



Performance Evaluation:

John M. Benavente, P.E.

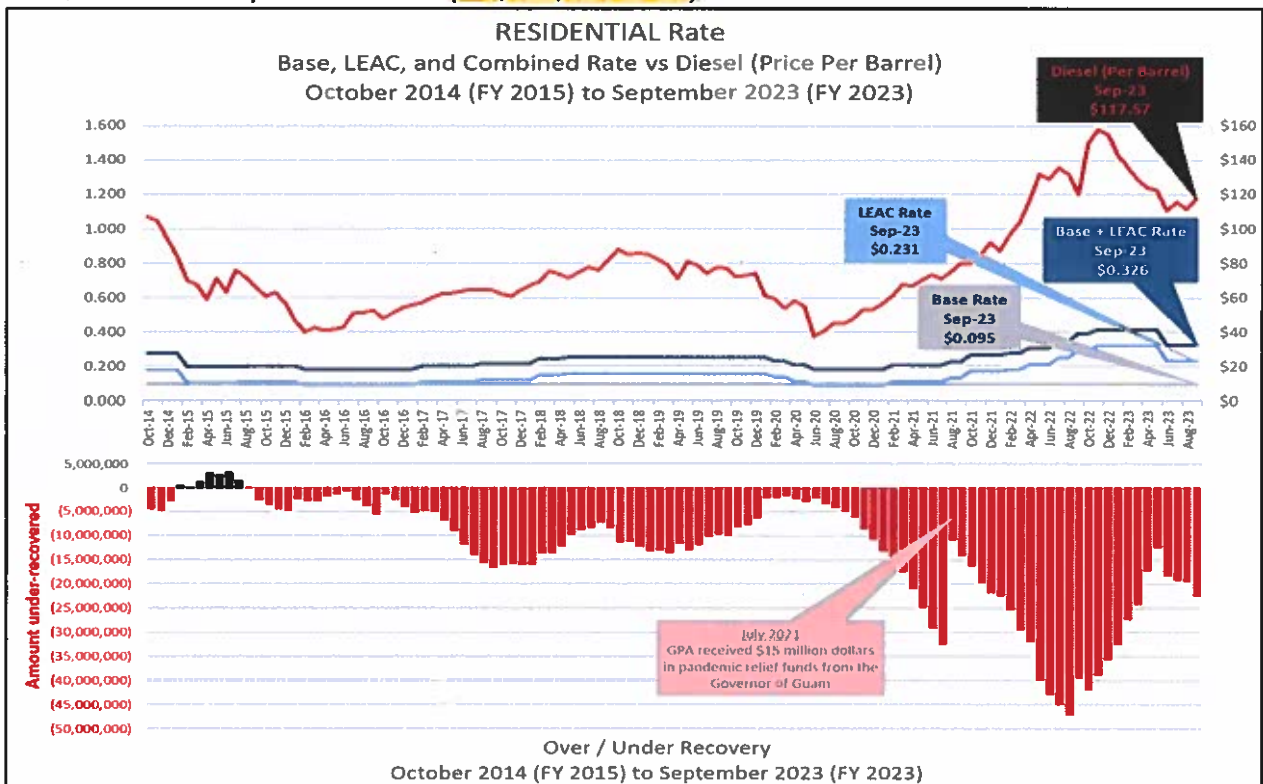
General Manager

2023

1. Financially Sound and Stable

All financial activities of GPA are in line with the mission, vision and goals established by the Authority. For the 10th consecutive year, GPA has not asked for any base rate increase and has managed to build up reserve cash which has been significant in helping ratepayers thru high LEAC cost periods due to high fuel cost. GPA's next two-year budget for FY2024 & FY2025 also does not require a base rate increase. (1.1.1, 1.1.4, 2.1, 2.2, 2.4 & 2.6)

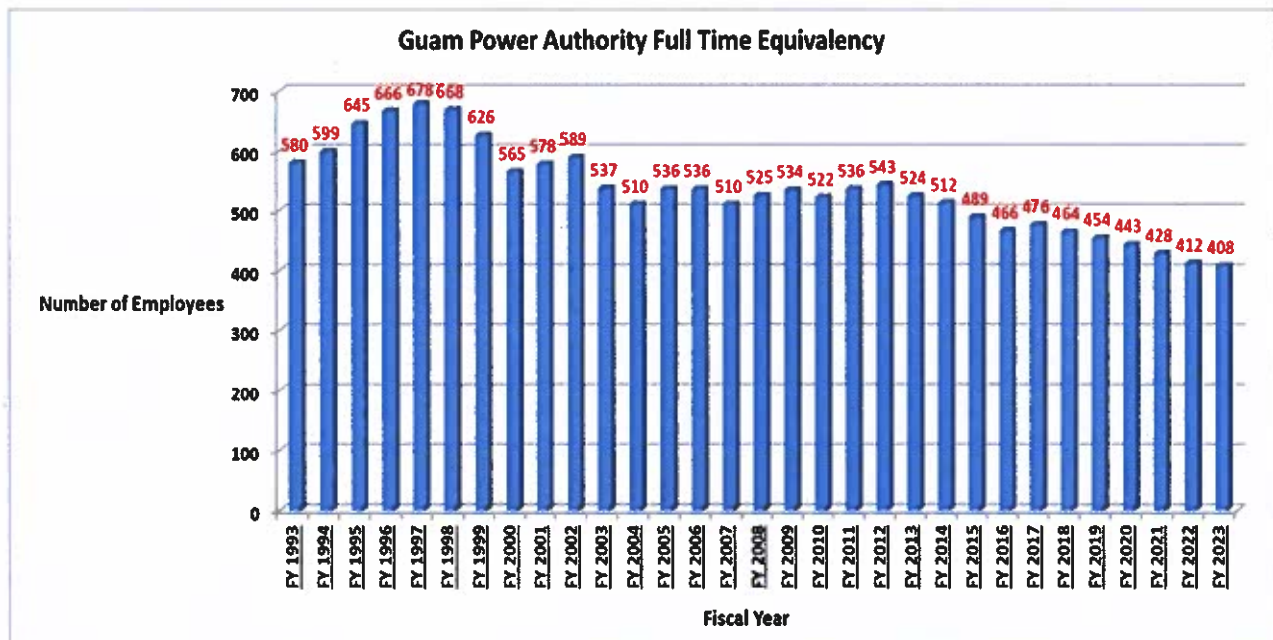
- GPA's financial statements for fiscal year 2023 received a clean audit opinion from Ernst & Young, LLP. (2.5)
- 60 days of unrestricted cash (2.1)
- Debt Service coverage of 1.65x as of Aug 31, 2023, despite Typhoon Mawar (2.1)
- GPA's commitment to financial stability and adaptability in maintaining creditworthiness and stable bond ratings with primary agencies. GPA maintained its credit ratings despite revenue losses from Typhoon Mawar and high volatility in world oil prices:
 - S&P-BBB/Stable Outlook
 - Moody's-Baa2/Stable Outlook
 - Fitch-BBB/Stable Outlook
- Physical hedging continues in maintaining 30-90 days of fuel storage inventory (1.1.1, 2.1, 2.2 & 2.6)
- 85 MW of solar as long-term hedge with 1% escalator, 40 MW ESS, and Wind. (1.1.2 & 1.1.4)
- Despite losses incurred from Typhoon Mawar, GPA minimized losses thru its historically quick recovery efforts. This resulted in avoiding bond rating down grade which was initially contemplated by rating agencies. (1.1.1, 1.5, 2.1, 2.2 & 2.6)
- Continue to alleviate the impact of high fuel oil prices utilizing the financial reserves of GPA. LEAC under-recovery which went as high as \$47M was recovered slowly to about \$12M before fuel prices again headed upwards and fuel cost increased due to Typhoon Mawar but GPA has been able to sustain its financial metrics despite under recovery rising to about \$22M as of September 2023. (2.1, 2.2, 2.4 & 4.3)

