</b>	<b>407,546</b>	<b>399,444</b>
6 Bad Debt Expense	(1,223)	(1,198)
7 <b>Net Operating Revenues</b>	<b>406,324</b>	<b>398,245</b>
8		
9 Production Fuel	249,186	236,432
10		
11 MEC	12,810	13,996
13 <b>IPP</b>	<b>12,810</b>	<b>13,996</b>
14		
15 <b>O&amp;M EXPENSES</b>		
16 Yigo Diesel Units (Aggreko)	3,157	3,315
17 Operating Supplies	3,229	3,316
18 Utilities - Water & Communications	2,988	3,137
19		
20 <b><u>WORK FORCE</u></b>		
21 Salaries	34,583	36,567
22 Employee Benefits	11,948	12,571
23 Retiree & Health Care	4,600	4,784
24 <b>Labor, Benefits &amp; Retirees</b>	<b>51,131</b>	<b>53,922</b>
25 Less Capitalized Labor	(6,093)	(6,459)
26 <b>Personnel</b>	<b>45,038</b>	<b>47,463</b>
27		
28 Apprentice labor	1,915	1,991
29 Workforce Interns	1,000	1,100
30 <b>Workforce contracts</b>	<b>2,915</b>	<b>3,091</b>
31 <b>Total Work Force</b>	<b>47,953</b>	<b>50,554</b>
32		
33 Fixed Management Fees (PMC)	2,770	2,853
34 Apprentice supplies & others	40	52
35 Security Guard/Armored Car Services	1,028	1,069
36 Software & Network Maintenance	2,148	2,233
37 Environmental protection	892	927
38 Other Contracts	8,794	9,284
39 <b>Contractual</b>	<b>15,672</b>	<b>16,418</b>
40		

41	Insurance	6,868	7,212
42	Miscellaneous	1,868	1,961
43	Off Island Training	180	188
44	Training	102	162
45	Office Supplies	100	104
46	Other Administrative	65	68
47	<b>Administrative &amp; General</b>	<b>9,184</b>	<b>9,695</b>
48			
49	<b>Total O&amp;M Expenses</b>	82,182	86,435
50			
51	Depreciation	40,254	41,864
52			
53	<b>Total Operating Expenses</b>	<b>\$ 384,433</b>	<b>\$ 378,727</b>
54			
55	Earnings From Operations	21,891	19,519
56			
57	Other Revenues (Expenses):		
58	Investment Income	1,000	1,000
59	Interest expense (ST Debt)	(30)	-
60	Interest Expense (Aggreko Lease Payment)	-	-
61	Interest expense (2012 Revenue Bond)	(14,290)	(13,254)
62	Interest expense (2014 Revenue Bond)	(3,411)	(3,328)
63	Interest expense (2017 Refunding Bond)	(7,418)	(7,402)
64	Other Expense/Income		
65	Amortization of Issuance Costs	475	475
66			
67	<b>Net Earnings(Loss) Before Capital Contribution</b>	<b>(1,783)</b>	<b>(2,990)</b>
68	Capital Contributions	-	-
69			
70	<b>Increase (Decrease) in Net Assets</b>	<b>\$ (1,783)</b>	<b>\$ (2,990)</b>
71			
72	<b><u>Debt Service Coverage Calculation</u></b>		
73	Earnings From Operations	\$ 21,891	\$ 19,519
74	Add Interest Income	1,000	1,000
75	Add: Depreciation	40,254	41,864
76	Balance Available for Debt Service	63,145	62,383
77	IPP Debt Service + Aggreko lease	-	-
78	Balance After IPP Debt Service	63,145	62,383
79	<b>Debt Service</b>		
80	Bond Interest Expense	25,119	23,984
81	Bond Principal	22,705	24,020
82	Total Debt Service	47,824	48,004
83			
84	Debt Service Coverage (Bond Method)	<b>1.32</b>	<b>1.30</b>
85	Debt Service Coverage (S&P Method)	<b>1.32</b>	<b>1.30</b>

86			
87	<b><u>Cashflow Statement</u></b>		
88	Net Income	\$ (1,783)	\$ (2,990)
89	Depreciation & amortization	39,780	41,389
90	(Unrecovered)/recovered fuel cost	10,000	
91	CIP's-Internally Funded	(32,203)	(22,122)
92	Principal Payment (Aggreko Lease Payment)	-	-
93	Principal Payment (2012 Revenue Bond)	(20,715)	(18,215)
94	Principal Payment (2014 Revenue Bond)	(1,675)	(1,755)
95	Principal Payment (2017 Refunding Bond)	(315)	(4,050)
96	Principal Payment (IPP)	-	-
97	MEC Recapitalization	(3,764)	(3,764)
98	Cash Carry Over-Surplus/(Deficit)	(10,676)	(11,507)
99	Beginning Balance	56,556	45,880
100	Ending Balance	45,880	34,373

