

Re: Messages & Communications Doc. No. 38GL-26-3025 through 3028.

From Guam Legislature Clerks <clerks@guamlegislature.gov>  
Date Thu 10/15/2026 12:02 PM  
To 38th Committee On Rules <committeeonrules@guamlegislature.gov>

Håfa Adai,  
Received, and thank you.



**Elijah Untalan**  
**Clerks Office**  
*I Mina'trentai Ocho na Liheslaturan Guåhan*  
Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910  
Voice: (671) 472-3465/3460 Fax: (671) 472-3524  
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Thank you

From: 38th Committee On Rules <committeeonrules@guamlegislature.gov>  
Sent: Thursday, October 15, 2026 11:54 AM  
To: Guam Legislature Clerks <clerks@guamlegislature.gov>  
Cc: Frank Blas Jr. <speakerblas@guamlegislature.gov>  
Subject: Messages & Communications Doc. No. 38GL-26-3025 through 3028.

Håfa Adai Clerks Office,  
Please see attached, **Messages & Communications Doc. No. 38GL-26-3025 through 3028** for processing:

|   |              |                                                           |                                                                                                                                                       |
|---|--------------|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| ✓ | 38GL-26-3025 | Office of the Mayor - Municipality of Mongmong-Toto-Maite | FY2026 Appropriated Funds (VOMBS-GF- GEFF) Account for 4th Quarter and FY2026 4th Quarter Report for MCOG Operations (GF) and MCOG Supplemental (GF)* |
| ✓ | 38GL-26-3026 | Consolidated Commission on Utilities                      | Regular Board Meeting Packet for October 6, 2026*                                                                                                     |
| ✓ | 38GL-26-3027 | Office of the Mayor - Municipality of Chalan Pago-Ordot   | FY2026 Non-Appropriated Funds Report- 4th Quarter*                                                                                                    |
| ✓ | 38GL-26-3028 | Guam Economic Development Authority                       | Unaudited Statement of Revenue and Expense Reports for the period ending August 31, 2026*                                                             |

Kindly reply to this email.



*Si Yu'os ma'åse',*  
**Marie Crisostomo**  
Committee on Rules Assistant  
**COMMITTEE ON RULES**  
Vice Speaker V. Anthony Ada, Chairperson  
*I Mina'trentai Ocho Na Liheslaturan Guåhan*  
*38<sup>th</sup> Guam Legislature*

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**Messages and Communications 38GL-26-3026\***

2 messages

**Speaker Frank Blas Jr.** <speakerblas@guamlegislature.gov>

Wed, Oct 14, 2026 at 2:28 PM

To: 38th Committee On Rules &lt;committeeonrules@guamlegislature.gov&gt;, Sabrina Salas Matanane &lt;office.senatorbri@guamlegislature.gov&gt;

*Håfa adai,*

Please see attached M&amp;C Doc. No. 38GL-26-3026

|              |                                      |                                                   |
|--------------|--------------------------------------|---------------------------------------------------|
| 38GL-26-3026 | Consolidated Commission on Utilities | Regular Board Meeting Packet for October 6, 2026* |
|--------------|--------------------------------------|---------------------------------------------------|

*Si Yu'os Ma'åse'**Bernice Rivera*

Administrative Assistant

**Office of Speaker Frank F. Blas, Jr.**I Mina'trentai Ocho na Liheslaturan Guåhan 38<sup>th</sup> Guam Legislature

Guam Congress Building, 163 Chalan Santo Papa, Hagatña

(671)969-6456

[speakerblas@guamlegislature.gov](mailto:speakerblas@guamlegislature.gov)

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----- Forwarded message -----

From: **Lourissa Gilman** <[lgilman@gpagwa.com](mailto:lgilman@gpagwa.com)>

Date: Wed, Oct 14, 2026 at 10:22 AM

Subject: Board Book: CCU Regular Meeting, October 6, 2026

To: [Governor@guam.gov](mailto:Governor@guam.gov) <[Governor@guam.gov](mailto:Governor@guam.gov)>, [speakerblas@guamlegislature.gov](mailto:speakerblas@guamlegislature.gov) <[speakerblas@guamlegislature.gov](mailto:speakerblas@guamlegislature.gov)>Cc: [jessica.cruz@guam.gov](mailto:jessica.cruz@guam.gov) <[jessica.cruz@guam.gov](mailto:jessica.cruz@guam.gov)>

Governor Leon Guerrero and Speaker Blas,

Buenas and Hafa Adai!

Please see attached board book for the CCU Regular Meeting on October 6, 2026.

Kindly acknowledge receipt of board book for the CCU regular meeting on Oct. 6th. Thank you.

Regards,

Lourissa Gilman

Utility Board Secretary

Consolidated Commission on Utilities

Tel: (671) 648-3002

Fax: (671) 648-3290

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**2 attachments**

 **Board Book CCU Regular Meeting 10-06-26 (final).pdf**  
3131K

 **38GL-26-3026.pdf**  
1120K

**38th Committee On Rules** <committeeonrules@guamlegislature.gov>  
To: "Speaker Frank Blas Jr." <speakerblas@guamlegislature.gov>

Thu, Oct 15, 2026 at 9:33 AM

*Håfa Adai,*

Received, and thank you.



*Si Yu'os ma'åse',*

Marie Crisostomo

Committee on Rules Assistant

**COMMITTEE ON RULES**

Vice Speaker V. Anthony Ada, Chairperson

*I Mina'trentai Ocho Na Liheslaturan Guåhan*

*38<sup>th</sup> Guam Legislature*

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Speaker Frank Blas Jr. &lt;speakerblas@guamlegislature.gov&gt;

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**Board Book: CCU Regular Meeting, October 6, 2026**

2 messages

**Lourissa Gilman** <lgilman@gpagwa.com>

Wed, Oct 14, 2026 at 10:23 AM

To: "Governor@guam.gov" &lt;Governor@guam.gov&gt;, "speakerblas@guamlegislature.gov"

&lt;speakerblas@guamlegislature.gov&gt;

Cc: "jessica.cruz@guam.gov" &lt;jessica.cruz@guam.gov&gt;

Governor Leon Guerrero and Speaker Blas,

Buenas and Hafa Adai!

Please see attached board book for the CCU Regular Meeting on October 6, 2026.

Kindly acknowledge receipt of board book for the CCU regular meeting on Oct. 6th. Thank you.

Regards,

Lourissa Gilman  
Utility Board Secretary  
Consolidated Commission on Utilities  
Tel: (671) 648-3002  
Fax: (671) 648-3290

Doc Type: 38GL-26-3026  
OFFICE OF THE SPEAKER  
FRANK F. BLAS, JR.

October 14, 2026

Time: 10:23 AM

Received: 

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**Speaker Frank Blas Jr.** <speakerblas@guamlegislature.gov>

Wed, Oct 14, 2026 at 10:24 AM

To: Lourissa Gilman &lt;lgilman@gpagwa.com&gt;

Cc: "Governor@guam.gov" &lt;Governor@guam.gov&gt;, "jessica.cruz@guam.gov" &lt;jessica.cruz@guam.gov&gt;

Hafa Adai,

Confirming receipt of your email.

*Si Yu'os Ma'åse'**Bernice Rivera*

Administrative Assistant



## Office of Speaker Frank F. Blas, Jr.

I Mina'trentai Ocho na Liheslaturan Guåhan 38<sup>th</sup> Guam Legislature

Guam Congress Building, 163 Chalan Santo Papa, Hagatña

(671)969-6456

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

**REGULAR BOARD MEETING**  
**CCU Conference Room, Gloria B. Nelson Public Service Building**  
**8:30 a.m., Tuesday, October 06, 2026**

**AGENDA**

1. **CALL TO ORDER**
2. **PUBLIC COMMENTS** (Limit to 2 Minutes)
3. **GPA**
  - 3.1. [GPA Resolution No. FY2027-01 Relative to Authorize the Management of Guam Power Authority to Award Line of Credit Facility for Fuel Purchases to Coast360 Federal Credit Union](#)
  - 3.2. [GPA Resolution No. FY2027-02 Relative to Authorize the Management of Guam Power Authority to Award Term Loan Facility for Fuel Purchases to Bank of America](#)
  - 3.3. [GPA Resolution No. FY2027-03 Relative to Authorize the Management of Guam Power Authority to Award Line of Credit Facility for Fuel Purchases to Bank of Guam](#)
4. **GWA**
  - 4.1. [GWA Resolution No. 01-FY2027 Relative to Authorizing GWA to Procure Property, General Liability, Cyber Liability, and Other Insurance Services](#)
5. **ANNOUNCEMENT**
  - 5.1. Next CCU Meetings: GWA Work Session, Tuesday, October 20, 2026, 8:30 a.m.  
GPA Work Session, Thursday, October 22, 2026, 8:30 a.m.  
CCU Regular Meeting, Tuesday, October 27, 2026, 5:30 p.m.
6. **ADJOURNMENT**