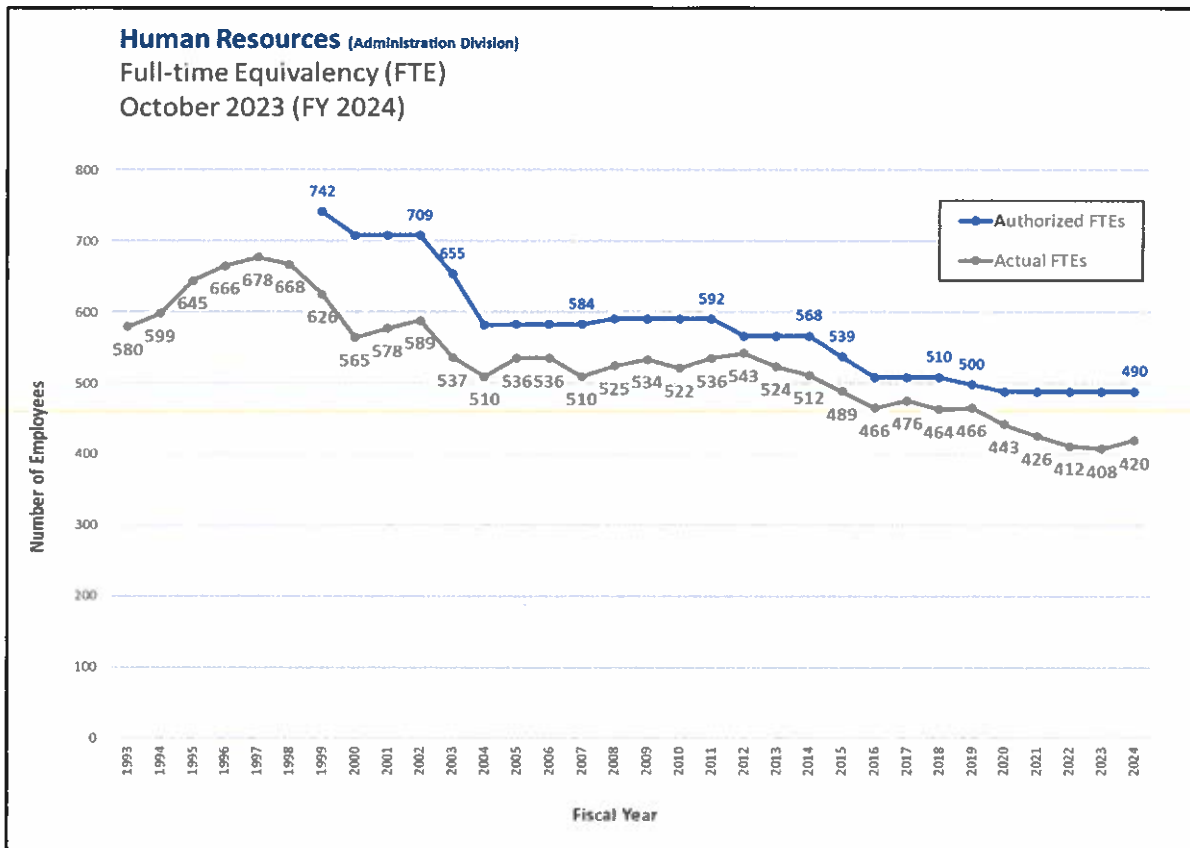


- Successfully stayed within budget as it completed the 2nd year of a 2-year budget. Received CCU approval again for the next two years (FY 2024/FY 2025). The two-year budgeting process spearheaded by Finance Chairman Commissioner Santos is historical and has proven very effective and efficient for GPA. GPA may be the only government entity implementing such budgeting. (2.1 & 2.2)

Through September 30, 2023							
	Monthly \$000	Monthly Budget Cost	Actual Monthly Cost	Variance	PY FY22	CY vs PY	
							Variance
October	6,367	6,367	5,712	655	↑	4,979	(733) ↓
November	6,923	6,923	6,120	802	↑	6,039	(82) ↓
December	7,415	7,415	6,518	898	↑	6,569	52 ↑
January	6,663	6,663	5,846	817	↑	5,434	(412) ↓
February	6,392	6,392	5,537	855	↑	5,353	(184) ↓
March	7,814	7,814	6,298	1,517	↑	6,818	521 ↑
April	7,582	7,582	5,610	1,972	↑	5,931	321 ↑
May	7,508	7,508	5,395	2,113	↑	6,369	975 ↑
June	7,665	7,665	4,585	3,080	↑	6,353	1,768 ↑
July	7,148	7,148	4,390	2,759	↑	6,028	1,638 ↑
August	7,578	7,578	5,718	1,861	↑	6,779	1,061 ↑
September	7,380	7,380	6,218	1,162	↑	5,859	(359) ↓
Total	\$ 86,435	\$ 86,435	\$ 67,946	\$ 18,489		\$ 72,512	\$ 4,566

- Maintained the lowest number of FTE in GPA's History while training the highest number of apprentices to overcome the major issue of 50% of workforce eligible for retirement in this decade. (3.1, 3.1.1, 3.1.2, 3.2 & 3.3)





2. **System Reliability**

In the pursuit of GPA’s mission to provide reliable and sustainable energy solutions for the people of Guam, GPA achieved significant milestones during the last year. These accomplishments reflect an unwavering commitment to enhance high system reliability, operational excellence, environmental stewardship, and energy innovation.

