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MC Fwd: GPA WORK SESSION 22 FEB / MEETING MATERIALS

BENJAMIN CRUZ <speaker@senatorbjcruz.com>
To: 34th Guam Legislature Clerks <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>
Thu, Feb 22, 2018 at 8:35 AM

02/22/18	02/22/18	Consolidated Commission on Utilities	GPA Work session February 22, 2018 Materials.*	34-18-1559

---------- Forwarded message ----------
From: **Bernadette Lou Sablan** <l.sablan@gpagwa.com>
Date: Wed, Feb 21, 2018 at 4:28 PM
Subject: GPA WORK SESSION 22 FEB / MEETING MATERIALS
To: "Andy Niven (ndynvn@yahoo.com)" <ndynvn@yahoo.com>, Angelica Perez <aperez@amibrokers.com>, Ann Borja - GWA <annborja@guamwaterworks.org>, "Annmarie Muna (amuna@ambrokers.com)" <amuna@ambrokers.com>, Artemio S Perez <aperez@gpagwa.com>, BENJAMIN CRUZ <speaker@senatorbjcruz.com>, "Cameron Mulka (cimiculka@guampdn.com)" <cimiculka@guampdn.com>, "Patricia L. Diego" <pldiego@gpagwa.com>, "Charlene Calvo (charlene.calvo@ipehq.com)" <charlene.calvo@ipehq.com>, Chilang F Unpingco <cfejeran@gpagwa.com>, "Fred Horecky (horeckylaw@teleguam.net)" <horeckylaw@teleguam.net>, "Gaynor Delano (gdumat-ol@guam.gannett.com)" <gdumat-ol@guam.gannett.com>, Glida Mafnas <glidam@guamwaterworks.org>, Governor's Office <joy.unpingco@guam.gov>, "Greg P. Cruz" <gpcruz@guamwaterworks.org>, Heidi Ballendorf <heidi@guamwaterworks.org>, "Jams Y Kim (pacguam@gmail.com)" <pacguam@gmail.com>, "Jeff Johnson (jeffcharjohnson@hotmail.com)" <jeffcharjohnson@hotmail.com>, Jennifer G Sablan <jsablan@gpagwa.com>, "Jessica Peterson (webmaster@theguamguide.com)" <webmaster@theguamguide.com>, "Jessy Gogue (ocp.mayor@gmail.com)" <ocp.mayor@gmail.com>, "Joe John Mantanona (joejohnmantanona@gmail.com)" <joejohnmantanona@gmail.com>, "John Reigel (jriegel@brwncald.com)" <jriegel@brwncald.com>, Joyce N Sayama <jsayama@gpagwa.com>, Karla Tydingco <ktydingco@guamwaterworks.org>, "Louella Losinio (louella@postguam.com)" <louella@postguam.com>, Manny Apuron <mapuron@guamwaterworks.org>, "Maripaz N. Perez" <mnperez@gpagwa.com>, "Michael White (whitema@cdmsmith.com)" <whitema@cdmsmith.com>, "Nestor Licanto (nestor@kuam.com)" <nestor@kuam.com>, "PDN Newsroom (news@guampdn.com)" <news@guampdn.com>, "Peter Montinola (peter@isuguam.com)" <peter@isuguam.com>, Selma HG Blas <sblas@gpagwa.com>, "Telena Nelson (senatortcnelson@gmail.com)" <senatortcnelson@gmail.com>, "Therese Terlaje (senatorterlajeguam@gmail.com)" <senatorterlajeguam@gmail.com>

Hi GPA Stakeholders,

Attached is the materials for tomorrow's GPA Work session.

Show time is 4 p.m.; meeting time is 4:30.

See you then,

Lou

GCA 34 FC-1559
Speaker Benjamin J.F. Cruz

FEB 2 2 2018
Time: 435 [ ] AM [ ] PM File No. ____
Received By: ____

B. Lou Sablan

Board Secretary

Consolidated Commission on Utilities

Admin Asst., Legal Counsel, GPA

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2018 FEB 22 AM 8:50

1559

OFFICE OF SPEAKER BENJAMIN J.F. CRUZ

Committee on Appropriations and Adjudication

Committee on Economic Development

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

GUAM POWER AUTHORITY WORK SESSION

CCU Conference Room

4:30 p.m., February 22, 2018

AGENDA

1. **ISSUES FOR DECISION**
   - 1.1 Bond Refinancing Utilization / Resolution 2018-02
   - 1.2 Power Purchase Agreement Phase II Renewables - HANWHA / Resolution 2018-04
   - 1.3 Authorization Increase of Engineering, Procurement & Construction Mgmt Contract / Resolution 2018-05

2. **GM REPORT**
   - 2.1 Updates

3. **ISSUES FOR DISCUSSION**
   - 3.1 GPA's 50th Anniversary
   - 3.2 NEM Recommendation

4. **DIVISION REPORTS**
   - 4.1 Administration: Customer Service, HR, Procurement
   - 4.2 Engineering & Technical: Engineering, IT, Planning & Regulatory, SPORD
   - 4.3 Finance Reports
   - 4.4 Operations: Facilities, Generation, PSCC, T&D, Transportation
   - 4.5 Public Information Office

5. **ANNOUNCEMENTS**
   - 5.1 Next Meeting: CCU Meeting – February 27

6. **EXECUTIVE SESSION**
   - 6.2 Personnel Matter

7. **ADJOURNMENT**

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

Issues for Decision

Resolution No. 2018-02:

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

Guam Power Authority's (GPA) Bond Refinancing Program will result in a 2018 to 2021 cumulative debt service reduction of $1,482,326 and as per Guam PL 34-69, Section 2(h), GPA must notify I Liheslatura within sixty (60) days of refinancing of its intent and plan regarding the savings achieved from refinancing. GPA desires to reserve these savings for the benefit of the community by assisting the Guam Department of Education (GDOE) with its energy goals. GPA proposes to use the Bond Refinancing Program savings towards its proposed DSM program: *Bringing Energy Savings to (BEST) Schools Program*. The BEST Schools Program goals include:

- Supporting GDOE to achieve their legislative mandate to deploy and utilize renewable energy systems;
- Incentivizing GDOE to reduce their energy use and expenditures;
- Modernizing GDOE facilities infrastructure and extending GDOE equipment life with enhanced, proactive maintenance;
- Partnering up with GDOE under the UESC Program to execute the above;
- Ensuring GDOE continues to contribute to the O&M and capital investments for the GPA Power System; and

GPA will supplement the funding of this program with federal grants. The BEST Schools Program may increase GDOE's use of renewable energy, decrease GDOE's energy consumption and GHG footprint, and improve GDOE's facilities maintenance. This proposed program benefits GDOE, GPA, renewable energy system providers, and Guam students and residents.

How much is the savings?