**38GL-26-3026**  
Messages and Communications

**RECEIVED**  
COMMITTEE ON RULES  
October 14, 2026

2:28 p.m.  
*Marie Crisostomo*

# GM INTERIM REPORT

*Regular sections of the GM Report will be available at the subsequent October Work Session and CCU Meeting on October 22 & 27, 2026.*



# Update on Fuel Purchases & LEAC



CCU Regular Monthly Meeting | October 6, 2026



2



# LEAC UPDATE

## October 6, 2026

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Prepared for the Consolidated Commission on Utilities



## Fuel Purchases

Barrels, unit cost, and total fuel-related outlays

|                     | Oct'26 | Nov   | Dec   | Jan'27 | Feb   | Mar   | Apr   | May   | Jun   | Jul   |
|---------------------|--------|-------|-------|--------|-------|-------|-------|-------|-------|-------|
| <b>Barrels</b>      | 250k   | 49k   | 250k  | 250k   | —     | 250k  | 250k  | 250k  | 0     | 250k  |
| <b>\$ / barrel</b>  | \$185  | \$185 | \$171 | \$159  | \$159 | \$159 | \$145 | \$145 | \$145 | \$145 |
| <b>Amount (\$M)</b> | 46.3   | 9.0   | 42.8  | 39.8   | 0     | 39.8  | 36.2  | 36.2  | 0     | 36.2  |



**LEAC RECOVERY PROJECTIONS | Oct-26 to Jul-27**

|                                           | Oct-26               | Nov-26               | Dec-26               | Jan-27               | Feb-27               | Mar-27               | Apr-27               | May-27               | Jun-27               | Jul-27               |
|-------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>TOTAL REQUIRED GENERATION (kWh)</b>    | 142,925,580          | 144,642,530          | 144,754,303          | 143,009,927          | 127,154,054          | 136,543,635          | 136,543,635          | 153,501,225          | 153,497,825          | 147,095,331          |
| <b>TOTAL LEAC EXPENSE</b>                 | \$33,428,828         | \$34,097,521         | \$34,067,321         | \$31,279,259         | \$26,498,790         | \$27,965,681         | \$28,109,784         | \$29,058,486         | \$29,204,042         | \$27,641,192         |
| <b>Total Recovery</b>                     | \$37,068,522         | \$37,574,725         | \$37,590,867         | \$36,595,798         | \$32,239,089         | \$34,508,062         | \$34,540,917         | \$38,250,969         | \$38,283,455         | \$36,608,029         |
| <b>Civilian Costs (Total Expense × %)</b> | \$29,446,749         | \$29,800,490         | \$29,823,518         | \$29,464,127         | \$26,197,365         | \$28,131,886         | \$28,131,886         | \$31,625,634         | \$31,624,933         | \$30,305,837         |
|                                           |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Under / (Over)</b>                     | <b>\$(3,639,694)</b> | <b>\$(3,477,204)</b> | <b>\$(3,523,546)</b> | <b>\$(5,316,539)</b> | <b>\$(5,740,299)</b> | <b>\$(6,542,380)</b> | <b>\$(6,431,133)</b> | <b>\$(9,192,483)</b> | <b>\$(9,079,413)</b> | <b>\$(8,966,837)</b> |
|                                           |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Closing Recovery Balance</b>           | \$54,022,344         | \$50,545,140         | \$47,021,594         | \$41,705,055         | \$35,964,756         | \$29,422,375         | \$22,991,243         | \$13,798,760         | \$4,719,347          | <b>\$(4,247,489)</b> |



**PROJECTED CASHFLOW | Oct-26 to Jul-27**

| Metric                 | Oct-26       | Nov-26       | Dec-26        | Jan-27        | Feb-27       | Mar-27         | Apr-27        | May-27        | Jun-27        | Jul-27        |
|------------------------|--------------|--------------|---------------|---------------|--------------|----------------|---------------|---------------|---------------|---------------|
| LEAC RATE (\$/kWh)     | \$0.28271    | \$0.28271    | \$0.28271     | \$0.28271     | \$0.28271    | \$0.28271      | \$0.28271     | \$0.28271     | \$0.28271     | \$0.28271     |
| Sales – Civilian (kWh) | 104,159,589  | 105,410,847  | 105,492,304   | 104,221,058   | 92,665,806   | 99,508,632     | 99,508,632    | 111,866,781   | 111,864,303   | 107,198,370   |
| CIVILIAN REVENUE       | \$29,446,749 | \$29,800,490 | \$29,823,518  | \$29,464,127  | \$26,197,365 | \$28,131,886   | \$28,131,886  | \$31,625,634  | \$31,624,933  | \$30,305,837  |
| NAVY REVENUE           | \$7,621,773  | \$7,774,235  | \$7,767,349   | \$7,131,671   | \$6,041,724  | \$6,376,175    | \$6,409,031   | \$6,625,335   | \$6,658,522   | \$6,302,192   |
| TOTAL REVENUE          | \$37,068,522 | \$37,574,725 | \$37,590,867  | \$36,595,798  | \$32,239,089 | \$34,508,062   | \$34,540,917  | \$38,250,969  | \$38,283,455  | \$36,608,029  |
| PAYMENT DUE (Fuel)     | \$47,972,476 | \$10,746,753 | \$44,557,283  | \$41,473,588  | \$1,688,185  | \$41,819,419   | \$37,869,237  | \$38,013,340  | \$2,230,093   | \$38,528,744  |
| LOC – Draw Down        | \$32,500,000 | —            | —             | —             | —            | —              | —             | —             | —             | —             |
| LOC Principal          | —            | \$2,625,561  | \$2,640,331   | \$2,655,183   | \$2,670,119  | \$2,685,138    | \$2,700,242   | \$2,715,431   | \$2,730,705   | \$2,746,065   |
| LOC Interest           | —            | \$182,813    | \$168,044     | \$153,192     | \$138,256    | \$123,237      | \$108,133     | \$92,944      | \$77,670      | \$62,310      |
| LOC Payment (Total)    | —            | \$2,808,373  | \$2,808,375   | \$2,808,375   | \$2,808,375  | \$2,808,375    | \$2,808,375   | \$2,808,375   | \$2,808,375   | \$2,808,375   |
| Net Cash Flow          | \$21,596,046 | \$24,019,599 | \$(9,774,740) | \$(7,686,165) | \$27,742,529 | \$(10,119,733) | \$(6,136,695) | \$(2,570,746) | \$33,244,987  | \$(4,729,090) |
| Cash, Ending           | \$57,842,306 | \$81,861,905 | \$72,087,164  | \$64,400,999  | \$92,143,528 | \$82,023,795   | \$75,887,101  | \$73,316,355  | \$106,561,342 | \$101,892,251 |



# Significant Events/Actions September 2026



CCU Regular Monthly Meeting | October 6, 2026



7

# General Manager's Report

## Significant Events/Action in September 2025

### LEAC Decision

*September 17, 2026*

- New Interim Rate: \$0.282708 per kWh – an increase of about 8.9 cents per kWh effective October 1, 2026 through January 31, 2027.
- PUC approved an interim LEAC rate citing rising global fuel and oil prices driven by international energy disruptions.

### Insurance Presentations

*September 14-18, 2026*

- GPA General Manager presented up-to-date utility information to several global insurance companies gathered in London
- The meeting was critical to secure affordable coverage, manage escalating risk, and ensure insurance service continuity.
- The presentations are available in this report

### Federal Convening

*September 21-25, 2026*

- GPA General Manager presented the Authority's key infrastructure projects that mitigate the impact of the DoW buildup on the islandwide power system and ensure DoW mission readiness.
- The federal convening with Guam and CNMI governments was organized by DoW's OLDCC.
- The presentation is available in this report



# GPA Presentation to Global Insurance Companies



CCU Regular Monthly Meeting | October 6, 2026



9

# Guam Power Authority

Risk Profile

Resilience

Financial Capacity

Loss Mitigation

September 2026

# Agenda

## Overview

01



### Insured Profile & Asset Base

Scale, generation, T&D, and key exposures

02



### Catastrophe & Operational Risk

Typhoon exposure, grid hardening, recent events

03



### Disaster Preparedness & Response

Inventory, mutual aid, restoration, FEMA

04



### Cyber Risk & Controls

Current posture, partnerships, and coverage

05



### Financial Strength & Self-Insurance

DSC, revenues, self-insurance, receivables

06



### Key Mitigants & Summary

Underwriting considerations and risk narrative

# The Island of Guam

U.S. territory and strategic Western Pacific hub



Island of Guam — Western Pacific

**212**

sq mi land area

**167k**

Population (2024)

**\$6.9B**

GDP (2022)

**U.S.**

Citizenship

## Strategic Role

Guam is an unincorporated U.S. territory and a critical military post in the Western Pacific. Proximity to Asia drives tourism and a diverse population. Single-level government (no cities or counties). GPA is the sole electricity provider for the island.