- **Integrated Resource Plan (IRP)/Clean Energy Master Plan**
 - The GPA Clean Energy Roadmap ensures compliance with the USEPA Consent Decree & avoids millions of potential fines and penalties and was adopted by the CCU and approved by the PUC. (1.1.3, 1.1.4, 1.1.5, & 2.2)
 - The IRP historically focused on the evaluating the need for new generation resources to meet future load growth, address environmental requirements and optimize costs. The USEPA Consent Decree with GPA was signed in May 2020 and requires completion of many projects for renewable energy, energy storage, and projects for fuel infrastructure transitioning to cleaner fuels. Customers benefit through lower and less volatile LEAC rates, cleaner air, improved power quality, and fewer outages. GPA reduces its carbon footprint and impact on the planet. (1.1.2, 1.1.3, 1.1.4, & 1.1.5)
- **Planning for the Future and a Sustainable Guam**
 - With the new combined cycle **Ukudu Power Plant** set for commissioning in 2026 and GPA’s commitment to a 50% Renewable Portfolio Standard by 2030, the focus has shifted to how to achieve additional operational savings through efficiencies and to implement projects and programs to support these as well as to support grid security, stability and reliability while achieving meaningful GHG emissions reductions. GPA’s balanced approach to reducing GHG emissions includes: Energy Efficiency, Renewable Energy, Grid Transformation, and Transportation Electrification. (1.1.2 & 1.1.3)

- **Phase IV adds 180+ MW renewable energy to the grid (1.1.2, 1.1.3, & 1.1.4)** - To achieve 40% Renewable Energy Portfolio (currently 16%). Contributing toward GPA's goal of 50% renewable energy by 2030, the 180MW+ invitation for bid was issued in December 2022, and:
 - ✓ The project is technology agnostic and may include renewable technologies such as biomass, hydro, geothermal, solar, wind, ocean thermal, wave action and tidal action.
 - ✓ Technical and price proposals were received on November 6, 2023. Price opening targeted for December 2023. Award is targeted around April of 2024 and expected to in commercial operation within thirty-six (36) months from the contract execution.
 - ✓ Will strengthen the power grid system with the inclusion of an energy storage system
 - ✓ Will provide a significant hedge against future high fuel oil prices.
 - ✓ Be a model for all future utility-scale renewables.
- **Infrastructure Resiliency Plan (1.1.4, 1.2.1 & 4.2)**
 - New plant commission delayed to 2026 due to damage from Typhoon Mawar
 - Typhoon Mawar advanced discussions on the need to move the grid underground to address vulnerability to natural disasters and military conflicts.
 - Initial estimates immediate critical infrastructure cost of \$2.4 billion and an additional \$4 billion remaining underground distribution
 - GPA is constantly working with FEMA to address reimbursement of 90% of Typhoon Mawar damages and for mitigation funds to strengthen the grid. The infrastructure upgrades totaling \$6.4B has been submitted to FEMA for consideration.
 - Made request to US Military branches and other federal entities to invest ensuring long-term benefits for the community and the nation's strategic interests. I have entertained visits by FEMA director, Depart of Defense senior staff, Under Secretary of the Air Force and Office of OLDCC and other high level officials and share the same message of needs for energy resiliency and a request for funding assistance because ratepayers will not be able to fund these mitigation projects without significant rate increases. Rate increases mean GPA's largest customer US Navy will also experience rate increases because Military represents about 20% of GPA's revenue
- **Infrastructure Investment (1.5, 2.2 & 2.6)**
 - Typhoon Mawar struck Guam on May 24, 2023, and the Guam Power Authority achieved a remarkable milestone by restoring 99% capacity within just 50 days since COR4 declared marking the fastest recovery period in history.
 - GPA maintained sufficient inventory to address significant damage to grid from natural disasters. Supply chains throughout the world continue to experience shortages and delays. GPA has increased its ordering frequency and safety stock on hand to ensure the adequate inventory of critical materials. These efforts boost overall energy security and resilience.
 - The concrete pole system that ratepayers invested in over the past few decades has served the entire island community well, with 99% having survived Typhoon Mawar's 150+ mph winds in 2023. The expansion of concrete poles was also made possible by FEMA mitigation funds received and investments made by the U.S. Air Force to place transmission systems underground.
- **Fuel Transition Success (1.1.5)**
 - GPA made substantial progress in transitioning key baseload units to cleaner fuels. Baseload Units Piti 8 & 9 were successfully converted to Ultra-Low Sulfur Diesel

(ULSD) in July and September of 2022. Additionally, Baseload Units Cabras 1 & 2 were successfully converted to 0.2% Low-Sulfur Residual Fuel Oil (LSRFO) on December 31, 2022. These transitions represent our commitment to environmental responsibility and reliability. GPA's sulfur dioxide emissions have been reduced by over 99% and GPA now complies with USEPA National Ambient Standards.

- **Physical Security Enhancement (3.1.3)**

- GPA prioritizes the safety and security of its infrastructure. The CCU approved a Proof of Concept initiative for physical security enhancements at key facilities, including the Talo'fo'fo Plant, Harmon & Piti Substations, Dededo CT Plant, and Fadian Main Office. With an initial investment of about \$1,496,670 and an extension of \$350,000 for a total investment of \$1,846,670, these enhancements reinforce the commitment to the safety of Guam's power grid and of GPA's operations.

- **Successful Grants Awarded in 2023**

- USDOE ETIPP Technical Assistance: Grid Assessment for Virtual Power Plant Program Integration (1.1.2 & 1.1.4)

- ✓ GPA was selected to be a part of the U.S. Department of Energy (USDOE) Energy Transitions Initiative Partnership Project (ETIPP). Through this program, GPA will partner with Sandia National Laboratories to assess and analyze Guam's power infrastructure and to identify and implement strategies for maximizing solar generation while boosting the resiliency and sustainability of the grid. Guam is on the front lines of climate change, but high energy costs and aging infrastructure will continue to impact our journey to energy independence. Through ETIPP, we will be utilizing the expertise of Sandia Labs to design locally relevant approaches to address our current challenges and increase our energy resilience.

- DOI OIA EIC Grant: Guam 100 (1.1.2, 1.1.3 & 1.1.4)

- ✓ In partnership with the National Renewable Energy Laboratory (NREL), the Guam Power Authority (GPA) was awarded \$3,000,000 by the Department of Interior Office of Insular Affairs to comprehensively analyze stakeholder-driven pathways to Guam's clean energy future. The study, also known as the "Guam 100," will not only set a clear path to achieving 50% electricity purchases from renewable energy by 2030 and 100% by 204 but will provide the tools to ensure energy system resilience against extreme weather events, improve energy justice, and guide GPA in its investments in modern, intelligent, and affordable grid infrastructure for the people of Guam.