	<b>FY2022 Proposed</b>	<b>FY2023 Proposed</b>
<b>Number of Employees</b>	<b>490</b>	<b>490</b>
<b>WORK FORCE</b>		
<b>Salaries &amp; Wages</b>		
Regular Pay	\$ 32,172,868	33,936,167
Overtime Pay	2,077,000	2,284,700
Night Differential Pay	332,704	346,055
<b>Sub-Total Employee Salaries</b>	<b>34,582,572</b>	<b>36,566,922</b>
Employee Benefits		
Medical/Dental/Life	2,367,417	2,496,477
Retirement Contribution	9,580,998	10,074,260
<b>Sub-Total Employee Benefits</b>	<b>11,948,415</b>	<b>12,570,737</b>
Retiree Benefits	4,600,000	4,784,000
<b>Total Labor &amp; Benefits</b>	<b>51,130,987</b>	<b>53,921,659</b>
Less Capitalized Labor	(6,092,991)	(6,458,572)
<b>Total Personnel</b>	<b>\$ 45,037,996</b>	<b>\$ 47,463,087</b>
Apprentice labor	\$ 1,914,547	\$ 1,991,128
Workforce Interns	1,000,000	1,100,000
<b>Workforce contracts</b>	<b>\$ 2,914,547</b>	<b>\$ 3,091,128</b>
<b>Total Work Force</b>	<b>\$ 47,952,543</b>	<b>\$ 50,554,215</b>

	<b>FY2022 Proposed</b>	<b>FY2022 Proposed</b>
<b>Contracts</b>		
<b>Apprentice</b>	<b>\$ 40,000</b>	<b>\$ 51,600</b>
-Supplies & others	\$ 40,000	\$ 51,600
<b>Environmental protection</b>	<b>\$ 892,384</b>	<b>\$ 926,878</b>
-Compliance-Emission and water	\$ 645,000	\$ 743,600
-Used oil, catalyst and others	\$ 247,384	\$ 183,278

<b>Fixed Management Fees (PMC)</b>	<b>\$ 2,769,766</b>	<b>\$ 2,852,859</b>
- Cabras 1 & 2	\$ 1,972,488	\$ 2,031,663
- CT	\$ 797,278	\$ 821,196
<b>Software &amp; Network Maintenance</b>	<b>\$ 2,147,624</b>	<b>\$ 2,233,528</b>
-Advance Grid Analysis (AGA)	\$ 140,000	\$ 145,600
-JDE license	\$ 250,300	\$ 260,312
-MDMS SW License Renewal & Software Maintenance	\$ 95,000	\$ 98,800
-Oracle DB license renewal for CC&B Database	\$ 73,000	\$ 75,920
-Oracle DB license renewal for CC&B Database-DR	\$ 47,000	\$ 48,880
-Universal Credits of CHATBot	\$ 32,000	\$ 33,280
-CC&B SW Maintenance License fee renewal	\$ 108,057	\$ 112,380
-Other licenses	\$ 1,402,267	\$ 1,458,356
<b>Security Guard/Armored Car Services</b>	<b>\$ 1,028,000</b>	<b>\$ 1,069,120</b>
-Security Guard Services	\$ 1,000,000	\$ 1,040,000
-Armored Car Services	\$ 28,000	\$ 29,120
Audit Fee Financial	\$ 125,000	\$ 130,000
Building maintenance	\$ 564,755	\$ 587,348
Engineering Consultants	\$ 93,500	\$ 97,240
Grounds Maintenance	\$ 412,360	\$ 427,455
Heavy Equipment Maintenance	\$ 35,150	\$ 36,556
Heavy Equipment Rental	\$ 67,450	\$ 69,503
Land Lease	\$ 134,800	\$ 141,540
Legal Consultants	\$ 30,000	\$ 31,200
Light Vehicle Maintenance	\$ 26,900	\$ 27,976
Office Equipment Rental	\$ 112,000	\$ 116,480
Other Contractual Services		
- Regulatory consultant	\$ 212,500	\$ 221,000
-ESS	\$ 86,000	\$ 89,440
-GPS tracking	\$ 88,800	\$ 92,352
-Disposal of soot and used oil	\$ 120,000	\$ 120,000
-USDA snake control	\$ 246,000	\$ 258,300
-Fire suppression system inspection	\$ 94,000	\$ 96,820
-Others contractual services	\$ 1,228,080	\$ 1,289,488
Other Maintenance		
-Maintenance/Repair Fire Alarms & gas suppression systems	\$ 128,000	\$ 132,640
-Vegetation Management	\$ 347,175	\$ 499,062
-Surveillance camera	\$ 30,000	\$ 31,200
-Other maintenance	\$ 277,808	\$ 288,920
Other Professional Services		
-Consulting Services on Training and Assessment for Piti 7	\$ 247,000	\$ 256,880
-Technical Services - Cabras 1&2 Overhaul	\$ -	\$ -
-Milsoft Texting System-Outage reporting	\$ 47,000	\$ 48,880
-Smart grid network system support	\$ 185,000	\$ 192,400