Average Annual Cash Savings: $501,236.00 (Strategic Investments Option)

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RESOLUTION NO. 2018-02

RESOLUTION RELATIVE TO BOND FINANCING SAVINGS UTILIZATION

WHEREAS, Guam Power Authority's (GPA) Bond Refinancing Program will result in a 2018 to 2021 cumulative debt service reduction of $1,482,326; and

WHEREAS, as per Guam PL 34-69, Section 2(h), GPA must notify I Liheslatura within sixty (60) days of refinancing of its intent and plan regarding the savings achieved from refinancing; and

WHEREAS, GPA desires to reserve these savings for the benefit of the community by making a strategic investment assisting the Guam Department of Education's (GDOE) with its Legislative mandate for renewable energy; and

WHEREAS, GPA proposes to use the Bond Refinancing Program savings towards GPA's ***Bringing Energy Savings to (BEST) Schools Program;*** and

WHEREAS, the BEST Schools Program goals include:

- Supporting GDOE to achieve their legislative mandate to deploy and utilize renewable energy systems;
- Incentivizing GDOE to reduce their energy use and expenditures;
- Modernizing GDOE facilities infrastructure and extending GDOE equipment life with enhanced, proactive maintenance;
- Partnering up with GDOE under the UESC Program to execute the above;
- Ensuring GDOE continues to contribute to the O&M and capital investments for the GPA Power System; and

WHEREAS, GPA will supplement the funding of this program with federal grants; and

RESOLUTION NO: 2018-02

WHEREAS, any installed solar PV system energy production shall offset GDOE electricity billing on a kilowatt-hour generated for kilowatt-hour consumed basis at the LEAC or below the rate; and

WHEREAS, this proposed program benefits GDOE, GPA, renewable energy system providers, and Guam students and residents; and

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, the GOVERNING BODY of the GUAM POWER AUTHORITY as FOLLOWS:

1. The CCU authorizes GPA to petition the PUC for approval of the BEST Schools Program
2. Upon program approval by the PUC, the CCU authorizes the GPA General Manager to implement the BEST Schools Program.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 27th DAY OF FEBRUARY 2018.

Certified by:

_____

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

Attested by:

_____

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

RESOLUTION NO: 2018-02

I, J. George Bamba, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows:

The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting of the members of 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: _____

Bond Refinancing

PL 34-69

- Section 2(h) – GPA *shall* notify *I Liheslatura* within sixty (60) days of refinancing of its intent and plan regarding the savings achieved from refinancing.

Summary of Savings:

- Final Par Amount of Refunding: $148,670,000
- Final Par Amount of Refunded: $150,440,000
- Total Cash Flow Savings: $11,528,439
- Annual Cash Savings: $501,236
- NPV Savings: 5.17%
- All-In True Interest Cost: 4.12

Bond Refinancing

- Reduction in debt services from 2018 to 2021 totaling about $1,482,326 available for a program
- Reduction from 2022 on to be use to offset annual debt service cost of new 180 MW power plant.

Recommendations for Using $1,482,326 Savings

Option 1. DSM – Replenish Existing Rebate Program

Option 2. DSM – Revolving Short Term Reimbursement Fund-Zero Interest Charged

- Reduces consumption
- Maintain quality of life
- Part of money saved to be used to reimburse GPA revolving fund

- Option 3. DSM Feasibility Plan ($250,000)
  - Support GPA's goal to help GDOE achieve their legislative mandate to deploy and utilize renewable energy systems
  - Incentivize GDOE to reduce their energy use and expenditures
  - Modernize GDOE facilities infrastructure and extend GDOE equipment life with enhanced, proactive maintenance
  - Propose that GDOE partner up with GPA under the UESC Program to execute the Plan Recommendations

Example of Option 2 Program

Residential Customers Demographics:

Assume FY 2918 Average Cost = $0.25/Kwh

KWH RANGE	Residential	Min. Monthly $	Max Monthly. $
Below 0	884	-	-
0-350	7,403	-	$87.50
351-500	4,291	$87.75	$125.00
501-750	7,681	$125.25	$187.50
751-1000	7,221	$187.75	$250.00
1001-2000	13,887	$250.25	$500.00
2001-3000	2,215	$500.25	$750.00

Targeted Assets:	
1. LED Lighting	
2. High Efficiency Air Conditioning Units	
3. Other High Savings Initiatives	

Customer Average Monthly Kwh:	**1000**
Investment Required:	$1,000
24 Month Payments	$42

Current Bill:	**$250**
Monthly Estimated Savings:	$68
Estimated Billing with new A/C	$182
Add Investment Re-payment	$42
Approximate New Bill Monthly	**$224**

1st 24 Months Savings:	**$632**
Annual Savings Thereafter	**$816**

Option 3: BEST Schools Program

- Bringing Energy Savings to (BEST) Schools Program
  - Option A: Strategic Investments on Behalf of GDOE
    - Make Strategic Investment of about $1.48 M into GDOE roof top solar PV program to assist GDOE with its solar mandate (PL 32-095), 10% energy reduction goal, and improve its facilities maintenance. This would be seed funding towards eventually utilizing all GDOE school rooftops for solar PV generation as practical and economic.
    - Use Bond Refinancing Program savings from 2018 thru 2021 period towards installation, commissioning, and operations and maintenance of solar PV + energy storage systems on GDOE facilities
    - GPA evaluates solar PV production potential of all schools
    - Work with GDOE in seeking federal grants and other funding
    - Offset GDOE electric billing on a kilowatt-hour generated for kilowatt-hour consumed basis at the LEAC rate
    - Creates Multiple Win-Win scenarios for GDOE and ratepayers

Best School Program Savings

Description:	GPA BEST Program	GDOE PPA - Leased Schools
GPA Savings Investment:	$1,482,326	
Average $/Watt for Solar PV	4.5	
Total PV KW Capacity	329	
Annual Energy Production	721,399	721,399

Average GDOE Rate/Kwh	0.26
Leac Rate February 2018	0.14
Base Rate	0.12

GDOE PPA $/Kwh (80% of GPA Rate)		$0.21
GDOE Savings $/Kwh		$0.05

GDOE Savings Annually	**$100,996**	**$37,513**

Option 3: BEST Schools Program

- Bringing Energy Savings to (BEST) Schools Program
  - Option B: GPA-GDOE DSM & Renewable Plan ($250,000)
    - Solar Photovoltaic (PV) Systems – Identify and conduct preliminary sizing of solar PV array locations for each school site and the locations of existing electric meters for connection of on-site solar power generation.
    - Heating Ventilation & Air-Conditioning (HVAC) Systems – Provide a preliminary audit of existing school building HVAC systems for energy efficiency opportunities.
    - Water/Wastewater Systems – Provide a preliminary audit of existing systems for water use & operational efficiency opportunities.
    - Energy Management Systems (EMS) – Provide a preliminary audit of existing systems for energy efficiency opportunities.
    - Lighting Systems – Document existing systems and recommend opportunities for energy efficiency.
    - Operations & Maintenance (O&M) Plans – Evaluate and make recommendations to maximize equipment life and performance.
    - Propose that GDOE partner up with GPA under the UESC Program to execute the Plan Recommendations
    - Use BizConnect to help GDOE with their mandate to reduce energy consumption by 10%

Helping GDOE Meet Its 10% Energy Reduction Goal

Supporting Bond Refinance Savings Use Option 3

BizConnect

- GPA has a separate product for commercial and government customers called BizConnect
- BizConnect is especially useful for customers with multiple meters servicing their premise
- GPA has configured BizConnect for two customers: UOG and GTA.
  - GTA uses it aggressively
- Bizconnect can help GDOE School Leadership manage toGDOE's 10% energy reduction goal

BizConnect

- Offers a configurable suite of reports for C&I users to gain visibility into their usage and cost, coupled with measurement and verification to quantify the results of their conservation measures
- Presents deduct and net metering views, as well as coincident peak analysis
- Encourages behavioral savings in response to user configured threshold consumption notifications
- Empowers the large customer base to understand the impact of participating in utility programs, while working toward their own objectives of containing risk and minimizing impact on the environment