3. **Product Affordability**

- Through 2023 GPA upheld its commitment to maintain Service energy affordability. The **base rate**, one of two components of GPA's energy cost, remained unchanged at \$0.094 per kilowatt hour (kWh) for the 10th consecutive year while GPA progressively implemented capital improvement projects to strengthen and modernize the island power system. (1.1.1)
- The fuel recovery charge, the second component of GPA's energy costs and also known as the Levelized Energy Adjustment Clause (LEAC), was meticulously monitored and controlled through strategic fuel purchases and efficient fuel usage with low-cost utility-scale renewable energy contracts amid a volatile global fuel market. Amidst rising fuel costs with GPA incurring a fuel under recovery of almost \$40 million, **the LEAC was significantly decreased to \$0.231144 per kilowatt-hour, down from \$0.318576 per kilowatt-hour effective June 1, 2023 - January 31, 2024.** The savings equates to an estimated 21.01% decrease, which is approximately \$87.43 per month for the average residential power bill of

customers who utilize 1,000 kilowatt-hours per month. GPA remains committed to balancing the scale between energy affordability and operational excellence. (1.1.1 & 1.1.2)

- GPA is aggressively adding clean, affordable energy to its power generation portfolio. The state-of-the-art advanced combined cycle 180 MW Ukudu Power Plant, currently under construction, is designed to use either ultra-low sulfur diesel (ULSD) or liquefied natural gas (LNG) as its fuel sources allowing the plant to adapt to varying energy needs and environmental considerations with remarkable ease. The Ukudu power plant will also add a 25 MW battery storage energy system and use treated sewage water for its cooling system. Additional clean and renewable energy projects will soon be added to GPA's cost-conscious energy portfolio marking a significant leap toward Guam's environmental sustainability and energy security. (1.1.1, 1.1.2, 1.1.3, 1.1.4 & 2.2)

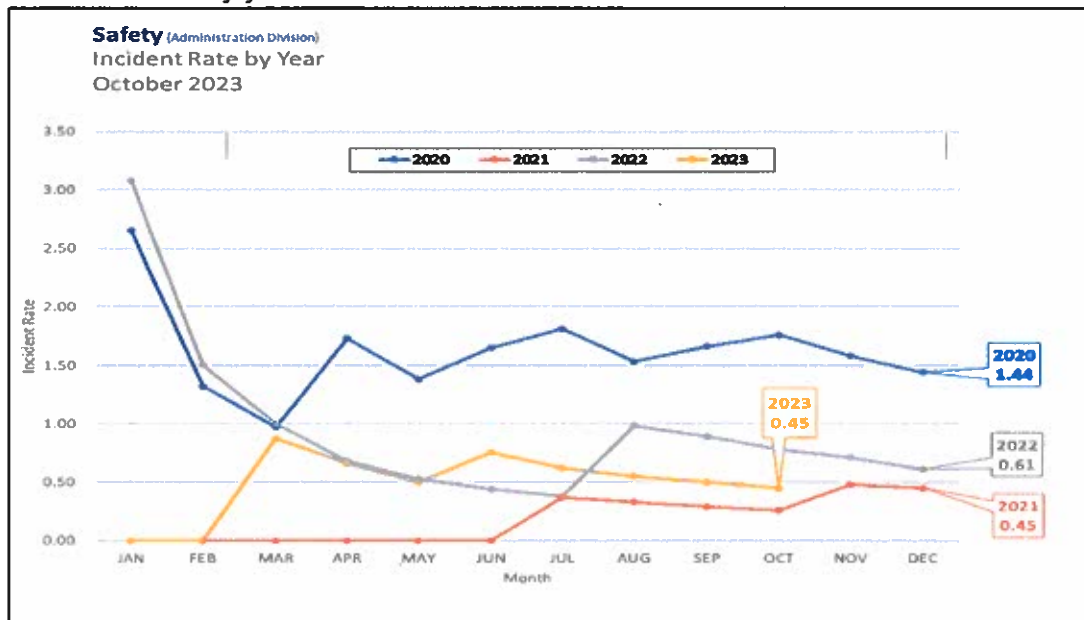
4. **Commitment to Workforce Development**

GPA continued its commitment to strengthen workforce development and took significant steps to expand training opportunities, enhance safety practices, and expand internship programs.

- **Transmission & Distribution Apprenticeship Program (32 Apprentices & budgeted for 7th cycle of 25 Apprentices) (3.1)**
 - GPA advanced the Transmission and Distribution (T&D) apprenticeships, offering aspiring technicians the chance to develop critical skills in maintaining and expanding electrical infrastructure. GPA understands that success is intricately tied to the skills, dedication, and safety-consciousness of its workforce. GPA continued its commitment to invest in its employees, provide training opportunities, and enhancing safety practices.
 - First time in GPA history, there are two apprenticeship cycles running concurrently with the 5th cycle consisting of 16 skilled workers graduated On October 27, 2023 and the 6th cycle of about 16 apprentices graduating in 2024.
 - GPA to begin accepting applications for the 7th cycle program this month to consist of about 25 Transmission and Distribution apprentices.
- **Plant Operator Maintenance Training Program Ongoing (18 Apprentices) (3.1)**
 - Plant Operator/Maintenance Mechanic Apprenticeship Training Program of 18 apprentices continues with a targeted graduation date of October 2024. This initiative is designed to offer aspiring professionals the opportunity to gain invaluable experience in power plant maintenance and operations over a three-year period. Through this program, GPA not only supports nurturing local talent but also promotes a skilled and capable workforce for the GPA's future.
- **Recruitment of Engineers (16 new engineers in two years) (3.1)**
 - GPA recruited 16 engineers over the past two years. Engineers from off-island universities and many recent graduates from the University of Guam Engineering Program. GPA is entity which may have the highest number of professional engineers on the island. However, development of young engineers is critical to sustainability of GPA's engineering needs (see below)

Engineer Recruitment		
Position	FY 2022	FY 2023
Engineer I	7	5
Engineer II	0	1
Engineer III	1	2
Totals:	8	8

- **Employee Service Awards (3.1.4)**
 - GPA to provide service awards to employees on November 30, 2023. Awards recognizes the number of service years' employee has had with the authority. Program was suspended for a few years due to COVID. Employee award programs are in the process of being revised and restarted again under the Human Resource Department.
- **Weekly Employee Newsletter (3.1.4)**
 - Human Resource Department began publishing weekly employee newsletters on October 4, 2023. Newsletter highlights activities of the workforce, promotions, new hires and other information directly related to employee news.
- **APPA Safety Award of Excellence (3.1.3)**
 - In recognition of GPA's unwavering commitment to safety, the Guam Power Authority proudly earned the American Public Power Association's (APPA) Safety Award of Excellence for safe operating practices in the qualifying year 2023. This prestigious award is a testament to the relentless pursuit of safety in the workplace, and recognizes the achievement of the GPA's commitment toward delivering safe, reliable, and quality electrical services. GPA achieved a remarkable second place award in the 'Group F' category, which includes utilities with 250,000 to 999,999 worker-hours of annual exposure. GPA has been receiving top honors for safety in almost every year since the CCU was established.