-ESS and Renewables Consultant	\$ 100,000	\$ 104,000
-Consent decree legal services	\$ 100,000	\$ 104,000
-CC&B technical support	\$ 300,000	\$ 312,000
-Bill Print & news letters	\$ 375,000	\$ 390,000
-Insurance Risk Engineer	\$ 119,000	\$ 123,760
-Other professional services	\$ 2,057,708	\$ 2,137,216
Other Rental	\$ 220,600	\$ 229,030
Power Plant Accessory Equipment Maintenance	\$ 178,390	\$ 182,589
Radio Maintenance & Repair	\$ 60,000	\$ 62,400
Rental of Building	\$ 79,200	\$ 83,160
Technical Fees	\$ 264,866	\$ 273,451
<b>Total - Other Contracts</b>	<b>\$ 8,794,042</b>	<b>\$ 9,284,286</b>

<b>Total Contract</b>	<b>\$ 15,671,816</b>	<b>\$ 16,418,271</b>
-----------------------	----------------------	----------------------

<b>Aggreko Units</b>	<b>3,157,000</b>	<b>3,314,850</b>
----------------------	------------------	------------------

#### **Operating Supplies**

Accessory Equipment	246,500	252,720
Boiler & Associated Eqpt Parts	330,000	333,000
Chemicals	203,020	206,829
Conductors, Poles & Line HW	348,600	361,682
Copier Supplies	31,225	32,360
Coveralls/Uniforms	21,392	22,192
Diesel Fuel	100,000	104,000
Diesel Plant Parts	85,281	88,642
EPA & Others	61,875	62,670
Gases	203,716	205,697
Gasoline fuel	120,000	124,800
Janitorial Supplies	30,000	31,200
Lead Seals	3,000	3,120
Lubrication	208,645	215,606
Meter Test Parts, Etc.	16,125	16,770
Other Materials	333,799	342,838
Other Parts	261,600	267,924
Other Supplies	20,137	20,286
Printed Forms	26,015	26,773
Safety Supplies	129,593	133,703
SCADA Parts & Accessory	45,000	46,800
Station Equipment Repair Parts	41,800	43,472
Tires	40,000	41,600
Tools	85,237	88,250
Transformer Repair Parts	26,738	27,808
Turbine & Associated Eqpt parts	80,000	80,000
Vehicle & Heavy Equipment Parts	130,000	135,200



<b>Total - Operating Supplies</b>	<b>3,229,298</b>	<b>3,315,942</b>
<b>Utilities - Water &amp; Communications</b>		
Courier Services	57,000	59,850
Postage	275,000	288,750
Telephone (Local)	145,000	152,250
Telephone (Overseas)	9,500	9,750
Utilities - Water	<u>2,501,000</u>	<u>2,626,050</u>
<b>Total - Utilities - Water &amp; Communications</b>	<b>2,987,500</b>	<b>3,136,650</b>
<b>Miscellaneous</b>		
Ads & Radio Announcements	130,400	136,920
Board Fees	30,000	31,500
Collection Fees	1,300,000	1,365,000
Dues & Subscription	110,000	115,500
P.U.C.	200,000	210,000
Trustee / Bank Commission Fees	<u>98,000</u>	<u>102,900</u>
<b>Total - Miscellaneous</b>	<b>1,868,400</b>	<b>1,961,820</b>
<b>Insurance</b>		
Property	5,777,520	6,066,396
General Liability	76,536	80,363
Auto Liability	106,000	111,300
Pollution	150,000	157,500
Professional Liability	102,000	107,100
Excess General Liability	204,804	215,044
Excess Workmen's Compensation	15,236	15,998
Crime	32,895	34,540
Directors & Officers	68,229	71,640
Aggreko Insurance	<u>220,000</u>	<u>231,000</u>
Sub-Total: Property & Liability	6,753,220	7,090,881
Damage Claims	50,000	52,500
Workmen's Compensation (Safety)	<u>65,000</u>	<u>68,250</u>
<b>Total - Insurance</b>	<b>6,868,220</b>	<b>7,211,631</b>
Off-Island Training	180,356	187,570
Training & Materials	102,000	161,560
Office Supplies	100,000	103,945
Other Admin	65,000	67,600
<b>Total Non-Labor</b>	<b>\$ 34,229,590</b>	<b>\$ 35,879,839</b>

**FY2021 CAPITAL IMPROVEMENT PROJECTS (CIP) - REVENUE FUNDED**

	<b>FY2022 Proposed Budget</b>	<b>FY2023 Proposed Budget</b>
Overhaul	\$ 14,900,505	\$ 8,491,359
Network		
- SCADA, Advanced Meter Infrastructure, E1 Enhancement and Disaster Recovery	3,390,508	1,380,800
Substation and Transmission Improvements	2,539,225	1,453,500
Water Well System Improvements	286,350	1,900,000
Heavy Equipment - Bucket trucks, Diggers	1,805,488	1,520,000
Other General	2,962,847	284,315
<b>General Plant</b>	<b>25,884,923</b>	<b>15,029,974</b>
Engineering Projects	2,192,765	2,750,000
Line Extensions	4,125,174	4,342,289
<b>Total - CIP</b>	<b>\$ 32,202,862</b>	<b>\$ 22,122,263</b>