GPA Goals

- Near-Term Goals
  - Determine the top five schools for electricity (kWh) consumption per student. (Done)
  - Create Login Profiles for each of these schools
  - Create a training program on BizConnect for these schools
  - Conduct the training for the principals of these five schools
  - Provide Guidance on Using BizConnect to Manage Energy Use and help Meet GDOE's 10% Energy Reduction Mandate
- Long-Term Goals
  - Have every school on BizConnect
  - Help GDOE achieve its mandate to cut energy use by 10%
  - Become GDOE's Favored Energy Partner

Top Five Energy Consuming Schools

Rank	School Name	kWh Billed	# of Students	kWh/Student
1	Southern High School	538,389.30	1,495	360.13
2	Tamuning Elementary School	145,570.72	565	257.65
3	As Tumbo Middle School	106,398.00	581	181.26
4	Tiyan High School	223,392.00	1,260	177.30
5	Okkodo High School	302,816.24	1,762	171.86

5

GPA BizConnect Goals

- Increase customer satisfaction by helping them manage energy usage and cost
- Increase mindshare between GPA and its commercial, industrial, and government customers
- Improve effectiveness of GPA's DSM initiatives
- Lower burden on call centers by reducing call volume and duration
- Improve public reputation of the utility
- Improve the value we provide customers

GUAM POWER AUTHORITY
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Issues for Decision

Resolution No. 2018-04:

RELATIVE TO APPROVAL OF THE PHASE II RENEWABLE ENERGY ACQUISITION POWER PURCHASE AGREEMENT FOR HANWHA ENERGY CORPORATION

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

GPA intends to meet its 2008 IRP goals and comply with Public Law 29-62 which sets renewable goals under the Renewable Portfolio Standards (RPS) with the Phase II projects. In January 2017 GPA obtained the price bids for GPA Multi-Step Bid No: GPA-070-16 for 60MW of Renewable Energy Resource capacity with ESS for ramp control. Hanwha Energy Corporation is one of the two (2) lowest responsive bidders (KEPCO-LG CNS Mangilao Solar, LLC., is the other one) with having two proposals for 30MW solar PV projects totaling 60 MW of solar PV capacity with ESS for ramp control. GPA and Hanwha Energy Corporation have completed and agreed to commercial terms and conditions of the Power Purchase Agreements (PPA). GPA seeks approval to submit Hanwha Energy Corporation's PPA to the PUC for their approval.

Where is the location?

The Hanwha Energy Corporation 2x30MW solar projects are located at Dandan, Inarajan.

How much will it cost?

Please see attached table.

When will it be completed?

The Agreement is for 25 year term.

What is its funding source?

Funding source is LEAC.

HANWHA ENERGY CORPORATION Price Proposals

Contract Year	Proposal 1			Proposal 2		
	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)	MicroGrid Operations Fixed Annual Fee	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)	MicroGrid Operations Fixed Annual Fee
1	$ 62.45	72,005.00	$ 1,287,082	$ 65.99	72,005.00	$ 1,287,082
2	$ 63.08	71,831.00	$ 1,264,710	$ 66.65	71,831.00	$ 1,264,710
3	$ 63.71	71,245.00	$ 1,244,969	$ 67.32	71,245.00	$ 1,244,969
4	$ 64.35	70,865.00	$ 1,225,229	$ 67.99	70,865.00	$ 1,225,229
5	$ 64.99	70,485.00	$ 1,206,804	$ 68.67	70,485.00	$ 1,206,804
6	$ 65.64	70,306.00	$ 1,188,380	$ 69.36	70,306.00	$ 1,188,380
7	$ 66.30	69,724.00	$ 1,171,271	$ 70.05	69,724.00	$ 1,171,271
8	$ 66.96	69,344.00	$ 1,155,479	$ 70.75	69,344.00	$ 1,155,479
9	$ 67.63	68,693.00	$ 1,139,686	$ 71.46	68,693.00	$ 1,139,686
10	$ 68.31	68,780.00	$ 1,123,894	$ 72.17	68,780.00	$ 1,123,894
11	$ 68.99	68,202.00	$ 1,108,101	$ 72.89	68,202.00	$ 1,108,101
12	$ 69.68	67,821.00	$ 1,093,625	$ 73.62	67,821.00	$ 1,093,625
13	$ 70.37	67,440.00	$ 1,079,149	$ 74.36	67,440.00	$ 1,079,149
14	$ 71.08	67,252.00	$ 1,064,672	$ 75.10	67,252.00	$ 1,064,672
15	$ 71.79	66,678.00	$ 1,051,512	$ 75.85	66,678.00	$ 1,051,512
16	$ 72.51	66,296.00	$ 1,038,352	$ 76.61	66,296.00	$ 1,038,352
17	$ 73.23	65,915.00	$ 1,025,191	$ 77.38	65,915.00	$ 1,025,191
18	$ 73.96	65,722.00	$ 1,012,031	$ 78.15	65,722.00	$ 1,012,031
19	$ 74.70	65,151.00	$ 998,871	$ 78.93	65,151.00	$ 998,871
20	$ 75.45	64,770.00	$ 987,026	$ 79.72	64,770.00	$ 987,026
21	$ 76.21	64,388.00	$ 975,182	$ 80.52	64,388.00	$ 975,182
22	$ 76.97	64,190.00	$ 963,338	$ 81.33	64,190.00	$ 963,338
23	$ 77.74	63,623.00	$ 951,493	$ 82.14	63,623.00	$ 951,493
24	$ 78.52	63,241.00	$ 939,649	$ 82.96	63,241.00	$ 939,649
25	$ 79.30	62,859.00	$ 927,805	$ 83.79	62,859.00	$ 927,805

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
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RESOLUTION NO. 2018 – 04

RELATIVE TO APPROVAL OF THE PHASE II RENEWABLE ENERGY ACQUISITION AWARD TO HANWHA ENERGY CORPORATION FOR 60 MW OF RENEWABLE ENERGY CAPACITY

WHEREAS, in May 2016 GPA announced GPA Multi-Step Bid No: GPA- 070-16 for 60MW of Renewable Energy Resource capacity with ESS for ramp control; and

WHEREAS, in January 2017 GPA obtained the price bids and Hanwha Energy Corporation is one of the two (2) lowest responsive bidders with having two proposals for 30MW solar PV projects totaling 60 MW of solar PV capacity with ESS for ramp control; and

WHEREAS, Hanwha Energy Corporation provided $62.45/MWH & $65.99/MWH price proposals (first year) for the energy and ramp controls to include interconnection costs. **Exhibit A** provides a summary of the energy price proposals; and

WHEREAS, GPA evaluates bidder's price proposal against GPA's variable operating costs primarily made up of fuel costs; and

WHEREAS, GPA has determined that Hanwha Energy Corporation proposals would provide substantial savings to GPA over the term of the contracts based on current and projected LEAC rates (**Exhibit B**)**;** and

WHEREAS, GPA considers renewable energy as an effective hedge against rising fuel oil prices; and

WHEREAS, the bid prices proposed are an excellent fuel hedge as the bidders' energy prices are fixed with escalations no more than 1% annually for all proposals. **Exhibit C** summarizes GPA historical LEAC; and

WHEREAS, renewable energy is sustainable energy and good for the island; and

WHEREAS, Public Law 29-62 sets renewable goals under the Renewable Portfolio Standards (RPS); and

RESOLUTION NO: 2018-xx

WHEREAS, the award of 120MW contracts including KEPCO-LG CNS Mangilao Solar, LLC 60 MW project is projected to increase GPA's ratio of renewable energy to sales up to 26% by 2020. **Exhibit D & E** is a projected RPS outlook; and

WHEREAS, Hanwha Energy Corporation has concurred with GPA recommendations from the system impact study which is incorporated in the contract documents; and

WHEREAS, GPA would like to proceed with an approval to award Hanwha Energy Corporation a total of 60MW of renewable energy capacity contract subject (the "Agreement") to PUC approval.