## Insured Profile — GPA at a Glance

Sole electricity provider for the island of Guam



**53,696**

**Customers**

FY 2025



**\$793M**

**Total Assets**

Book value



**514.7 MW**

**Installed Capacity**

Conv. + Renewable



**1,854 mi**

**T&D Lines**

Island-wide



**30**

**Substations**

14 indoor / 16 outdoor



**\$501M**

**Annual Revenues**

FY 2025



**266 MW**

**Peak Demand**

System peak



**1.5x**

**Senior Lien DSC**

FY 2025

# Key Asset & Generation Exposure

Primary generating units and ownership structure



GPA Generation Facilities



Renewable & Solar Assets

**429.4 MW**

Conventional

**85.3 MW**

Renewable

**198 MW**

Ukudu CC (2025)

| Category     | Unit / Project                    | Owner / Operator        | MW   |
|--------------|-----------------------------------|-------------------------|------|
| Base Load    | Ukudu Combined Cycle              | KEPCO IPP               | 198  |
| Base Load    | Piti Units 8 & 9                  | GPA / MEC               | 86.4 |
| Intermediate | CT Plants (4 sites)               | GPA                     | 120  |
| Peaking      | Diesel Units (9)                  | GPA                     | 25   |
| Renewable    | Dandan + Marbo Solar+Wind Turbine | GlidePath + KEPCO + GPA | 85.3 |

# Catastrophe Risk — Typhoon Exposure

Primary natural hazard for an island utility



Hardened T&D — 170 mph rated poles

## Exposure Context

- ▶ Western Pacific typhoon belt
- ▶ Sustained winds can exceed 150+ mph
- ▶ Design standard: 170 mph sustained wind
- ▶ >99% of 33,767 poles are steel or concrete
- ▶ Two typhoons in 2026 tested the system

## Undergrounding

60%+ of key business areas on underground transmission; ~25% of customers have underground secondary

## Indoor Substations

14 of 30 substations converted to indoor type; program ongoing

## Smart Grid

AMI system-wide; SCADA at GBN Facility; substation automation

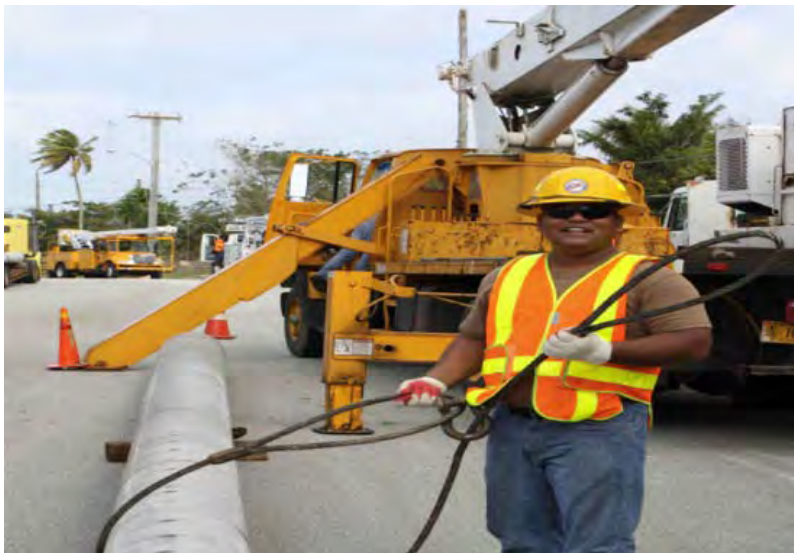
## Recent Events — 2026 Typhoon Recoveries

Demonstrated operational resilience under stress



### Recovery from two typhoons in 2026 showcased GPA resilience

Structured restoration, pre-positioned inventory, mutual aid, and experienced crews enabled orderly recovery.



GPA field crews in action

1

#### Transmission & Substations

Restore lines; energize substations

2

#### Primary Feeders

Restore 67 feeders; isolate damage

3

#### Major Laterals

Restore isolated major laterals

4

#### Secondary & Services

Transformers, weather heads, streetlights

## Disaster Preparedness Measures

People, equipment, inventory, and logistics



### Material

- Self-Insurance Fund
- 5,012 line items
- \$15M inventory on island



### Equipment

- 35 bucket trucks + support
- Diggers, cranes, heavy equip.
- Contracted private assets



### Manpower

- 100+ T&D personnel
- 120 Generation staff
- 470 company-wide



### Logistics

- Mutual aid agreements
- FEMA reimbursement team
- Lodging, meals, transport



### Key Underwriting Point

GPA maintains a self-insurance fund, substantial on-island inventory, trained crews, mutual aid contracts, and a dedicated FEMA team — reducing both frequency and severity of insured losses.

## Cyber Risk & Controls

No cyber attacks experienced to date



### Controls & Team

- ▶ In-house cybersecurity team
- ▶ Training & awareness programs
- ▶ Phishing simulations
- ▶ Continuous monitoring & response
- ▶ Layered operational safeguards



### External Partners

- ▶ Guam Homeland Security
- ▶ CISA
- ▶ Department of War (DoW) CIS
- ▶ Department of Energy (DOE)
- ▶ Cross-sector coordination



### Cyber Insurance

- ▶ Breach response coverage
- ▶ First-party: BI, extortion, recovery
- ▶ Liability: data, regulatory, PCI
- ▶ eCrime & criminal reward fund
- ▶ Policy in force

## Financial Strength & Capacity

Ability to absorb deductibles and fund recovery



**\$503M**

**Operating Revenues**

FY 2025



**\$50M**

**Net Op. Income**

Available for DS



**1.5x**

**Senior Lien DSC**

Indenture



**1.5x**

**Aggregate DSC**

Incl. leases

### Debt Service Coverage Trend

| Metric            | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------|------|------|------|------|------|
| Senior Lien DSC   | 1.5x | 1.7x | 1.4x | 1.4x | 1.5x |
| Aggregate DSC     | 1.4x | 1.7x | 1.4x | 1.4x | 1.5x |
| Op. Revenue (\$M) | 345  | 480  | 555  | 548  | 503  |
| Fuel Costs (\$M)  | 181  | 316  | 399  | 385  | 335  |

## Self-Insurance, Credit & Receivables

Supporting capacity and loss absorption



### Self-Insurance Fund

GPA maintains a self-insurance fund that supports recovery of certain losses and working capital needs. Surcharges are automatically available for working capital and self-insurance cost recovery.



### Receivables Quality

Long-term government receivables eliminated in 2014. Bad debt ratios remain low ( $\approx 0.2\text{--}0.3\%$ ). Minimal defaults during COVID. GPA has successfully reduced non-performing accounts.



### Capital Program Support

Near authorization to pursue \$375M bonds for generator rehabilitation and undergrounding. Pursuing \$1.5B federal funds for island-loop UG transmission. Continues to invest  $>\$27\text{M}$  annually from base rates.

## Customer Base & Concentration

Diversified load with long-term military relationship



GPA leadership and operations team

### FY 2025 Revenue Composition

|                   |            |        |
|-------------------|------------|--------|
| Residential       | <b>34%</b> | \$168M |
| Small Comm. / Gov | <b>27%</b> | \$132M |
| Large Comm. / Gov | <b>20%</b> | \$98M  |
| U.S. Navy         | <b>18%</b> | \$90M  |
| Other             | <b>1%</b>  | \$6M   |



### U.S. Navy — 35-year customer relationship

Utility Service Contract renewed 2022 (10-year). GPA retains Island-Wide Power System control. Navy is a transmission/wholesale customer. Military funds related capital projects. Camp Blaz infrastructure fully DoD-funded. Navy investing >\$600M in underground transmission to Naval Base Guam.