- **Expanding Intern Programs (3.1 & 3.1.1)**
 - GPA continued to expand internship programs in 2023. The cybersecurity internship, accounting internship and engineering internship programs, in particular, received continued attention and support emphasizing the investment into a skilled workforce for Guam.
 - GPA continue its succession planning through its U.S. Department of Labor certified Apprenticeship Program, and other programs to encourage professional engineering certification and information (IT) technology training and certification to avoid workforce shortfalls. GPA advanced the Transmission and Distribution (T&D) apprenticeships, offering aspiring technicians the chance to develop critical skills in maintaining and expanding electrical infrastructure. GPA understands that success is intricately tied to the skills, dedication, and safety-consciousness of its workforce.

GPA will continue its commitment to invest in its employees, provide training opportunities, and enhancing safety practices. First time in GPA history, there are two apprenticeship cycles running concurrently with the 5th cycle consisting of 16 skilled workers graduated On October 27, 2023 and the 6th cycle of about 16 apprentices graduating in 2024. GPA to begin accepting applications for the 7th cycle program this month to consist of about 25 Transmission and Distribution apprentices.

- **Labor Day recognition of employees (3.1.4)**
 - GPWA recognized its employees thru its sponsorship of Labor Day activities at the Ypao Beach Park this year after suspension of celebrations due to COVID. GPA and GWA team made this year's festivities very successful.
 - Recognized the hard work and dedication during the Typhoon Mawar restoration efforts by GPA employees and APPA mutual aid partners (CUC, PUC, SnoPUD).
- **Employee Compensation (3.1.1 & 3.2)**
 - Successfully Implemented the movement of the CTP compensation program to the 25 percentile of the 2017 compensation market survey.
 - Determined state of compensation of GPA CTP compensation program by completing the 2023 market survey in order to determine the compensation level for GPA to be competitive in retaining employees especially critical and skilled Labor. Survey is to be use to work with the CCU with to migrate compensation within GPA towards the 50th percentile of the market survey to avoid or minimize the outflow of expertise from GPA to other entities most especially the federal government who has being offering substantial salary and benefits in attracting our work force.
 - GPA has had quite of few employees retire most especially those in the DB plan. GPA continues to provide services despite retirements while continuing to implement succession planning efforts. GPA currently has about 422 employees which is down from 512 employees when I first took over GPA in 2014.

5. **Optimizing the Use of Technology**

GPA continued its commitment to embracing technological advancements to enhance its services and engage with customers more effectively. This dedication was exemplified through several key initiatives that showcased GPA's adaptability and commitment to innovation.

- **Online Applications for the Energy Sense Rebate Program (ESRP) (1.1.1, 1.1.4 & 2.6)**
 - GPA took significant steps towards enhancing customer convenience by launching online applications for the Energy Sense Rebate Program (ESRP). This development allowed both residential and commercial customers to effortlessly apply for rebates and conveniently track the status of their applications through a user-friendly online portal. This not only streamlined the process but also provided greater transparency and ease of access to the ESRP, strengthening GPA's commitment to energy efficiency.
 - The Demand Side Management Program (DSM) continues to be a success with over 600 applications being received monthly to help customers save energy and reduce tier power bills resulting in happier customers. The DSM program was expanded to Commercial and Government entities. The program now has a budget of about \$3M per year thru LEAC.
 - GPA is working on a load management program which would help reduce capacity and save customers money. Program is to utilize technology to shut off water heaters of consumers during peak times resulting in lower cost for the customers and all ratepayers
- **Digital Transformation (1.1.1, 1.1.4 & 2.6)**
 - Throughout the fiscal year, GPA continued the advancement of digital transformation that yielded new and improved ways of delivering services to its valued customers.

These digital advancements allowed for more efficient and responsive interactions, ultimately enhancing the overall customer experience

- **Launch of GPA's E-newsletter (4.3)**
 - GPA unveiled its E-newsletter, an informative and engaging resource designed to keep customers well-informed about the latest developments, initiatives, and tips related to energy consumption and conservation. This initiative demonstrated GPA's dedication to fostering a more informed and engaged customer base, ultimately promoting energy efficiency and sustainability within the community.
- **Advancement of Customer Service Tools (1.1.1, 1.1.4 & 3.1.4)**
 - GPA continued to advance the utilization of its PayGPA.com and MyEnergyGuam.com customer service tools. These digital platforms served as valuable resources for customers, empowering them with greater control over their energy consumption and billing, further solidifying GPA's commitment to facilitating customer engagement and satisfaction. E-communication with the utility continues to grow as a customer led trend. Account inquiries sent to customersfirst@gpagwa.com (residential accounts) and businessfirst@gpagwa.com (business accounts) offer a convenient account management option.
- **Cybersecurity (1.1.4 & 3.1.3)**
 - The Guam Power Authority (GPA), in collaboration with the U.S. Department of Energy's Office of Cybersecurity, Energy Security, and Emergency Response (CESER), and Idaho National Laboratory (INL), has successfully concluded a two-day Cyber Security Conference and Cyber Strike Training event geared toward IT/ OT professionals in government of Guam, federal government DOD, and other critical infrastructure agencies in October 2023. The conference offered invaluable insights into the world of cyber defense and critical infrastructure protection. The conference brought together a host of distinguished guests, industry experts, and government agencies to address the pressing issue of cyber security in the energy sector.
 - Centralized log monitoring in place with 3rd Party Security Analysis Team since 1st quarter of 2023.
 - Participation in the Department of Energy's CRISP Monitoring program
 - DHS CISA Vulnerability and Penetration Assessment completed 1st quarter 2023
 - Ongoing hardening of GPA's IT/OT Infrastructure
- **UOG Conference on Island Sustainability (CIS) - Guam Clean Energy Transition Track – Preconference (1.1.4 & 4.3)**
 - The Guam Clean Energy Transition Track had over 25+ on-island and off-island speakers presenting topics in the areas of *Laying out issues for a Clean Energy Transition, Transportation Electrification, Balance approach to Guam's Green Energy, Digital Transformation* and *Deeper Dive into policy and energy security*.
 - Clean Energy Master Plan Public Outreach;
 - Showcasing that GPA's Strategy includes a balanced approach of Renewable Energy, Energy Efficiency, Demand Response, Energy Storage, Artificial Intelligence, and emerging technologies;
 - Showcasing GPA's Energy Sense Program as a large part of the Clean Energy Transition with PUC mandated programs for energy efficiency, customer outreach, demand response, and EV charging;
 - Showcasing GPA's growing partnerships with the National Laboratories (PNNL, ANL, Sandia, LBNL, LLNL, NREL);