WHEREAS, the Agreement, in the unexecuted form attached hereto as **Exhibit F,** has been reviewed by the CCU.

WHEREAS, this (Agreement shall be effective on the Effective Date as defined therein provided that the obligations of the parties thereunder shall be subject to the satisfaction of the following conditions precedent:

(i) Receipt by GPA of a final, non-appealable approval of this Agreement by the Guam Public Utilities Commission ("PPA Approval");

(ii) Execution of the Interconnection Agreement by the Parties;

(iii) Receipt by GPA of a final, non-appealable approval of the Interconnection Agreement (ICA) by the Guam Public Utilities Commission ("ICA Approval"); and

WHEREAS, Title 12 of the Guam Code Annotated, Chapter 8, Section 8306 provides that the Guam Power Authority may enter into alternate energy agreements to develop alternate energy or to purchase alternate energy only if all of the following conditions are met:

(a) Local funds of the government of Guam or the Guam Power Authority Funds may be used to develop alternate energy sources (including power generated from windmills, solar ponds and Ocean Thermal Energy Conversion) as may be later, appropriated by the Legislature or approved by law for that specific purpose.

(b) Any power produced or sold from alternate energy sources (including power generated from windmills, solar ponds and Ocean Thermal Energy Conversion (OTEC) cannot be purchased by Guam Power Authority or the government of Guam at a cost greater than the average cost of producing power found in the Islandwide Power System (not inclusive of backup diesel generators), specifically the two Cabras Units, the two Tanguisson Units, and the Piti Power Plant.

RESOLUTION NO: 2018-xx

(c) No contract may be signed by the government of Guam or the Guam Power Authority to develop or purchase power from alternate energy sources (including power generated from windmills, solar ponds and Ocean Thermal Energy Conversion), if such contract will result in increased expenses and costs for the Guam Power Authority. No such alternate energy contract may be signed until the board of directors of the Guam Power Authority has so certified that the agreement is consistent with all bond covenants and that the price paid for electricity pursuant to the agreement does not exceed actual current avoided cost.

(d) For so long as the Navy Power Pool Agreement is in effect, neither the Guam Power Authority nor the government of Guam may contract to purchase any power generated from alternate energy source (including power generated from windmills and solar ponds and Ocean Thermal Energy Conversion) without giving the United States Navy prior written notification.

(e) Any contract to purchase alternate energy (including power generated from windmills and solar ponds and Ocean Thermal Energy Conversion) must provide that any loss or damage to the Islandwide Power System, Guam Power Authority and the U.S. Navy or to consumers as a result of or proximately caused by the negligence of alternate energy supplier or by the quality of alternate energy supplied will be borne solely by the alternate energy supplier who will hold Guam Power Authority and the government of Guam harmless.

(f) All interface facilities to provide usable alternate energy (including power generated from windmills, solar ponds and Ocean Thermal Energy Conversion) shall be installed and maintained at the expense of the supplier of alternate energy. Any such interconnections shall be at existing lines owned and operated by the Islandwide Power System, and such interfaces shall be subject to the engineering standards and approval set by the Guam Power Authority.

(g) Any contract to purchase alternate energy (including power generated from windmills, solar ponds and Ocean Thermal Energy Technology) must provide that neither the government of Guam nor the Guam Power Authority shall be obligated to purchase electrical power not needed by the Guam Power Authority.

RESOLUTION NO: 2018-xx

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, the GOVERNING BODY of the GUAM POWER AUTHORITY as FOLLOWS:

1. The CCU authorizes GPA to petition the PUC for approval to award Phase II Renewable Acquisition Bid of two 30MW proposals totaling 60MW to Hanwha Energy Corporation as required under the PUC Procurement Protocol.
2. The CCU authorizes GPA to contract Hanwha Energy Corporation for renewable energy subject to PUC approval.
3. The CCU certifies and confirms that the requirements of 12 GCA Section 8306 as set forth above are met and satisfied in connection with the Agreement as follows:
    a. The requirements of 12 GCA Section 8306(a) are satisfied in connection with the Agreement in that GPA, pursuant to the provisions of Public Law 30-66 (as codified in Title 12 of the Guam Code Annotated, Section 8104(n)) and other applicable laws, is authorized to enter into the Agreement, together with any other agreement to be entered into by the parties in connection therewith, and perform all the obligations imposed upon GPA as set forth therein, including, without limitation, the obligation to purchase Renewable Energy as defined in the Agreement and pay all amounts due and owing under the terms of the Agreement. No separate and specific appropriation or approval by *Liheslaturan Guahan* is required for such purpose.
    b. The requirements of 12 GCA Section 8306(b) and (c) are satisfied in connection with the Agreement in that the CCU hereby certifies that the Agreement and the purchase of Renewable Energy by GPA at the time of the execution of the Agreement pursuant to the terms therein will not result in (A) costs to GPA which exceed the average cost of producing power under the Islandwide Power System owned and operated by GPA not inclusive of energy production from any backup diesel generators or other renewable energy sources, or (B) increased expenses and costs for GPA. Further, the CCU hereby certifies that the Agreement is consistent with and does not violate any and all bond covenants applicable to and imposed upon GPA and that the price to be paid by GPA for Renewable Energy as provided therein does not exceed GPA's actual current avoided cost.
    c. The requirements of 12 GCA 8306(d) are not applicable with regard to the Agreement since GPA is not a party to a pooling agreement or any other agreement with the United States Department of Navy or any other federal agency, department or instrumentality ("Federal Government) which requires GPA to notify or obtain the approval of the Federal Government of this Agreement as contemplated.

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d. The requirements of 12 GCA Section 8306(e) are satisfied as the Agreement contemplates that the Hanwha entity executing the Agreement is obligated to indemnify and hold harmless GPA from any loss or damage to the Islandwide Power System as a result of or proximately caused by such entity or by the quality of alternate energy supplied.

e. The requirements of 12 GCA Section 8306(f) are satisfied as the Agreement and any interconnection agreements executed in connection therewith provide that all interface facilities to provide the Renewable Energy shall be installed and maintained at the expense of the Hanwha entity thereunder and that any such interconnections shall be at existing lines owned and operated by the Islandwide Power System, and such interfaces shall be subject to the engineering standards and approval set by GPA.

f. The requirements of 12 GCA Section 8306(g) are satisfied in connection with the Agreement as any and all Renewable Energy to be purchased by GPA pursuant to the terms of the Agreement constitute electrical power needed and required by GPA in connection with the operation and stability of the Islandwide Power System and in order to meet renewable energy portfolio standards which GPA is mandated to achieve and satisfy by law including without limitation, the mandates as set forth in Public Law 29-062 as codified in Title 12 of the Guam Code Annotated, Section 8311.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 27TH DAY OF FEBRUARY 2018.