## Customer Base & Concentration

Diversified load with long-term military relationship



GPA leadership and operations team

### FY 2025 Revenue Composition

|                   |            |        |
|-------------------|------------|--------|
| Residential       | <b>34%</b> | \$168M |
| Small Comm. / Gov | <b>27%</b> | \$132M |
| Large Comm. / Gov | <b>20%</b> | \$98M  |
| U.S. Navy         | <b>18%</b> | \$90M  |
| Other             | <b>1%</b>  | \$6M   |



### U.S. Navy — 35-year customer relationship

Utility Service Contract renewed 2022 (10-year). GPA retains Island-Wide Power System control. Navy is a transmission/wholesale customer. Military funds related capital projects. Camp Blaz infrastructure fully DoD-funded. Navy investing >\$600M in underground transmission to Naval Base Guam.

## Key Risk Mitigants

Summary of risk-reduction features



### Physical Hardening

170 mph pole rating; >99% steel/concrete poles; progressive undergrounding; indoor substations; dual-fuel modern generation (Ukudu); retired Cabras 1 & 2.



### Financial Capacity

Stable 1.4–1.7x DSC; self-insurance fund; automatic surcharges; low bad-debt experience; diversified revenue base.



### Governance & Oversight

CCU oversight; experienced management; regulated rate recovery (Base + LEAC); U.S. territory legal framework.



### Operational Readiness

Pre-positioned \$15M inventory; trained crews; mutual aid; FEMA team; documented restoration sequence proven in 2026 events.



### Cyber Posture

No prior cyber losses; dedicated team; federal partnerships (CISA, DOE, DoW); cyber insurance already in place.



### Strategic Importance

Critical infrastructure for U.S. military posture in Western Pacific; federal funding interest for resilience projects.

## Summary

GPA presents a well-managed island utility risk



### Risk Profile

Primary exposure is typhoon / wind. Grid has been systematically hardened over two decades. Recent dual-typhoon recoveries demonstrated capability.



### Loss Mitigation

Self-insurance fund, on-island inventory, mutual aid, FEMA process, and structured restoration reduce both frequency and severity of residual insured losses.



### Financial Standing

Consistent 1.4x–1.7x debt service coverage, diversified customer base including long-term Navy contract, and automatic rate recovery mechanisms support premium payment and deductible capacity.



### Controls & Governance

Experienced board and management, regulated utility framework, active cybersecurity program with no prior cyber losses, and strong federal partnerships.



# Si Yu'os Ma'åse'

Thank you

Guam Power Authority · September 2026

# GPA Presentation at Federal Convening

GUAM · TERRITORY OF THE UNITED STATES

# Project: Power Infrastructure



Guam Power Authority (GPA)



Total Project Cost: \$1.5B

Federal Partnership Required for System-Wide Resilience

Proposed 10-Year Programmatic Agreement

# POWER GRID: STRATEGIC MISSION ENABLER

The GPA civilian electrical grid enables DOW's facilities, weapon systems, and equipment to perform mission-critical functions.



## Mission Readiness

Ensure energy continuity essential to new or expanding missions on Guam.

Upgrades to existing civilian grid increases reliability and eliminates need for separate DoW power system to meet the projected ~100 MW demand by 2030.



## Critical Infrastructure Dependency

Create comprehensive redundancy and greater infrastructure security.

Hardened infrastructure substantially reduces risk to military installations.



## Significant Energy Share

Military installations account for ~20% of Guam's total electricity demand.

DoW is one of the largest single users of civilian-generated power on Guam.



Tetra Tech. (2025). *Guam Island-Wide Civilian Infrastructure Needs Assessment*. Governor's Community Defense Liaison Office.

# PROJECT OVERVIEW

## 3 Integrated Elements 10 Year Program



### \$338M Grid Hardening & Underground Projects

- Northern loop underground [Map 4.1]
- Central grid underground [Not shown on map]
- Naval Medical Center underground [Map 4.3]

### \$701M Critical Resilience Projects

- Critical facilities power hardening [Map 4.5]
- Water systems power underground [Not shown on map]

### \$455M Capacity & System Reliability

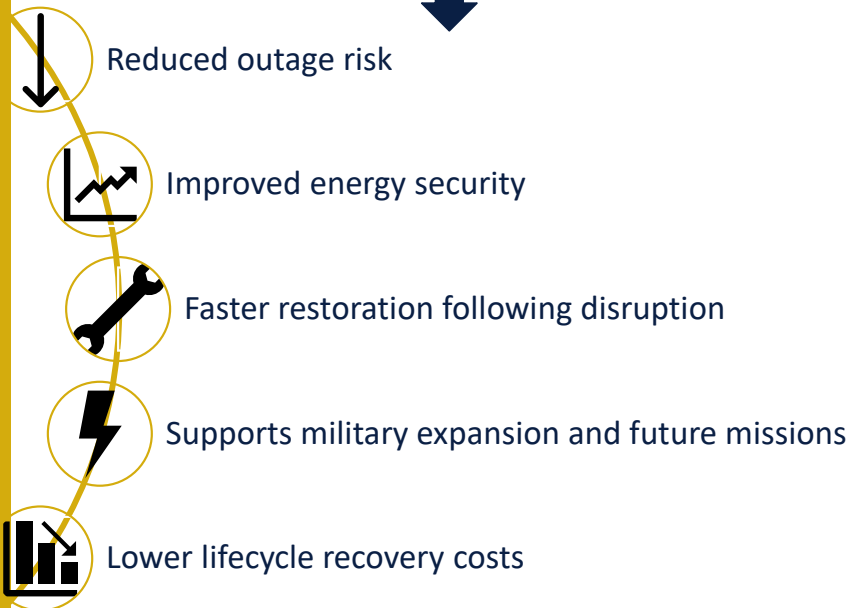
- Utility-scale battery energy storage [Map 4.6]
- LNG fuel infrastructure [Map 4.7]
- Hardened indoor substations [Map 4.4]

Tetra Tech. (2025). *Guam Island-Wide Civilian Infrastructure Needs Assessment*. Governor's Community Defense Liaison Office.

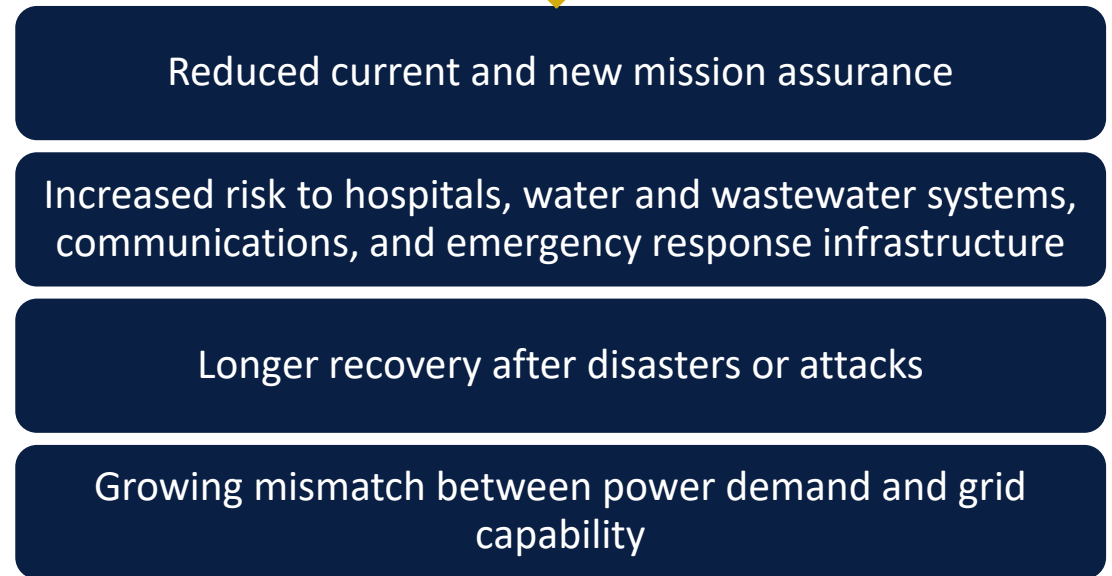


# STRATEGIC VALUE PROPOSITION

## OPERATIONAL BENEFITS



## COST OF INACTION



**“Without addressing the critical gaps in fuel supply, power redundancy, and power distribution resiliency, additional DOW utilization will lead to significant impacts because the substantial increase in power demand from the cumulative DOW buildup will likely exacerbate existing infrastructure vulnerabilities.”**

Tetra Tech. (2025). *Guam Island-Wide Civilian Infrastructure Needs Assessment*. Governor’s Community Defense Liaison Office.



