



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

**GPA RESOLUTION NO. FY2022-01**

**RELATIVE TO THE AUTHORIZATION OF THE GUAM POWER AUTHORITY TO  
RENEW THE CURRENT PROPERTY INSURANCE FOR AN ADDITIONAL ONE-  
YEAR POLICY PERIOD**

**WHEREAS**, the Consolidated Commission on Utilities has determined that it is a prudent and reasonable business practice to maintain insurance coverage on GPA’s assets to the extent practical; and

**WHEREAS**, the Guam Power Authority’s Bond Indenture agreement requires GPA to “secure and maintain property insurance on all facilities constituting the system against risks of loss or damage to the extent that such insurance is obtainable at reasonable cost”; and

**WHEREAS**, the indenture further requires GPA to carry insurance “of a scope and nature as that usually carried in the industry”; and

**WHEREAS**, GPA’s current Property Insurance policy was awarded in 2018 with a term of a three (3) year period with two (2) options to renew for an additional one (1) year period; and

**WHEREAS**, GPA’s current Property Insurance policy’s third year period is set to expire on November 1, 2021, and GPA would like to exercise the first one-year option to renew; and

**WHEREAS**, the insurance broking team has configured, with the goal in mind of improving, to the greatest extent possible, the terms and conditions of GPA’s property insurance policy for the year; and

1           **WHEREAS**, that GPA is now able to confirm agreement for this year, and accordingly  
2 will commit to keeping the current policy in place until November 1, 2022, the underwriters are  
3 prepared to offer the following:

- 4  
5           1. The annual premium will be billed at a cost of **\$5,788,643** which reflects  
6 the challenging insurance market conditions.

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8           **WHEREAS**, GPA now brings these matters before the Consolidated Commission on  
9 Utilities.

10  
11           **NOW, THEREFORE, BE IT RESOLVED, BY THE CONSOLIDATED**  
12 **COMMISSION ON UTILITIES, AS THE GOVERNING BODY OF THE GUAM**  
13 **POWER AUTHORITY, SUBJECT TO THE APPROVAL OF THE GUAM PUBLIC**  
14 **UTILITES COMMISSION, AS FOLLOWS:**

- 15  
16           1. The GPA General Manager is authorized to accept the terms of the annual  
17 renewal premium offered by the insurance underwriters at a cost of  
18 **\$5,788,643** for the policy period covered between November 2, 2021 and  
19 November 1, 2022.

20  
21           **RESOLVED**, that the Chairman certifies and the Board Secretary attests to the adoption  
22 of this Resolution.

23  
24           **DULY and REGULARLY ADOPTED AND APPROVED THIS 26<sup>th</sup> DAY OF**  
25 **OCTOBER, 2021.**

26  
27           Certified by:

28           Attested by:

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32           **JOSEPH T. DUENAS**  
Chairperson  
Consolidated Commission on Utilities

**MICHAEL T. LIMTIACO**  
Secretary  
Consolidated Commission on Utilities

1                   **I, Michael T. Limtiaco, Secretary, Consolidated Commission on Utilities (CCU),**  
2  
3 evidenced by my signature above do certify as follows:

4                   The foregoing is a full, true and correct copy of a resolution duly adopted at a regular  
5 meeting of the members of the Guam Consolidated Commission on Utilities, duly and legally held  
6 at a place properly noticed and advertised at which meeting a quorum was present and the members  
7 who were present voted as follows:

8                   Ayes:             3    
9                   Nays:              0    
10                  Absent:             2    
11                  Abstain:            0  

