



GPA RESOLUTION NO. FY2022-06

**AUTHORIZING THE GUAM POWER AUTHORITY TO SEEK PUC APPROVAL TO EXECUTE THE GPA
NAVY UTILITY SERVICES CONTRACT**

WHEREAS, GPA currently provides electric service to the US Navy under Contract N40192-12-C-5100 approved by the CCU and PUC and signed by GPA on July 31, 2012 and expiring on July 31, 2022; and

WHEREAS, the Navy is charged with the Department of Defense's (DOD) military mission for this region and is GPA's largest customer which provides a consistent revenue stream that supplements the remainder of GPA's customer base; and

WHEREAS, GPA is the sole company charged with operating and maintaining the Island Wide Power System in sound physical and financial condition necessary to render adequate and efficient electric service to support the DOD's military mission; and

WHEREAS, GPA and the Navy have determined that it would be in the best interest and to the economic advantage of both parties to enter into an agreement providing for the electric utility service to the DOD installations on Guam; and

WHEREAS, as a result of these mutual benefits, GPA and the Navy have successfully negotiated and desire to enter into a contract for GPA to provide electric utility services to Navy's facilities for a 10-year term; and

WHEREAS, the updated Utility Services Contract contains the following key features:

1. Establishes the points of delivery for power to the Navy;
2. Establishes annual Navy minimum demands for GPA to forecast expected revenues;
3. Provides for the transfer of Navy assets in compliance with US Public law 100-202 regarding environmental clean-up of sites;
4. Provides a mechanism for GPA to provide power system support for Navy distribution systems upon request by the Navy;
5. Recognizes and identifies the Public Utilities Commission as the regulating body for establishing electric service rates for GPA customers; and

1 **WHEREAS**, the Consolidated Commission on Utilities acknowledges and supports the
2 Utility Services Contract as the vehicle for GPA to fulfill its mission of providing electric services
3 to the island of Guam.

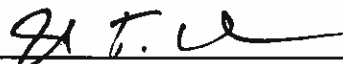
4 **NOW, THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on Utilities
5 subject to the review and approval of the Public Utilities Commission as follows:

- 6 1. After careful consideration, the Consolidated Commission on Utilities finds the
7 Utility Services Contract between GPA and the US Navy to be reasonable and
8 prudent.
- 9 2. The General Manager of the Guam Power Authority, subject to PUC approval, is
10 hereby authorized to execute any and all documents incidental to executing the
11 GPA-Navy Utility Services Contract.

12 **RESOLVED**, that the Chairman certifies and the Secretary attests the adoption of this
13 Resolution.

14 **DULY AND REGULARLY ADOPTED AND APPROVED THIS 25TH DAY OF JANUARY, 2022.**

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16 Certified by:

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20 JOSEPH T. DUENAS
21 Chairperson
22 Consolidated Commission on Utilities

Attested by:

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

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

7 Ayes: 5

8 Nays: ϕ

9 Absent: ϕ

10 Abstain: ϕ