Certified by:	Attested by:
_____	_____
JOSEPH T. DUENAS	**J. GEORGE BAMBA**
Chairperson	Secretary
Consolidated Commission on Utilities	Consolidated Commission on Utilities

RESOLUTION NO: 2018-xx

I, J. George Bamba, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows:

The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting of the members of 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: _____

EXHIBIT A

Summary of Bid Proposals

Contract Year	Proposal 1			Proposal 2		
	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)	MicroGrid Operations Fixed Annual Fee	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)	MicroGrid Operations Fixed Annual Fee
1	$ 62.45	72,005.00	$ 1,287,082	$ 65.99	72,005.00	$ 1,287,082
2	$ 63.08	71,831.00	$ 1,264,710	$ 66.65	71,831.00	$ 1,264,710
3	$ 63.71	71,245.00	$ 1,244,969	$ 67.32	71,245.00	$ 1,244,969
4	$ 64.35	70,865.00	$ 1,225,229	$ 67.99	70,865.00	$ 1,225,229
5	$ 64.99	70,485.00	$ 1,206,804	$ 68.67	70,485.00	$ 1,206,804
6	$ 65.64	70,306.00	$ 1,188,380	$ 69.36	70,306.00	$ 1,188,380
7	$ 66.30	69,724.00	$ 1,171,271	$ 70.05	69,724.00	$ 1,171,271
8	$ 66.96	69,344.00	$ 1,155,479	$ 70.75	69,344.00	$ 1,155,479
9	$ 67.63	68,693.00	$ 1,139,686	$ 71.46	68,693.00	$ 1,139,686
10	$ 68.31	68,780.00	$ 1,123,894	$ 72.17	68,780.00	$ 1,123,894
11	$ 68.99	68,202.00	$ 1,108,101	$ 72.89	68,202.00	$ 1,108,101
12	$ 69.68	67,821.00	$ 1,093,625	$ 73.62	67,821.00	$ 1,093,625
13	$ 70.37	67,440.00	$ 1,079,149	$ 74.36	67,440.00	$ 1,079,149
14	$ 71.08	67,252.00	$ 1,064,672	$ 75.10	67,252.00	$ 1,064,672
15	$ 71.79	66,678.00	$ 1,051,512	$ 75.85	66,678.00	$ 1,051,512
16	$ 72.51	66,296.00	$ 1,038,352	$ 76.61	66,296.00	$ 1,038,352
17	$ 73.23	65,915.00	$ 1,025,191	$ 77.38	65,915.00	$ 1,025,191
18	$ 73.96	65,722.00	$ 1,012,031	$ 78.15	65,722.00	$ 1,012,031
19	$ 74.70	65,151.00	$ 998,871	$ 78.93	65,151.00	$ 998,871
20	$ 75.45	64,770.00	$ 987,026	$ 79.72	64,770.00	$ 987,026
21	$ 76.21	64,388.00	$ 975,182	$ 80.52	64,388.00	$ 975,182
22	$ 76.97	64,190.00	$ 963,338	$ 81.33	64,190.00	$ 963,338
23	$ 77.74	63,623.00	$ 951,493	$ 82.14	63,623.00	$ 951,493
24	$ 78.52	63,241.00	$ 939,649	$ 82.96	63,241.00	$ 939,649
25	$ 79.30	62,859.00	$ 927,805	$ 83.79	62,859.00	$ 927,805

EXHIBIT B

Proposal Evaluation Summary

CASE	Description	Project Size	5 Year Projected Savings On Current LEAC ($115/MWH)	5 Year Projected Savings on Projected LEAC
1	Hanwha Energy Corporation Proposal 1&2 (60MW)	60 MW	$ 22,820,053	$ 44,934,650

Contract Year	Year 1	Year 2	Year 3	Year 4	Year 5	TOTALS
Hanwha Proposal 1 Energy Rate ($/MWH)	62.45	63.08	63.71	64.35	64.99	
Energy Guarantee (MWH)	72,005	71,831	71,245	70,865	70,485	
Hanwha Proposal 2 Energy Rate ($/MWH)	65.99	66.65	67.32	67.99	68.67	
Energy Guarantee (MWH)	72,005	71,831	71,245	70,865	70,485	
Hanwha Microgrid Operations Option	$ 2,574,164	$ 2,529,420	$ 2,489,938	$ 2,450,458	$ 2,413,608	
Phase II Energy Costs	**$ 11,822,486**	**$ 11,848,056**	**$ 11,825,170**	**$ 11,828,732**	**$ 11,834,633**	**$ 59,159,077**
Current LEAC Rate ($/MWH)	115	115	115	115	115	
Current Energy Costs	$ 16,561,150	$ 16,521,130	$ 16,386,350	$ 16,298,950	$ 16,211,550	$ 81,979,130
Proposed Savings	**$ 4,738,664**	**$ 4,673,074**	**$ 4,561,180**	**$ 4,470,218**	**$ 4,376,917**	**$ 22,820,053**

Year	2019	2020	2021	2022	2023	TOTALS
Projected LEAC Rate* ($/MWH)	122.27	140.02	154.63	154.03	159.65	
Current Energy Costs	$ 17,608,221	$ 20,115,743	$ 22,033,092	$ 21,830,945	$ 22,505,726	$ 104,093,728
Proposed Savings	**$ 5,785,735**	**$ 8,267,687**	**$ 10,207,922**	**$ 10,002,213**	**$ 10,671,093**	**$ 44,934,650**

STRATEGIST CASE SUMMARY

	Base Case (No Phase II)	Case 1 (60MW)	SAVINGS
Present Value Utility Cost[3] ($000)	6,896,417	6,662,844	233,572

Notes:
1. The Currrent LEAC is used in this case evaluation to demonstrate minimum savings potential with $115/MWH LEAC rate presently proposed for next LEAC period.
2. Projected LEAC is based on STRATEGIST software output that analyzes genernation costs for various generation resources and its operating characteristics. This LEAC is based on load and fuel forecasts done by LEIDOS in 2016.
3. Present Value Utility Cost is an evaluation of generation operating costs in the STRATEGIST software. This is used to determine cost impact of generation resources and their operation variables (efficiency, fuel costs, capacity, etc.) based on energy requirements.

EXHIBIT C
Historical LEAC Summary

EFFECTIVE DATES	FUEL RECOVERY RATE ($ per Kwh)
10/01/00	0.053613
04/01/01	0.053613
10/01/01	0.048625
04/01/02	0.042901
10/01/02	0.048831
04/01/03	0.048831
10/01/03	0.062333
04/01/04	0.059753
10/01/04	0.059753
01/01/00	0.073010
01/01/00	0.088918
01/01/00	0.098589
02/01/07	0.108893
08/13/07	0.123957
03/01/08	0.150467
06/01/08	0.170440
10/01/08	0.187750
12/01/08	0.171050
02/01/09	0.157630
05/01/09	0.136450
08/01/09	0.129670
02/01/10	0.150460
08/31/10	0.124650
02/01/11	0.161530
08/01/11	0.192220
02/01/12	0.191980
04/01/12	0.192310
02/01/13	0.209271
08/01/13	0.182054
02/01/14	0.172986
08/01/14	0.176441
11/01/14	0.146666
02/01/15	0.102054
08/01/15	0.104871
02/01/16	0.086613
08/01/16	0.086613
02/01/17	0.105051
08/01/17	0.115725