- Educating the Guam Public that GPA has been at the forefront of the renewable energy transition, far beyond the efforts of all other parties, and will be leading it over the next two decades;
- Educating key stakeholders on Battery Energy Storage System (BESS) technology state of the art and policy with Pacific Northwest National Laboratories (PNNL), including statements of GPA's policies;
- Showcasing, GPA's active involvement in the Guam Community, especially with Guam Public Schools;
- Getting a head start on GPA's Community Benefits Plan;
- Introducing the Guam Energy Security Plan Project to key stakeholders and policy makers;
- Getting a head start on a Guam100 with GPA partnering with NREL to drive a stakeholder based process for moving towards 100% clean energy.

6. **Superior Customer Service**

- **GPA successfully supported and implemented the *Prugraman Ayuda Para I Taotao-Ta* Energy Credit Program which provided \$100 monthly credits to ratepayers. (1.1.5)**
 - P.L. 36-106 July 2022 – November 2022
 - P.L. 36-123 December 2022 – April 2023
 - P.L. 37-16 May 2023 – September 2023
 - P.L. 37-49 October 2023 – December 2023
- **Robust Customer Engagement efforts (4.3)**
 - Ensure that all ratepayers receive regular communications about the Authority's activities, plans, and ratepayer account management tools including monitoring energy usage, energy efficiency, rebates, etc. Communication delivery is diversified (mail, email, social media, text) to meet customer convenience and preferences.
- **Strategic Partnership for Energy Efficiency (1.1.3)**
 - GPA has established a successful partnership with the Guam Energy Office for the We CARE, Guam Program. This initiative extends its support to low-income households by providing energy-saving equipment rebates beyond the Guam Energy Office's grant funding. GPA's dedication to the community is evident in its efforts to make energy efficiency accessible to all.
- **Transparency on all GPA operations and improved accuracy of public/media communications (4.3)**
 - In February 2023, GPA revealed its new and redesigned website constructed "with the customer in mind". The site allows for easier navigation, while the homepage offers convenient quick links to GPA customer service portals and online tools frequently used by customers. The redesign of the website was a direct result of GPA's customer service survey.
- **Customer Focused-Convenience (4.3)**
 - GPA expanded its e-customer services providing greater convenience. PayGPA.com offers customers the 24/7 ease of updating key contact information and downloading energy statements.
 - Additionally, initiating account changes or services is as easy as sending an email to customersfirst@gpagwa.com. These practical, convenient customer service solutions are the latest in GPA's continuous focus on you - our customer.
- **Co-hosting the Guam Energy Expo (1.2.1 & 4.3)**

GPA, in collaboration with key partners, co-hosted the Guam Energy Expo. This event played a pivotal role in assisting customers in managing their power bills while providing

comprehensive outreach on GPA's energy efficiency programs. These programs include the Energy Sense Energy Efficient Appliance Rebate Program, the Utility Energy Services Contracting Program, the BEST Schools Program, and the We CARE, Guam! Program. Through informative engagement, GPA ensures that customers are well-informed and empowered to make sustainable choices.

- **APPA Communications Award of Excellence (4.3)**
 - Earned recognition with the American Public Power Association's Excellence in Public Power Communications Awards in both the Print/Digital and Social/Web categories. These awards exemplify GPA's commitment to customers by fostering transparent and effective communication, ultimately enhancing the customer experience.

7. **Community-Powered Commitment**

As an integral part of the community it serves, the Guam Power Authority (GPA) remains steadfast in its mission to give back and enrich the lives of those it serves. Guided by the ethos of "power to serve" and "community powered," GPA actively sought opportunities for outreach and engagement with residents throughout 2023. Here are some highlights of GPA's outreach efforts:

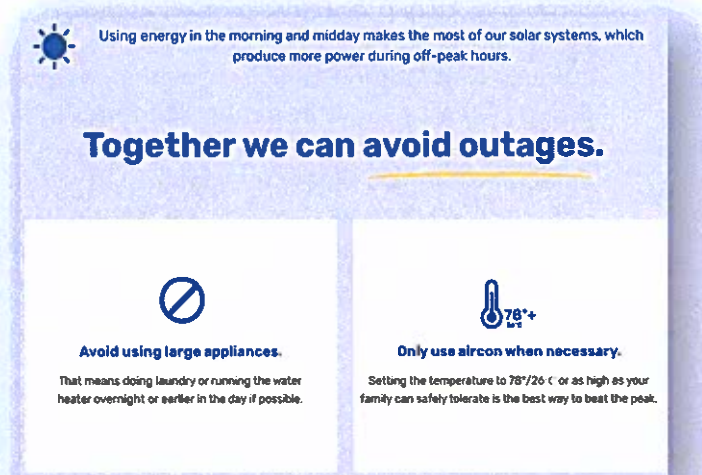
- **Empowering Energy Conservation with the Guam Energy Office (1.1.1 & 4.3)**
 - GPA also actively engages with the Guam Energy Office, which plays a pivotal role in promoting energy conservation, enhancing energy efficiency, and advancing renewable energy programs and practices across the island.
 - Through grants awarded by the U.S. Department of Energy State Energy Program (SEP) and the American Reinvestment and Recovery Act (ARRA), the Guam Energy Office supports energy efficiency initiatives. This includes providing technical assistance to consumers and businesses, facilitating cost-effective energy efficiency solutions, and offering rebates for electric vehicles. Furthermore, they are dedicated to reducing energy costs for eligible low-income households.
- **Community Engagement and Outreach (4.3)**
 - In addition to these strategic partnerships, GPA's commitment to community-powered initiatives extends to various engagement and outreach support and activities:
 - ✓ Education Initiatives - GPA actively participated in local schools' Career Day, engaging students in discussions about the importance of energy conservation through STEM programs, presentations, and contests.
 - ✓ Community Support - GPA partnered with local organizations like Catholic Social Service and Guam Special Olympics, demonstrating its commitment to the well-being of the community's most vulnerable members. We support help these organizations fill their food pantries and replenish their supplies. GPA also assisted Special Olympics Guam through much needed donations and employees volunteering their time during weekends to assist with sports events! Our goal is to help these organizations with the services they bring to the public and aid them in giving back to the community, and enable the spirit of giving and teamwork through volunteerism.

