



GPA RESOLUTION NO. FY2022-07

**AUTHORIZING THE GUAM POWER AUTHORITY TO SEEK APPROVAL FROM THE PUC TO
PROCEED WITH THE CABRAS UNIT 2 MAJOR OVERHAUL**

WHEREAS, GPA entered into a Performance Management Contract (PMC) with Taiwan Electrical and Mechanical Engineering Services, Inc. (TEMES) to manage the Cabras 1&2 power plant; and

WHEREAS, TEMES has been the PMC for Cabras 1&2 power plant since 2002 and the last contract was entered into on October 1, 2020 and expires September 2023; and

WHEREAS, the last boiler and turbine overhaul for Cabras Unit 2 was completed in April 2016; and

WHEREAS, a boiler overhaul for the unit is recommended every 18 months and a turbine overhaul is recommended every 5 years; and

WHEREAS, the overhaul was scheduled in March 2020, but was postponed due to the pandemic, and

WHEREAS, since the last overhaul, Cabras Unit 2 has experienced unit outages and significant unit down time caused by boiler tube failures; plant safety valve failures; as well as insufficient air flow caused by gas and air duct leakage which has restricted unit output; and

WHEREAS, the overhaul will ensure the unit is available, reliable, efficient, and most importantly safe to operate until the new Ukudu power plant is commissioned; and

WHEREAS, major overhaul activities include replacement of archway tubes in the rear water wall and boiler water wall areas; replacement of gas and air duct expansion joints; maintenance of air preheaters and burner fronts; replacement of safety valves; overhaul of the turbine; cleaning of the condenser, and maintenance of ancillary services including the boiler feed pumps, force draft fans, and cooling water pipes; and

WHEREAS, the overhaul is scheduled for September 2022 and will last approximately 50 days; and

1 **WHEREAS**, the overhaul is necessary to maintain the reliability, availability, and safety of
2 Cabras Unit 2, restore overall plant efficiency, and support economic dispatching of the
3 generation system; and

4 **WHEREAS**, the total overhaul cost is anticipated to be \$4,960,602; and

5 **WHEREAS**, this project is budgeted under capital improvement funds; and

6 **WHEREAS**, approval is requested to petition the PUC to utilize CIP funds for the Cabras
7 Unit 2 Overhaul in the amount of \$4,960,602.

8 **NOW, THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on Utilities as
9 follows:

- 10 1. After careful consideration, the Consolidated Commission on Utilities finds the
11 Cabras Unit 2 overhaul to be reasonable, prudent and necessary for the reliable
12 operation of the generating plant.
- 13 2. The General Manager of the Guam Power Authority is hereby authorized to
14 petition the PUC to utilize revenue funds in the amount of \$4,960,602 for the
15 Cabras Unit 2 overhaul

16 **RESOLVED**, that the Chairman certifies and the Secretary attests the adoption of this
17 Resolution.

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

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20 Certified by:

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24 JOSEPH T. DUENAS
25 Chairperson
26 Consolidated Commission on Utilities

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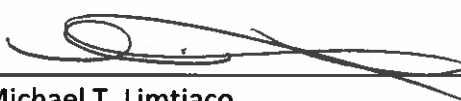
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Attested by:



Michael T. Limtiaco
Secretary
Consolidated Commission on Utilities

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