EXHIBIT D

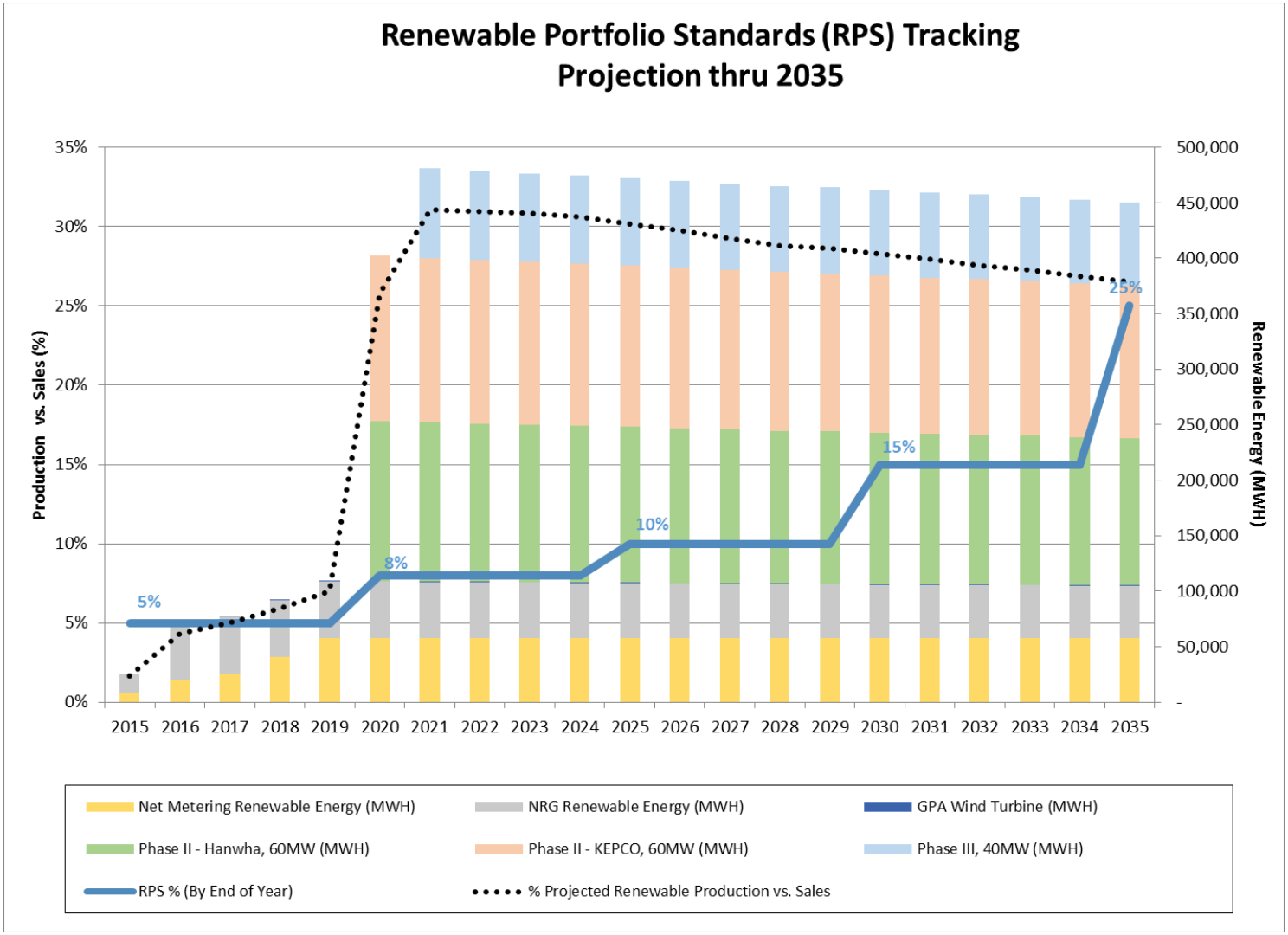
Projected Renewable Energy & Renewable Portfolio Standards (RPS) for 120 MW Phase II Award

	Net Metering Renewable Energy (MWH)	NRG Renewable Energy (MWH)	GPA Wind Turbine (MWH)	Phase II - Hanwha, 60MW (MWH)	Phase II - KEPCO, 60MW (MWH)	Phase III, 40MW (MWH)	Total Renewable Production (MWH)	GPA Total Sales (MWH)	% Projected Renewable Production vs. Sales	RPS % (By End of Year)
2015	8,034	17,597					25,630	1,536,927	2%	5%
2016	19,559	48,221	474				68,253	1,584,685	4%	5%
2017	25,271	51,627	482				77,380	1,546,044	5%	5%
2018	40,393	51,412	482				92,287	1,554,108	6%	5%
2019	57,629	51,133	482				109,244	1,557,331	7%	5%
2020	*57,629*	50,992	482	144,010	149,085		402,198	1,558,272	26%	8%
2021	*57,629*	50,601	482	143,662	147,949	80,510	480,834	1,547,800	31%	8%
2022	*57,629*	50,393	482	142,490	147,209	80,175	478,377	1,544,574	31%	8%
2023	*57,629*	50,083	482	141,730	146,468	79,740	476,131	1,544,540	31%	8%
2024	*57,629*	49,781	482	140,970	146,118	79,520	474,499	1,550,854	31%	8%
2025	*57,629*	49,599	482	140,612	144,986	78,911	472,219	1,566,472	30%	10%
2026	*57,629*	49,391	482	139,448	144,245	78,585	469,780	1,577,646	30%	10%
2027	*57,629*	49,122	482	138,688	143,504	78,102	467,527	1,597,005	29%	10%
2028	*57,629*	48,987	482	137,386	143,146	77,631	465,262	1,614,448	29%	10%
2029	*57,629*	48,612	482	137,560	142,023	77,348	463,654	1,620,517	29%	10%
2030	*57,629*	48,411	482	136,404	141,282	77,023	461,230	1,631,977	28%	15%
2031	*57,629*	48,147	482	135,642	140,541	76,604	459,045	1,644,069	28%	15%
2032	*57,629*	48,017	482	134,880	140,175	76,393	457,577	1,661,486	28%	15%
2033	*57,629*	47,649	482	134,504	139,059	75,808	455,131	1,670,464	27%	15%
2034	*57,629*	47,451	482	133,356	138,319	75,495	452,731	1,684,195	27%	15%
2035	*57,629*	47,191	482	132,592	137,578	75,083	450,555	1,698,373	27%	25%

Notes:

1. Sales is from 2016 forecast for 2017-2035 (LEIDOS Jan. 2016 Forecast)
2. Net Metering projection is from LEIDOS Forecast for 2017 thru 2019 and fixed thereafter
3. NRG (Phase I) production is based on contract guarantees from 2017 thru 2035
4. Phase II is based on Project Guarantees **for 120MW**. Phase III renewable projections are based NRG contract guarantees.
5. GPA wind turbine assumes average capacity factor since commissioning (20%) from 2017 thru 2035
6. DSM values are not included.

EXHIBIT E


Renewable Portfolio Standards (RPS) Tracking
Projection thru 2035
Production vs. Sales (%)
Renewable Energy (MWH)
35%
30%
25%
20%
15%
10%
5%
0%
500,000
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
-
5%
8%
10%
15%
25%
2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031 2032 2033 2034 2035
Net Metering Renewable Energy (MWH)
NRG Renewable Energy (MWH)
GPA Wind Turbine (MWH)
Phase II - Hanwha, 60MW (MWH)
Phase II - KEPCO, 60MW (MWH)
Phase III, 40MW (MWH)
RPS % (By End of Year)
% Projected Renewable Production vs. Sales

INTERCONNECTION AGREEMENT

BETWEEN

GUAM POWER AUTHORITY

AND

HANWHA ENERGY CORPORATION

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ATTACHMENTS

Attachment 1 – Glossary of Terms

Attachment 2 – Description and Costs of the Small Generating Facility, Interconnection facilities, and Metering Equipment

Attachment 3 – One-line Diagram Depicting the Small Generating Facility, Interconnection Facilities, Metering Equipment, and Network Upgrades

Attachment 4 – Milestones

Attachment 5 – Additional Operating Requirements for the Transmission System Needed to Support the Interconnection Customer's Needs

Attachment 6 – [Not Used]

Attachment 7 - Bill of Sale

INTERCONNECTION AGREEMENT

This Interconnection Agreement ("Agreement") is made and entered into this [___] day of _____, 201__ (the “Effective Date”), by Guam Power Authority ("GPA" or “Transmission Provider”), and _____("_____" or “Interconnection Customer”) each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties."