# FEDERAL FUNDING PATHWAYS

## DoW/NDAA Programmatic Funding

Support joint GPA–DoD energy projects aligned with mission requirements

## FEMA

Stafford Act §§402 & 428 advance grid hardening and resilience through disaster recovery authorities

## Department of Energy (DOE)

PURSUE

Support grid modernization, energy storage, and resilience through competitive and formula grants

## Military Construction & PDI

PURSUE

Leverage Indo-Pacific infrastructure funding priorities for energy resilience

While the military planned to secure its own bases, it had not fully addressed or funded overlapping infrastructure elements, **recommending a highly coordinated interagency funding mechanism** to prevent local failure.<sup>1</sup>

Congress may consider to appropriate funding or otherwise support investment in critical infrastructure outside of military installations on Guam in an effort to enhance readiness and the resilience of the military facilities on island. **Congress would have numerous options for supporting Guam's civilian infrastructure**, including addressing weaknesses in the electrical system.<sup>2</sup>

To maintain uninterrupted power and ensure mission readiness, **DoD must fortify Guam's energy infrastructure against cyber, natural, and kinetic threats**. Failure to secure the island's energy infrastructure could prevent US forces from responding to military threats rapidly and decisively.<sup>3</sup>

1. GAO-08-722T. 2008. *Planning Efforts for the Proposed Military Buildup on Guam*
2. CRS Report No. R47643. 2023. *Guam: Defense Infrastructure and Readiness*.
3. Sampson, E. (2025, August 14). *US military readiness in the Pacific requires strengthening Guam's power grid*. Atlantic Council.



## CALL TO ACTION

# Fund the Gap. Protect the Mission.

- 01** Establish a 10-year programmatic agreement to execute GPA's mitigation plan
- 02** Direct DoW and federal agencies to align infrastructure investment with projected energy demand in Guam
- 03** Stand up a formal federal–GPA coordination body to synchronize planning and project delivery

Contact: Guam Power Authority General Manager, John M. Benavente, [jbenavente@gpagwa.com](mailto:jbenavente@gpagwa.com) · alt: [tlimtiaco@gpagwa.com](mailto:tlimtiaco@gpagwa.com)



# LINE OF CREDIT

## Facility Summary

October 6, 2026

Prepared for the Consolidated Commission on Utilities



## Facility Snapshot

2

### Bank of America

**\$22.5M**

Floating Rate  
Term Loan

Facility Fee

**\$57,500**

Interest Rate

**SOFR + 2.55%**

One-time draw, 364-day maturity

### Coast360

**\$10.0M**

Revolving  
Line of Credit

Facility Fee

**\$100,000**

Interest Rate

**SOFR + 3.00%**

3-year term + two 1-yr extensions

### Bank of Guam

**\$37.5M\***

Revolving  
Line of Credit

Facility Fee

**\$187,500**

Interest Rate

**Tax-Exempt 7.00%**

\*Informed of \$37.5M (offered \$70M)



## Detailed Comparison

3

| Feature                          | Bank of America                           | Coast360                                                          | Bank of Guam                                                     |
|----------------------------------|-------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| <b>Facility Amount</b>           | \$22,500,000                              | \$10,000,000                                                      | \$37,500,000*<br>(Offered up to \$70M)                           |
| <b>Facility Type</b>             | Floating Rate Term Loan                   | Revolving Line of Credit                                          | Revolving Line of Credit                                         |
| <b>Commitment / Facility Fee</b> | \$57,500<br>(Closing fees estimated)      | \$100,000<br>(1% of committed amount)<br>1-time for 3-year term   | \$187,500<br>(0.5% of facility amount)<br>1-time for 3-year term |
| <b>Draw Notice</b>               | —                                         | 7 business days                                                   | 7 business days                                                  |
| <b>Interest Rate</b>             | Daily SOFR + 2.55%<br>Current rate: 6.32% | 30-day Avg SOFR + 3.00%<br>(adj. annually)<br>Current rate: 6.77% | Tax-Exempt Variable<br>Bank of Guam Ref. Rate<br>Currently 7.00% |



## Terms & Structure

4

### Bank of America

- Monthly principal payment of \$2,000,000
- Principal payable concurrently with interest on each Interest Payment Date (1st Business Day of each month)
- One-time draw maturing 364 days from closing
- Future term loans subject to notification and mutual agreement

### Coast360

- Each advance may remain outstanding up to 360 days
- No advance may mature later than the Facility's Absolute Maturity Date
- Three years from Closing Date
- Two optional one-year extensions by written mutual agreement

### Bank of Guam

- Three-year draw period
- Each line draw to be fully repaid in 180 days
- Three years from Closing Date
- Annual option as requested and subject to mutual agreement





## GUAM POWER AUTHORITY

ATURIDÂT ILEKTRESEDÂT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

### Issues for Decision

#### Resolution No.

**GPA RESOLUTION NO.: FY2027-01**

#### **Relative to Authorize the Management of the Guam Power Authority to Award Line of Credit Facility for Fuel Purchases to Coast360 Federal Credit Union**

##### **What is the project's objective? Is it necessary and urgent?**

The escalation of the Iran conflict and closure of the Strait of Hormuz in March 2026 caused significant oil supply disruptions, driving crude prices to nearly \$300 per barrel. As a result, GPA's fuel shipment costs increased from approximately \$25 million to an estimated \$60 million, creating immediate liquidity pressure.

Pursuant to 12 GCA § 8241, the Authority may enter into short-term borrowing agreements of up to five years. The CCU authorized GPA management to establish a fuel-only Line of Credit of up to \$100 million, which the PUC subsequently reduced to \$70 million.

Accordingly, GEDA, on behalf of GPA, issued RFP 26-003 for a revolving credit facility of up to \$70 million, with a three-year initial term and two optional one-year extensions. Three proposals were received by the September 16, 2026 deadline, and all three proponents were selected to collectively provide the \$70 million facility.

Coast360 Federal Credit Union is one of the three selected proponents.

##### **Where is the location?**

Guam Power Authority

##### **How much will it cost?**

Coast360 Federal Credit Union has proposed the following terms and conditions below.

|                  |                                                                                |
|------------------|--------------------------------------------------------------------------------|
| Facility Amount: | \$10,000,000                                                                   |
| Facility Type:   | Revolving Line of Credit                                                       |
| Facility Fee:    | Not to exceed 1% of the committed facility amount                              |
| Facility Terms:  | 3 years, with up to 2 optional one-year extensions by written mutual agreement |
| Interest Rate:   | Not to exceed the applicable Prime Rate plus 1%;                               |



## CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 Hagatña, Guam 96932 | (671) 648-3002 | guamccu.org

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### GPA RESOLUTION NO. FY2027-01

#### RELATIVE TO AUTHORIZE THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO AWARD LINE OF CREDIT FACILITY FOR FUEL PURCHASES TO COAST360 FEDERAL CREDIT UNION

**WHEREAS**, the escalation of the Iran conflict and the subsequent closure of the Strait of Hormuz in March 2026 have triggered significant supply disruption in the modern oil market, driving crude prices to unprecedented levels near \$300 per barrel; and

**WHEREAS**, this global volatility has substantially increased Guam Power Authority's (GPA) fuel shipment costs, from an average of \$25 million to an estimated \$60 million per shipment, thereby creating an immediate strain on the Authority's operational liquidity; and

**WHEREAS**, GPA management has determined that securing a Line of Credit (LOC) or similar short-term financing facility is necessary to manage and distribute extraordinary fuel costs over time, mitigate immediate rate shock to ratepayers, and provide GPA with the flexibility to fund fuel purchases as needed and repay such obligations as revenues are collected, thereby ensuring continuity and reliability of fuel supply; and

**WHEREAS**, the Authority is authorized pursuant to 12 GCA § 8241 to enter into short-term borrowing agreements for periods not exceeding five (5) years and to incur debt necessary for its operations, subject to the review and approval of the Consolidated Commission on Utilities and the Governor; and

**WHEREAS**, the Consolidated Commission on Utilities authorized GPA to solicit, negotiate, and enter into a Line of Credit facility with a qualified financial institution in an amount not to exceed \$100,000,000, with proceeds from the Line of Credit to be used solely for the procurement of fuel necessitated by extraordinary volatility in global fuel prices, and the Public

1 Utilities Commission (PUC) subsequently reduced the authorized Line of Credit request to  
2 \$70,000,000, which shall be used solely to fund fuel costs; and

3  
4 **WHEREAS**, the contract review protocol established by PUC requires that all contracts  
5 in excess of \$1.5 million be authorized by the PUC; and