8. Action Plan for Capacity Recovery over the next few months in order to mitigate load shedding as commissioning of the new Ukudu Power Plant is completed by January 2026

- **Emergency Generation Capacity Work in Progress (1.1.1, 1.2.1 & 4.3)**

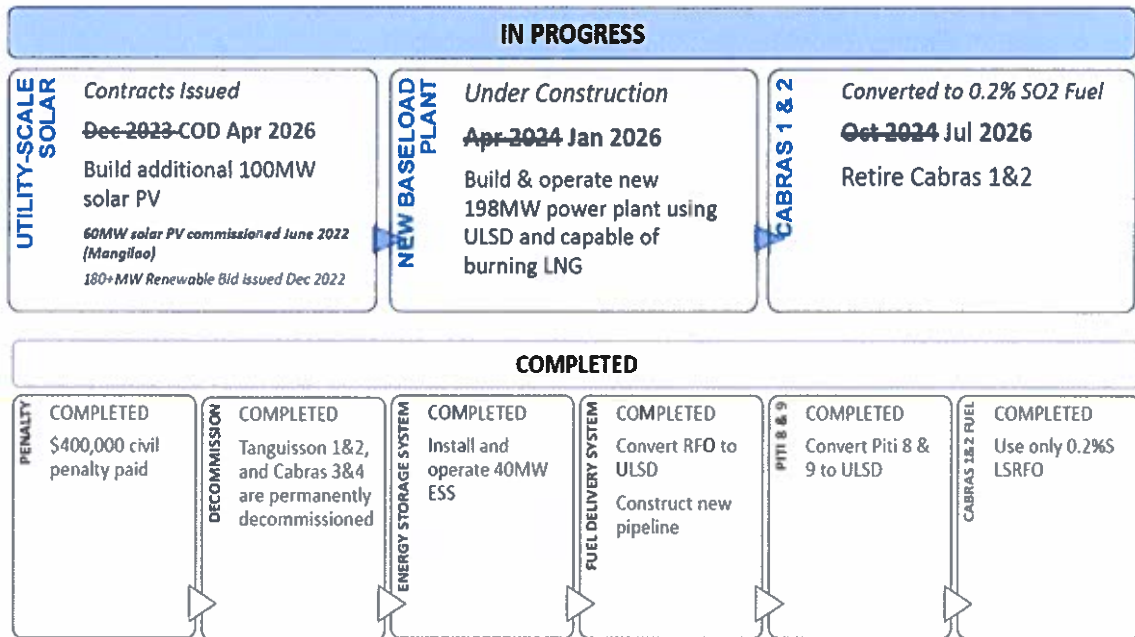
24-Oct-23			
Action Plan: (In-House Units):	Status	Comments	MW Capacity Increase Target
Return to Service Cabras 1	Done: Operating @ 41 MW	Capacity to be increase in December 2023	9
Return to Service Cabras 2	Done: Operating @ 31 MW	Repair work to increase capacity and reliability by February 2024	14
Piti 8 Preventive Maintenance (PM)	Done: Full Capacity of 43 MW	Catch up on delayed maintenance	
Piti 9 Preventive Maintenance (PM)	Scheduled for Oct 27, 2023; @ 43 MW Cap.	Catch up on delayed maintenance	
Piti 7 Maintenance	Repair & PM to be schedule for Nov. 2023	Increase current capacity of 22 MW to 31 MW	9
Yigo 20 MW CT Return to Service	Combustion Turbine and Generator repair	Rotor in Texas for complete rewinding; earliest completion update February 2024	20
Yigo Diesel PMC bid	Administrative work in Progress	Attempt to lift procurement stay continues; most likely requires legislation	25
Wartsila Control Upgrade	Administrative work in Progress	Control system repair or replacement	6
Caterpillar Units Repair	Administrative work in Progress	Various Repairs including turbocharges and modification of plant air system	20
MW Capacity Increase Targeted			103
Action Plan: (Outside Contracts):			
Interruptible Load Program	Administrative work in Progress	Program participants and Navy assistance totals about 16 MW	
Temporary Power Solicitation	Specifications nearly complete	Petion to be filed with PUC this Month Oct. 2023	40
Talofofo Energy Storage System (ESS)	Administrative work in Progress	Allow shifting of 16 MWH from daytime to Peak Time @ 4MW for 4 Hours	4
KMS ESS	Administrative work in Progress	Allow shifting of 24 MWH from daytime to Peak Time @ 6MW for 4 Hours	6
MW Capacity Increase Targeted			50
Total Capacity Under Pursuit			153

- **Media campaign “BEAT THE PEAK” has been launched asking customers to help reduce load shedding while lowering their energy bill (1.1.1, 1.1.2 & 4.3)**
 - Shut off water heaters during peak times; lower their water heater temperature setting
 - Shut one or more air conditioners off during emergency load shedding periods
 - Government employees, schools and businesses to place their air conditioning thermostats at 75 degrees or higher after work; shut down air conditioners if possible