Transmission Provider Information

Transmission Provider:	Guam Power Authority
Attention:	_____
Address:	_____
Physical Address:	_____
	_____
Phone:	_____
Email:	_____
Fax:	_____

Interconnection Customer Information

Interconnection Customer:	
Attention:	Mr. Seung Taek Lee_
Address:	499, Hannuridaero Sejong Si
	30102 Korea
Physical Address:	499, Hannuridaero Sejong Si
	30102 Korea
Phone:	+8244 850 3494
Email:	stlee1108@hanwha.com
Fax:	+8244 850 3519

Interconnection Customer Application No: _____

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1

Article 1. Scope and Limitations of Agreement

1.1 This Agreement governs the terms and conditions under which the Interconnection Customer's Small Generating Facility will interconnect with, and operate in parallel with, the Transmission System.

1.2 This Agreement does not constitute an agreement to purchase or deliver the Interconnection Customer's power. The purchase or delivery of power and other services that the Interconnection Customer may require will be covered under a separate agreement. The Interconnection Customer will be responsible for separately making all necessary arrangements (including scheduling) for delivery of electricity to GPA in accordance with GPA's standard procedures, as provided by GPA to Interconnection Customer no later than ninety (90) days prior to commencement of testing of the Small Generating Facility.

1.3 Responsibilities of the Parties

1.3.1 The Parties shall perform all obligations of this Agreement in accordance with all Applicable Laws and Regulations, Operating Requirements, and Good Utility Practice.

1.3.2 The Interconnection Customer shall construct, interconnect, operate and maintain its Small Generating Facility and construct or cause to be constructed the Interconnection Facilities in accordance with this Agreement, Good Utility Practice and the requirements of Section 1.4.4 below.

1.3.2.1 The cost of constructing, interconnecting, operating and maintaining the Small Generating Facility shall be borne entirely by Interconnection Customer.

1.3.2.2 The cost of developing, designing, procuring, constructing and installing the Interconnection Facilities shall be borne by Interconnection Customer

1.3.2.3 On or before the Commercial Operation Date (as defined in the Power Purchase Agreement), the Interconnection Customer shall transfer the Interconnection Facilities to GPA by execution and delivery of the Bill of Sale attached hereto as Attachment 7.

1.3.2.4 Interconnection Customer shall manage the overall Construction progress (Engineering, Procuring and Constructing) and bear up to $900,000.00 of the direct, verified costs of construction of such System Stability Upgrades which are referred in Section 4.2 below and in

Attachment 5, but such costs shall in no event exceed $900,000.00. Any verified costs in excess of such amount shall be reimbursed by GPA to Interconnection Customer with GPA's prior approval.

1.3.3 GPA shall operate and maintain the Transmission System, the Interconnection Facilities and the Network Upgrades in accordance with this Agreement and Good Utility Practice.

1.3.3.1 The Parties agree that Network Upgrades [will not be required] solely as a result of Interconnection Customer installing the Small Generating Facility and the Interconnection Facilities.

1.3.4 The Interconnection Customer agrees to construct the Interconnection Facilities in accordance with applicable specifications that meet or exceed those provided by the National Electrical Safety Code, the American National Standards Institute, IEEE Standards, Underwriter's Laboratory, and Operating Requirements in effect at the time of construction and other applicable national and state codes and standards. The Interconnection Customer agrees to design and install its Small Generating Facility so as to reasonably minimize the likelihood of a disturbance adversely affecting or impairing the system or equipment of GPA.

1.3.5 Interconnection Customer shall be responsible for the safe installation of the Interconnection Facilities. Following transfer by Interconnection Customer in accordance with Section 1.4.2.4, GPA shall be responsible for the safe operation, maintenance, repair, inspection and condition of the Interconnection Facilities and the Transmission System, including System Stability and Network Upgrades

1.3.6 GPA shall provide without cost to Interconnection Customer the reasonable use of labor, personnel and equipment necessary for Interconnection Customer's installation of the Small Generating Facility and the Interconnection Facilities (and the Network Upgrades if applicable), so long as GPA does not incur material out-of-pocket cost or constraint of resources as a result thereof. The foregoing includes, by way of example, (i) providing access to GPA technical information and engineering personnel as needed for questions and answers, (ii) utilizing GPA equipment and trucks as needed for GPA support, (iii) receiving and loading wire reels at the Port of Guam and bringing the same to the Small Generating Facility lay-down area, (iv) providing electricians and equipment for wire installation, splicing, terminations and testing, and (v) providing flag men for traffic control during wire installation, splicing and testing.

1.3.7 GPA shall provide Interconnection customer and its subcontractors regarding the work on the Interconnection Facilities the following items (i) the right of Access to Interconnection Facilities (ii) cover GPA's internal cost of any power shut down support during normal working hours (iii) provide sufficient land for

installing transformer and switchgear to its existing Substations as described in Attachment 2 iv) acquisiton and permitting of additional land for Apra Heights Substation

1.4 Parallel Operation Obligations

Once the Small Generating Facility has been authorized to commence parallel operation, the Interconnection Customer shall abide by all rules and procedures pertaining to the parallel operation of the Small Generating Facility in the Guam control area, including, but not limited to: 1) the rules and procedures concerning the operation of generation set forth by the Transmission Provider for the Transmission System and 2) the Operating Requirements set forth in Appendix H of the Power Purchase Agreement.

1.5 Metering

The Parties' responsibilities with respect to purchase, installation, operation, maintenance, testing, repair and replacement of metering and data acquisition equipment are specified in Section 7.4 of the Power Purchase Agreement.

1.6 Reactive Power

The Interconnection Customer shall design its Small Generating Facility to maintain a composite power delivery at continuous rated power output at the Point of Interconnection at all power factors over the range of 0.95 leading to 0.95 lagging, unless GPA has established different requirements that apply to all similarly situated generators in the control area on a comparable basis. The Small Generating Facility shall be capable of continuous dynamic operation throughout the power factor design range as measured at the Point of Interconnection.

1.7 Definitions

Capitalized terms used herein shall have the meanings specified in the Glossary of Terms in Attachment 1 or the body of this Agreement.

Article 2. Inspection, Testing, Authorization, and Right of Access

2.1 Equipment Testing and Inspection

2.1.1 The Interconnection Customer shall test and inspect its Small Generating Facility and the Interconnection Facilities prior to interconnection. The Interconnection Customer shall notify GPA of such activities no fewer than five Business Days (or as may be agreed to by the Parties) prior to such testing and inspection. The notification shall be made by submitting a test plan for GPA's approval prior to the first scheduled testing date. GPA shall provide feedback within ten (10) business days. The test plan shall include all relevant testing details including but not limited to the date and time of each test, and expected MW and MVAR output of the Small Generating Facility. Testing and inspection shall occur on a Business Day. GPA may, at its own expense, send qualified personnel to the Small Generating Facility site to inspect the interconnection and observe the testing. The Interconnection Customer shall provide GPA a written test report when such testing and inspection is completed.