6  
7 **WHEREAS**, on August 24, 2026, the Guam Economic Development Authority (GEDA),  
8 on behalf of the Guam Power Authority, issued a Request for Proposal (RFP 26-003) seeking  
9 qualified financial institutions to provide a revolving credit facility of up to \$70,000,000 to be  
10 drawn down on an as needed basis with initial term of three (3) years and an option to extend for two  
11 (2), one (1) year terms upon mutual agreement; and

12  
13 **WHEREAS**, three proposals were received by the September 16, 2026 submission  
14 deadline, and all three proponents were selected to collectively provide the Authority with a  
15 \$70,000,000 revolving credit facility; and

16  
17 **WHEREAS**, Coast360 Federal Credit Union is one of three selected proponents offering  
18 a revolving line of credit; and

19  
20 **WHEREAS**, following a review and evaluation of the proposals and the respective terms  
21 and conditions offered by each proponent, the Committee recommends awarding Coast360  
22 Federal Credit Union a portion of the \$70,000,000 credit facility, and tentatively offers the  
23 following terms and conditions, subject to final negotiation and mutual agreement:

24 a. Facility Amount:

25 \$10,000,000 Revolving Line of Credit

26 b. Commitment/Facility Fee:

27 Not to exceed 1% of the committed facility amount

28 c. Facility Terms:

29 3 years, with up to 2 optional one-year extensions by written mutual agreement

30 d. Interest Rate:

31 Not to exceed the applicable Prime Rate plus 1%; and  
32  
33

1       **WHEREAS**, GPA now brings these matters before the Consolidated Commission on  
2 Utilities for consideration and action.

3  
4       **NOW, THEREFORE, BE IT RESOLVED**, the Consolidated Commission on Utilities,  
5 as the Governing Body of the Guam Power Authority, subject to the approval of the Guam Public  
6 Utilities Commission, as follows:

- 7
- 8       1. The General Manager of GPA is authorized to enter into an agreement with  
9       Coast360 Federal Credit Union for a \$10,000,000 revolving line of credit facility,  
10       substantially in accordance with the terms and conditions presented herein.  
11
  - 12       2. Proceeds from the line of credit shall be used solely for the procurement of fuel  
13       necessitated by extraordinary volatility in global fuel prices.  
14
  - 15       3. The General Manager is authorized to seek the Governor's approval and to take all  
16       actions necessary and appropriate to implement this Resolution, including petitioning  
17       the Guam Public Utilities Commission for its review and final approval of the  
18       revolving line of credit facility.  
19
  - 20       4. The General Manager, and such other officers or employees of GPA as may be  
21       designated by the General Manager in writing, are hereby authorized and directed  
22       to  
23       take all actions and execute all documents, agreements, certifications, and  
24       account  
25       instruments necessary or appropriate to carry out the purposes and intent of this  
26       Resolution in connection with such financial accounts and transactions, including  
27       without limitation, the authority for GPA to open, establish, maintain and  
28       administer  
29       bank accounts; deposit, withdraw, and transfer funds among GPA accounts; and  
30       to sign  
31       financial instruments including checks, line of credits, bank transfers and other  
32       transaction documents; and to authorize payments; or to take any such other  
33       action as

may be necessary or any such further action necessary to ensure that sufficient funds are deposited into the applicable account or accounts to satisfy the Bank's unique terms and requirements affirming that sufficient funds be available to cover all scheduled payments to be maintained therein in connection with such accounts and transactions.

5. Upon receipt of all required approvals and applicable conditions, the General Manager, or his authorized designee(s), is authorized to request and receive advances under the revolving line of credit, subject to the availability of committed funds and the terms and conditions of the facility, and to ensure timely payment of all principal, interest, fees, and other amounts due under the facility in accordance with the applicable financing documents.

**RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the Commission attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 6<sup>th</sup> day of October 2026.

Certified by:

Attested by:

\_\_\_\_\_  
**FRANCIS E. SANTOS**

\_\_\_\_\_  
**MELVIN F. DUENAS**

Chairperson

Secretary

Consolidated Commission on Utilities

Consolidated Commission on Utilities

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**SECRETARY’S CERTIFICATE**

I, **Melvin Duenas**, Secretary of the Consolidated Commission on Utilities (CCU), as evidenced by my signature above, do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam CCU, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: \_\_\_\_\_  
NAYS: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

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## GUAM POWER AUTHORITY

ATURIDÂT ILEKTRESEDÂT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

### Issues for Decision

#### Resolution No.

**GPA RESOLUTION NO.: FY2027-02**

#### **Relative to Authorize the Management of the Guam Power Authority to Award Term Loan Facility for Fuel Purchases to Bank of America**

##### **What is the project's objective? Is it necessary and urgent?**

The escalation of the Iran conflict and closure of the Strait of Hormuz in March 2026 caused significant oil supply disruptions, driving crude prices to nearly \$300 per barrel. As a result, GPA's fuel shipment costs increased from approximately \$25 million to an estimated \$60 million, creating immediate liquidity pressure.

Pursuant to 12 GCA § 8241, the Authority may enter into short-term borrowing agreements of up to five years. The CCU authorized GPA management to establish a fuel-only Line of Credit of up to \$100 million, which the PUC subsequently reduced to \$70 million.

Accordingly, GEDA, on behalf of GPA, issued RFP 26-003 for a revolving credit facility of up to \$70 million, with a three-year initial term and two optional one-year extensions. Three proposals were received by the September 16, 2026 deadline, and all three proponents were selected to collectively provide the \$70 million facility.

Bank of America is one of the three selected proponents.

##### **Where is the location?**

Guam Power Authority

##### **How much will it cost?**

Bank of America has proposed the following terms and conditions below.

|                  |                                                                                                                 |
|------------------|-----------------------------------------------------------------------------------------------------------------|
| Facility Amount: | \$22,500,000                                                                                                    |
| Facility Type:   | Floating Rate Term Loan                                                                                         |
| Facility Fee:    | \$57,500 (estimated closing fees)<br>No commitment fee                                                          |
| Facility Terms:  | 1-time draw maturing in 364 days from closing<br>Future term loans subject to notification and mutual agreement |
| Interest Rate:   | Not to exceed the applicable Prime Rate plus 1%                                                                 |



## CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 Hagatña, Guam 96932 | (671) 648-3002 | guamccu.org

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### GPA RESOLUTION NO. FY2027-02

#### RELATIVE TO AUTHORIZE THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO AWARD TERM LOAN FACILITY FOR FUEL PURCHASES TO BANK OF AMERICA

**WHEREAS**, the escalation of the Iran conflict and the subsequent closure of the Strait of Hormuz in March 2026 have triggered significant supply disruption in the modern oil market, driving crude prices to unprecedented levels near \$300 per barrel; and

**WHEREAS**, this global volatility has substantially increased Guam Power Authority's (GPA) fuel shipment costs, from an average of \$25 million to an estimated \$60 million per shipment, thereby creating an immediate strain on the Authority's operational liquidity; and

**WHEREAS**, GPA management has determined that securing a Line of Credit (LOC) or similar short-term financing facility is necessary to manage and distribute extraordinary fuel costs over time, mitigate immediate rate shock to ratepayers, and provide GPA with the flexibility to fund fuel purchases as needed and repay such obligations as revenues are collected, thereby ensuring continuity and reliability of fuel supply; and

**WHEREAS**, the Authority is authorized pursuant to 12 GCA § 8241 to enter into short-term borrowing agreements for periods not exceeding five (5) years and to incur debt necessary for its operations, subject to the review and approval of the Consolidated Commission on Utilities and the Governor; and

**WHEREAS**, the Consolidated Commission on Utilities authorized GPA to solicit, negotiate, and enter into a Line of Credit facility with a qualified financial institution in an amount not to exceed \$100,000,000, with proceeds from the Line of Credit to be used solely for the procurement of fuel necessitated by extraordinary volatility in global fuel prices, and the Public

Utilities Commission (PUC) subsequently reduced the authorized Line of Credit request to \$70,000,000, which shall be used solely to fund fuel costs; and

**WHEREAS**, the contract review protocol established by PUC requires that all contracts in excess of \$1.5 million be authorized by the PUC; and

**WHEREAS**, on August 24, 2026, the Guam Economic Development Authority (GEDA), on behalf of the Guam Power Authority, issued a Request for Proposal (RFP 26-003) seeking qualified financial institutions to provide a revolving credit facility of up to \$70,000,000 to be drawn down on an as needed basis with initial term of three (3) years and an option to extend for two (2), one (1) year terms upon mutual agreement; and

**WHEREAS**, three proposals were received by the September 16, 2026 submission deadline, and all three proponents were selected to collectively provide the Authority with a \$70,000,000 revolving credit facility; and

**WHEREAS**, Bank of America is one of three selected proponents offering a floating term loan facility; and

**WHEREAS**, following a review and evaluation of the proposals and the respective terms and conditions offered by each proponent, the Committee recommends awarding Bank of America a portion of the \$70,000,000 credit facility and tentatively proposes the following terms and conditions, subject to final negotiation and mutual agreement:

a. Facility Amount:

\$22,500,000.00 Floating Rate Term Loan

b. Commitment/Facility Fee:

\$57,500.00 estimate closing fees

No commitment fee

c. Facility Terms:

1-time draw maturing in 364 days from closing

Future term loans subject to notification and mutual agreement

d. Interest Rate:

Not to exceed the applicable Prime Rate plus 1%; and

1       **WHEREAS**, GPA now brings these matters before the Consolidated Commission on  
2 Utilities for consideration and action.