- **Long-Term Generation Capacity in Progress:**
 - Phase IV Renewables Bid (1.1.1, 1.1.2, 1.1.3 & 1.1.4)
 - ✓ Bids from five (5) proponents were received on November 6, 2023. Both technical and price proposals were submitted. Technical evaluations have begun with a targeted completion of early December. Price proposals opening anticipated for some time in December
 - ✓ This bid requests 180MW+ of renewable energy with energy shifting systems which would shift at least 50% energy production from daytime supply to nighttime supply to meet peak and reduce conventional unit production.
 - ✓ Commissioning may take about 3 years from CCU & PUC approvals.
 - ✓ The energy storage systems will help increase GPA's generation capability at peak time substantially.
 - Hanwha 60 MW Solar PV Plant (1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5, 1.2.1, 2.4, 4.1, 4.2 & 4.3)
 - ✓ GPA had noted completion of this contract which was awarded in 2018 was tenuous due to huge escalation in transmission cost and have been working with contractor for an acceptable solution in order to meet the USEPA consent decree requirements.
 - ✓ Resolution to amend this contract was passed by the CCU and has been sent to the PUC for review and approval. A decision is anticipated in January 2024.
 - Virtual Power Plant Bid (1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5, 1.2.1, 2.4, 4.1, 4.2 & 4.3)
 - ✓ Engineering technical analysis and work on bid specifications are ongoing. Team is analyzing best way to integrate smaller-sized renewable capacity into the grid.
 - ✓ This bid is considering 20 MW capacity as the initial pilot bid.
- **Dockets successfully approved by Public Utilities Commission (1.2.1, 1.5, 4.1, 4.2, 4.3 & 4.4)**
 - GPA Docket 24-01, Petition to Approve and Authorize GPA to Award Property Insurance –
 - GPA Docket 24-02, Petition to Approve and Authorize GPA to Award Casualty Insurance
 - GPA Docket 23-19: Petition to Extend the Performance Management Contract for Cabras 1 & 2
 - GPA Docket 23-20, Petition to Procure a Hot Section Exchange & Generation Repair for Yigo CT -
 - GPA Docket 23-21, Petition to Approve the Purchases of Bucket Trucks
 - GPA Docket 23-09, Petition Requesting Approval to Adjust the Power Pole Attachment Rate
 - GPA Docket 23-15, Petition for Approval to Increase the Amount of Award for GPA's Physical Security Proof of Concept
 - GPA Docket 23-20, Petition to Procure a Hot Section Exchange & Generation Repair for Yigo
 - GPA Docket 23-06, LEAC Filing, Authorizing the Management of the Guam Power Authority to Petition the Guam Public Utilities Commission to Maintain the Levelized Energy Adjustment Clause (LEAC) for the Period from February 1, 2023 to July 31, 2023
 - GPA Docket 23-04, Filing of Approved Contracts and Obligations for FY2022
 - GPA Docket 23-05, Petition for Approval of Extension of the ULSD Tank Lease Agreement with TriStar
 - GPA Docket 23-02, Petition for Contract Review Relative to the Approval of Engineering, Procurement and Construction Management (EPCM) Contract with Stanley Consultants, Inc.
 - GPA Docket 23-03, Petition for Contract Review Relative to Authorization of Guam Power Authority to Award Property Insurance
 - GPA Docket 23-07, Petition for Contract Review for the Cancellation of the Cabras 41MW Reserve Facility and Modification of the Energy Conversion Agreement

- GPA Docket 23-10 Petition for Contract Review, Request for approval of the procurement of Property Insurance including Boiler and Machinery Coverage and Terrorism Coverage
- GPA Docket 23-12, Petition for Review and Approval of GPA's Request for Procurement of the Bulk Supply of Diesel Fuel Oil
- GPA Docket 23-11, Petition for Review and Approval of the Piti 8 & 9 Contract Extension with Marianas Energy Company
- GPA Docket 23-13, Petition to Approve the Month-Month Extension for Professional Printing, Mailing, and Processing Services
- GPA Docket 23-17, Liquefied Natural Gas Study
- GPA Docket 23-13,
- GPA Docket 23-13,
- GPA Docket 23-13
- **Presentations made through the period (1.5, 4.3 & 4.4):**
 - Rear Admiral (JRM-DOD)
 - Guam Contractors Association (May 2023)
 - Guam Contractors Association (Oct 2023)
 - Guam Chamber of Commerce
 - Society of American Military Engineers
 - Air Force Under Secretary
 - Office of Secretary of Defense
 - Department of Defense Key Staff
 - NAVFAC Guam
 - MIT Team – Congressional Auditor
 - USEPA Consent Decree Representatives
 - USEPA Region IX Administrator
 - OLDCC Team
 - FEMA
 - Air Force Office of Energy Assurance
 - Office of the Secretary of Defense, Cost Assessment & Program Evaluations Team
 - UOG Sustainability Conference
 - Congressman Moylan Staff
 - Regular presentations to Governor and LT Governor
 - Briefing of Senator Parkinson, Legislative Oversight Chairman
 - Legislature Committee of the Whole
 - Monthly CCU Meetings
 - Employee Briefings
- **Consent Decree Activities (1.1.5)**
 - Complied with reporting requirements
 - Successfully complied with the requirement to insure Cabras Power Plant burned 0.2%LSRFO no later than December 31, 2023. GPA has successfully reduced sulfur emissions by 99% and is now compliant with new ambient air quality standards in effect in April 2023
 - Informed USEPA of delay of Ukudu construction to a new date of January 2026 due to Typhoon Mawar and working with them to adjust decree requirements.



- **Typhoon Mawar Recovery (1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.2.1, 1.3.2, 1.5, 2.4, 2.6, 3.1.3, 4.2 & 4.3)**
 - Quickest recovery from category 4/5 typhoon (50 days including streetlights)
 - Systematic Recovery conducted thru several phases
 - Regular and consistent notification to public of progress and plans
 - Requested and received FEMA assistance as necessary
 - Integrated public power and pacific power line crews seamlessly to assist in expediting the recovery process
 - Tracked expenses and damages to insure FEMA reimbursement
 - Worked well with GovGuam and NAVFAC in the recovery efforts
 - Maintained power without any interruption to AAFB throughout the storm.
 - Restored GMH and customers on underground system in Tumon Bay within first day after storm
 - Had adequate inventory to cover all damages including transformers, poles, cross arms, insulators, wires and etc.
 - Maintained adequate bucket trucks throughout restoration.
 - Insured No one was seriously hurt during the recovery
 - Continue to satisfy FEMA's documentation requirement for reimbursement.
 - Submitted \$6.4B mitigation plan for consideration. After Typhoon Mawar, proposed that it would take about \$6.4 billion dollars to fully implement an underground power system on Guam (currently, 25% of customers receive power through underground lines). This information was presented to the CCU Board, legislature, and at local conferences. Full implementation of an underground power system will expedite the restoration process after a major typhoon, where it took 50 days to restore 99% of the Guam's power after Typhoon Mawar. I have taken the opportunity to brief these needs to all federal and military entities which visited GPA this past year.

- **APPA Award Received (4.3 & 4.4):**
 - Smart Energy Provider (SEP) program designation
 - American Public Power Association's Excellence in Public Power Communications Awards in both the Print/Digital and Social/Web categories.
 - 2nd Place Safety Award
 - APPA *James D. Donovan Individual Achievement Award* Received in June 2023

American Public Power Association
June 27 · 🌐

Congratulations to John M. Benavente, P.E., General Manager, **Guam Power Authority**, recipient of APPA's James D. Donovan Individual Achievement Award recognizing those who have made substantial contributions to the electric utility industry, with a special commitment to #PublicPower. <https://ow.ly/olBH50OXmqj>

Congratulations to John M. Benavente
recipient of the 2023 James D. Donovan Individual Achievement Award

#PublicPower

AMERICAN PUBLIC POWER ASSOCIATION
Creating Strong Communities