3  
4       **NOW, THEREFORE, BE IT RESOLVED**, the Consolidated Commission on Utilities,  
5 as the Governing Body of the Guam Power Authority, subject to the approval of the Guam Public  
6 Utilities Commission, as follows:

- 7
- 8       1. The General Manager of GPA is authorized to enter into an agreement with  
9       Bank of America for a \$22,500,000 floating rate term loan facility, substantially in  
10       accordance with the terms and conditions presented herein.
  - 11
  - 12       2. Proceeds from the term loan facility shall be used solely for the procurement of fuel  
13       necessitated by extraordinary volatility in global fuel prices.
  - 14
  - 15       3. The General Manager is authorized to seek the Governor's approval and to take all  
16       actions necessary and appropriate to implement this Resolution, including petitioning  
17       the Guam Public Utilities Commission for its review and final approval of the  
18       term loan facility.
  - 19
  - 20       4. The General Manager, and such other officers or employees of GPA as may be  
21       designated by the General Manager in writing, are hereby authorized and directed  
22       to  
23       take all actions and execute all documents, agreements, certifications, and  
24       account  
25       instruments necessary or appropriate to carry out the purposes and intent of this  
26       Resolution in connection with such financial accounts and transactions, including  
27       without limitation, the authority for GPA to open, establish, maintain and  
28       administer  
29       bank accounts; deposit, withdraw, and transfer funds among GPA accounts; and  
30       to sign  
31       financial instruments including checks, loan facility, bank transfers and other  
32       transaction documents; and to authorize payments; or to take any such other  
33       action as

may be necessary or any such further action necessary to ensure that sufficient funds are deposited into the applicable account or accounts to satisfy the Bank's unique terms and requirements affirming that sufficient funds be available to cover all scheduled payments to be maintained therein in connection with such accounts and transactions.

5. Upon receipt of all required approvals and applicable conditions, the General Manager, or his authorized designee(s), is authorized to request and receive advances under the term loan, subject to the availability of committed funds and the terms and conditions of the facility, and to ensure timely payment of all principal, interest, fees, and other amounts due under the facility in accordance with the applicable financing documents.

**RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the Commission attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 6<sup>th</sup> day of October 2026.

Certified by:

Attested by:

\_\_\_\_\_  
**FRANCIS E. SANTOS**

\_\_\_\_\_  
**MELVIN F. DUENAS**

Chairperson

Secretary

Consolidated Commission on Utilities

Consolidated Commission on Utilities

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**SECRETARY’S CERTIFICATE**

I, **Melvin Duenas**, Secretary of the Consolidated Commission on Utilities (CCU), as evidenced by my signature above, do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam CCU, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: \_\_\_\_\_  
NAYS: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

///  
  
///



## GUAM POWER AUTHORITY

ATURIDÂT ILEKTRESEDÂT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

### Issues for Decision

#### Resolution No.

**GPA RESOLUTION NO.: FY2027-03**

#### **Relative to Authorize the Management of the Guam Power Authority to Award Line of Credit Facility for Fuel Purchases to Bank of Guam**

#### **What is the project's objective? Is it necessary and urgent?**

The escalation of the Iran conflict and closure of the Strait of Hormuz in March 2026 caused significant oil supply disruptions, driving crude prices to nearly \$300 per barrel. As a result, GPA's fuel shipment costs increased from approximately \$25 million to an estimated \$60 million, creating immediate liquidity pressure.

Pursuant to 12 GCA § 8241, the Authority may enter into short-term borrowing agreements of up to five years. The CCU authorized GPA management to establish a fuel-only Line of Credit of up to \$100 million, which the PUC subsequently reduced to \$70 million.

Accordingly, GEDA, on behalf of GPA, issued RFP 26-003 for a revolving credit facility of up to \$70 million, with a three-year initial term and two optional one-year extensions. Three proposals were received by the September 16, 2026 deadline, and all three proponents were selected to collectively provide the \$70 million facility.

Bank of Guam is one of the three selected proponents.

#### **Where is the location?**

Guam Power Authority

#### **How much will it cost?**

Bank of Guam has proposed the following terms and conditions below.

|                  |                                                                                |
|------------------|--------------------------------------------------------------------------------|
| Facility Amount: | \$37,500,000<br>(Offered up to \$70,000,000)                                   |
| Facility Type:   | Revolving Line of Credit                                                       |
| Facility Fee:    | Not to exceed 1% of the committed facility amount                              |
| Facility Terms:  | 3 years, with up to 2 optional one-year extensions by written mutual agreement |
| Interest Rate:   | Not to exceed the applicable Prime Rate plus 1%                                |
| Condition:       | Waiver of sovereign immunity                                                   |



## CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 Hagatña, Guam 96932 | (671) 648-3002 | guamccu.org

1

### GPA RESOLUTION NO. FY2027-03

#### RELATIVE TO AUTHORIZE MANAGEMENT OF THE GUAM POWER AUTHORITY TO AWARD LINE OF CREDIT FACILITY FOR FUEL PURCHASES TO BANK OF GUAM

**WHEREAS**, the escalation of the Iran conflict and the subsequent closure of the Strait of Hormuz in March 2026 have triggered significant supply disruption in the modern oil market, driving crude prices to unprecedented levels near \$300 per barrel; and

**WHEREAS**, this global volatility has substantially increased Guam Power Authority's (GPA) fuel shipment costs, from an average of \$25 million to an estimated \$60 million per shipment, thereby creating an immediate strain on the Authority's operational liquidity; and

**WHEREAS**, GPA management has determined that securing a Line of Credit (LOC) or similar short-term financing facility is necessary to manage and distribute extraordinary fuel costs over time, mitigate immediate rate shock to ratepayers, and provide GPA with the flexibility to fund fuel purchases as needed and repay such obligations as revenues are collected, thereby ensuring continuity and reliability of fuel supply; and

**WHEREAS**, the Authority is authorized pursuant to 12 GCA § 8241 to enter into short-term borrowing agreements for periods not exceeding five (5) years and to incur debt necessary for its operations, subject to the review and approval of the Consolidated Commission on Utilities and the Governor; and

**WHEREAS**, the Consolidated Commission on Utilities authorized GPA to solicit, negotiate, and enter into a Line of Credit facility with a qualified financial institution in an amount not to exceed \$100,000,000, with proceeds from the Line of Credit to be used solely for the procurement of fuel necessitated by extraordinary volatility in global fuel prices, and the Public

1 Utilities Commission (PUC) subsequently reduced the authorized Line of Credit request to  
2 \$70,000,000, which shall be used solely to fund fuel costs; and

3  
4 **WHEREAS**, the contract review protocol established by PUC requires that all contracts  
5 in excess of \$1.5 million be authorized by the PUC; and

6  
7 **WHEREAS**, on August 24, 2026, the Guam Economic Development Authority (GEDA),  
8 on behalf of the Guam Power Authority, issued a Request for Proposal (RFP 26-003) seeking  
9 qualified financial institutions to provide a revolving credit facility of up to \$70,000,000 to be  
10 drawn down on an as needed basis with initial term of three (3) years and an option to extend for two  
11 (2), one (1) year terms upon mutual agreement; and

12  
13 **WHEREAS**, three proposals were received by the September 16, 2026 submission  
14 deadline, and all three proponents were selected to collectively provide the Authority with a  
15 \$70,000,000 revolving credit facility; and

16  
17 **WHEREAS**, Bank of Guam is one of three selected proponents offering a revolving line  
18 of credit; and

19  
20 **WHEREAS**, following a review and evaluation of the proposals and the respective terms  
21 and conditions offered by each proponent, the Committee recommends awarding Bank of Guam  
22 a portion of the \$70,000,000 credit facility, and tentatively offers the following terms and  
23 conditions, subject to final negotiation and mutual agreement:

24 a. Facility Amount:

25 \$37,500,000.00 Revolving Line of Credit (offered up to \$70,000,000.00)

26 b. Commitment/Facility Fee:

27 Not to exceed 1% of the committed facility amount

28 c. Facility Terms:

29 3 years, with up to 2 optional one-year extensions by written mutual agreement

30 d. Interest Rate:

31 Not to exceed the applicable Prime Rate plus 1%

32 e. Condition:

33 Waiver of sovereign immunity; and  
34

1       **WHEREAS**, GPA now brings these matters before the Consolidated Commission on  
2 Utilities for consideration and action.

3  
4       **NOW, THEREFORE, BE IT RESOLVED**, the Consolidated Commission on Utilities,  
5 as the Governing Body of the Guam Power Authority, subject to the approval of the Guam Public  
6 Utilities Commission, as follows:

- 7
- 8       1. The General Manager of GPA is authorized to enter into an agreement with  
9       Bank of Guam for a \$37,500,000 revolving line of credit facility, substantially in  
10       accordance with the terms and conditions presented herein upon resolution of waiver  
11       of sovereign immunity.  
12
  - 13       2. Proceeds from the line of credit shall be used solely for the procurement of fuel  
14       necessitated by extraordinary volatility in global fuel prices.  
15
  - 16       3. The General Manager is authorized to seek the Governor's approval and to take all  
17       actions necessary and appropriate to implement this Resolution, including petitioning  
18       the Guam Public Utilities Commission for its review and final approval of the  
19       revolving line of credit facility.  
20
  - 21       4. The General Manager, and such other officers or employees of GPA as may be  
22       designated by the General Manager in writing, are hereby authorized and directed  
23       to  
24       take all actions and execute all documents, agreements, certifications, and  
25       account  
26       instruments necessary or appropriate to carry out the purposes and intent of this  
27       Resolution in connection with such financial accounts and transactions, including  
28       without limitation, the authority for GPA to open, establish, maintain and  
29       administer  
30       bank accounts; deposit, withdraw, and transfer funds among GPA accounts; and  
31       to sign  
32       financial instruments including checks, line of credits, bank transfers and other  
33       transaction documents; and to authorize payments; or to take any such other  
34       action as

1           may be necessary or any such further action necessary to ensure that sufficient  
2 funds  
3           are deposited into the applicable account or accounts to satisfy the Bank's unique  
4 terms  
5           and requirements affirming that sufficient funds be available to cover all  
6 scheduled  
7           payments to be maintained therein in connection with such accounts and  
8 transactions.

- 9  
10           5. Upon receipt of all required approvals and applicable conditions, the General Manager,  
11           or his authorized designee(s), is authorized to request and receive advances under the  
12           revolving line of credit, subject to the availability of committed funds and the terms  
13           and conditions of the facility, and to ensure timely payment of all principal, interest,  
14           fees, and other amounts due under the facility in accordance with the applicable  
15           financing documents.

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

20  
21  
22  
23           **DULY AND REGULARLY ADOPTED**, this 6<sup>th</sup> day of October 2026.

24  
25           Certified by:

Attested by:

26  
27  
28           \_\_\_\_\_  
29 **FRANCIS E. SANTOS**

\_\_\_\_\_  
**MELVIN F. DUENAS**

30           Chairperson

Secretary

31           Consolidated Commission on Utilities

Consolidated Commission on Utilities

32  
33  
34           **SECRETARY'S CERTIFICATE**

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I, **Melvin Duenas**, Secretary of the Consolidated Commission on Utilities (CCU), as evidenced by my signature above, do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam CCU, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: \_\_\_\_\_  
NAYS: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

///  
  
///



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**CELEBRATING 30 YEARS**  
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**Issues for Decision**

**Resolution No. 01-FY2027**

Relative to Authorizing GWA to Procure Property, General Liability, Cyber Liability, and Other Insurance Services

**What is the project's objective and is it necessary and urgent?**

This resolution authorizes GWA to procure commercial insurance to replace its current five-year policies for property, general liability, directors and officers liability, automobile, and crime, which expire at 12:01 a.m. on May 1, 2027. The procurement will also include cyber liability coverage. Guahan Insurance, GWA's risk management and insurance consultant under RFP 2024-07, will assist in preparing the procurement documents.

Section 6.06 of the 2005 General Indenture requires GWA to keep the System insured as prudent operators of similar systems do; a lapse in coverage would breach that bond covenant and leave the System exposed to uninsured loss. Because the contract will exceed \$1,000,000, PUC approval is required under the Contract Review Protocol.

**Where is the location?**

Island-wide. Coverage applies to GWA's water and wastewater system, facilities, vehicles, and operations.

**How much will it cost?**

Based on GWA's estimate and recent premium expenditures, total cost over the contract term is expected to exceed \$1,000,000. Final cost will be set by the procurement results.

**When will it be completed?**

New coverage must be in place by May 1, 2027, when the current policies expire. The contract term will be three (3) or five (5) years.

**What is the funding source?**

GWA operating revenues (annual O&M budget).

**The RFP/BID responses (if applicable):**

Not yet available. This resolution authorizes the procurement of insurance services; results will follow the solicitation.



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

**GWA RESOLUTION NO. 01-FY2027**

**RELATIVE TO AUTHORIZING GWA TO PROCURE  
PROPERTY, GENERAL LIABILITY, CYBER LIABILITY,  
AND OTHER INSURANCE SERVICES**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, GWA is a public corporation established and existing under the laws of Guam; and

**WHEREAS**, Section 6.06 (Insurance) of the 2005 General Indenture (the "Indenture") relating to GWA's Water and Wastewater System Revenue Bonds requires GWA *to maintain or cause to be maintained insurance on the System with responsible insurers in such amounts and against risks as are usually maintained by prudent operators of systems similar and similarly situated*; and

**WHEREAS**, "*System*," as defined in the Indenture, *means the water and sewer systems, now or hereafter existing, owned and/or operated by the Authority or its contractors, agents, or subcontractors*; and

**WHEREAS**, GWA currently maintains five (5)-year insurance policies for property, general liability, directors and officers liability, automobile, and crime (see Attachment "A"), which expire at 12:01 a.m. on May 1, 2027; and

**WHEREAS**, upon expiration of the current policies, GWA management desires to procure similar commercial insurance coverage, adjusted to reflect GWA's current condition, as well as cyber liability coverage; and

1           **WHEREAS**, GWA procured the services of Guahan Insurance, through RFP 2024-07, to  
2 perform risk management and insurance consulting services; and

3  
4           **WHEREAS**, GWA and Guahan Insurance are finalizing the preparation of the  
5 procurement documents; and

6  
7           **WHEREAS**, based on past experience, GWA has found that a three (3)- or five (5)-year  
8 term for insurance services is efficient, cost-effective, and beneficial to GWA; and

9  
10           **WHEREAS**, based on GWA's best estimate and recent actual insurance premium  
11 expenditures, the cost of procured insurance services over the expected contract term will exceed  
12 \$1,000,000; and

13  
14           **WHEREAS**, under the Guam Public Utilities Commission's (PUC) Contract Review  
15 Protocol for GWA, CCU approval of the proposed procurement and permission to petition the  
16 PUC for procurement approval is necessary.

17  
18           **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities  
19 hereby approves the following:

- 20  
21           1. The recitals set forth above hereby constitute the findings of the CCU.  
22           2. The CCU finds that the procurement of insurance is necessary, prudent, and consistent  
23 with the requirements of the Indenture.  
24           3. The CCU finds that soliciting for a term of three (3) or five (5) years is efficient, cost-  
25 effective, and beneficial to GWA.  
26           4. The CCU approves the procurement of property, general liability, cyber liability, and  
27 other insurance services for a term of three (3) or five (5) years.  
28           5. The approval authorized in Item 4 is subject to GWA obtaining the approval of the  
29 PUC under the Contract Review Protocol and, accordingly, the CCU further authorizes  
30 the General Manager to petition for the PUC's approval.

6. The CCU hereby further authorizes the General Manager to execute all documents and undertake all reasonable actions necessary to procure commercial insurance.

**RESOLVED**, that the Chairman certified, and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 6<sup>th</sup> day of October 2026.

Certified by:

Attested by:

\_\_\_\_\_  
**FRANCIS E. SANTOS**

Chairperson

\_\_\_\_\_  
**MELVIN F. DUENAS**

Secretary

**SECRETARY'S CERTIFICATE**

I, **MELVIN F. DUENAS**, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above, do hereby certify as follows:

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

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

///

///

///