2.1.2 GPA shall provide the Interconnection Customer written acknowledgment within five (5) Business Days, that it has received the Interconnection Customer's written test report. Such written acknowledgment shall not be deemed to be or construed as any representation, assurance, guarantee, or warranty by GPA of the safety, durability, suitability, or reliability of the Small Generating Facility or any associated control, protective, and safety devices owned or controlled by the Interconnection Customer or the quality of power produced by the Small Generating Facility.

2.2 Authorization Required Prior to Parallel Operation

2.2.1 GPA has listed applicable parallel operation requirements in Appendix H of the Power Purchase Agreement. Additionally, GPA shall notify the Interconnection Customer of any changes to these requirements as soon as they are known. GPA shall make Reasonable Efforts to cooperate with the Interconnection Customer in meeting requirements necessary for the Interconnection Customer to commence parallel operations by the in-service date.

2.2.2 The Interconnection Customer shall not operate its Small Generating Facility in parallel with the Transmission System without the one-time prior written authorization of GPA. GPA will provide such authorization once GPA receives notification that the Interconnection Customer has complied with all applicable parallel operation requirements set forth in Appendix H of the Power Purchase

Agreement. Such authorization shall not be unreasonably withheld, conditioned, or delayed.

2.2.3 GPA shall have control of the power transmission system including the interconnecting transmission line breaker at the point of interconnection.

2.3 Right of Access

2.3.1 Upon reasonable notice, GPA may send a qualified person to the premises of the Interconnection Customer at or immediately before the time the Small Generating Facility first produces energy to inspect the interconnection, and observe the commissioning of the Small Generating Facility (including any required testing), startup, and operation for a period of up to three (3) Business Days after initial start-up of the unit.

2.3.2 Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without written notice in the event of an emergency or hazardous condition, GPA shall have access to the Interconnection Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers. Within forty-eight (48) hours after a GPA access due to an emergency or hazardous condition, GPA shall provide a written summary of any such access and of any work performed during such access.

2.3.3 Each Party shall be responsible for its own costs associated with following this article.

Article 3. Effective Date, Term, Termination, and Disconnection

3.1 Effective Date

This Agreement shall become effective on the Effective Date.

3.2 Term of Agreement

This Agreement shall become effective on the Effective Date and shall remain in effect for a period of twenty-five (25) years from the Commercial Operation Date (as defined in the Power Purchase Agreement), or such other longer period as the Interconnection Customer may request and shall be automatically renewed for each successive one-year

period thereafter, unless terminated earlier in accordance with Article 3.3 of this Agreement. In no event, however, shall GPA be entitled to terminate this Agreement unless and until the Power Purchase Agreement is terminated.

3.3 Termination

No termination shall become effective until the Parties have complied with all Applicable Laws and Regulations applicable to such termination.

3.3.1 The Interconnection Customer may terminate this Agreement at any time by giving GPA twenty (20) Business Days written notice.

3.3.2 Transmission Provider may terminate this Agreement if the Small Generating Facility has ceased commercial operation for three (3) consecutive years, beginning with the last date of commercial operation for the Small Generating Facility, after giving the Interconnection Customer twenty (20) Business Days advance written notice. The Small Generating Facility will not be deemed to have ceased Commercial Operation for purposes of this Article 3.3.2 if the Interconnection Customer can document that it has taken other significant steps to maintain or restore operational readiness of the Small Generating Facility for the purpose of returning the Small Generating Facility to commercial operation as soon as possible.

3.3.3 Either Party may terminate this Agreement after Default pursuant to Article 7.6.

3.3.4 Upon termination of this Agreement, the Small Generating Facility will be disconnected from the Transmission System. All costs required to effectuate such disconnection shall be borne by the terminating Party, unless such termination resulted from the non-terminating Party's Default of this Agreement or such non-terminating Party otherwise is responsible for these costs under this Agreement.

3.3.5 The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing at the time of the termination.

3.3.6 The provisions of this Article shall survive termination or expiration of this Agreement.

3.4 Temporary Disconnection

Temporary disconnection shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.1 Emergency Conditions

"Emergency Condition" shall mean a condition or situation: (1) that in the judgment of the Party making the claim is imminently likely to endanger life or property; or (2) that, in the case of GPA, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Transmission System or the Interconnection Facilities; or (3) that, in the case of the Interconnection Customer, is imminently likely (as determined in a non-discriminatory manner) to cause a material adverse effect on the security of, or damage to, the Small Generating Facility, or with respect to the Interconnection Facilities until transferred to GPA pursuant to this Agreement. Under Emergency Conditions, if GPA believes that the Emergency Condition may reasonably be expected to affect the Transmission System or the Interconnection Facilities, GPA may immediately suspend interconnection service and temporarily disconnect the Small Generating Facility. GPA shall notify the Interconnection Customer promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Interconnection Customer's operation of the Small Generating Facility. The Interconnection Customer shall notify GPA promptly when it becomes aware of an Emergency Condition that may reasonably be expected to affect the Transmission System. To the extent information is known, the notification shall describe the Emergency Condition, the extent of the damage or deficiency, the expected effect on the operation of both Parties' facilities and operations, its anticipated duration, and the necessary corrective action.

3.4.2 Routine Maintenance, Construction, and Repair

GPA may interrupt interconnection service or curtail the output of the Small Generating Facility and temporarily disconnect the Small Generating Facility from the Transmission System when necessary, according to Good Utility Practice, for routine maintenance, construction, and repairs on the Transmission System. GPA shall provide the Interconnection Customer with five Business Days notice prior to such interruption. GPA shall use Reasonable Efforts to coordinate such reduction or temporary disconnection with the Interconnection Customer. The interruption or curtailment shall continue only for so long as reasonably necessary under Good Utility Practice.

3.4.3 Forced Outages

During any forced outage, GPA may suspend interconnection service to effect immediate repairs on the Transmission System. GPA shall use Reasonable Efforts to provide the Interconnection Customer with prior notice. If prior notice is not given, GPA shall, upon request, provide the Interconnection Customer

written documentation after the fact explaining the circumstances of the disconnection.

3.4.4 Adverse Operating Effects

GPA shall notify the Interconnection Customer as soon as practicable if, based on Good Utility Practice, there is a significant probability that operation of the Small Generating Facility will cause damage to the Transmission System. Supporting documentation used to reach the decision to disconnect shall be provided to the Interconnection Customer upon request. If, after notice, the Interconnection Customer fails to remedy the adverse operating effect within a reasonable time, GPA may disconnect the Small Generating Facility. GPA shall provide the Interconnection Customer with five (5) Business Day notice of such disconnection, unless the provisions of Article 3.4.1 apply.

3.4.5 Modification of the Small Generating Facility

The Interconnection Customer must receive written authorization from GPA before making any change to the Small Generating Facility that may have a material impact on the safety or reliability of the Transmission System. Such authorization shall not be unreasonably withheld. Modifications shall be done in accordance with Good Utility Practice. If the Interconnection Customer makes such modification without GPA's prior written authorization, GPA shall have the right to temporarily disconnect the Small Generating Facility until the Interconnection Customer makes necessary changes in order for the Small Generating Facility not to have a material impact on the safety or reliability of the Transmission System.

3.4.6 Reconnection

The Parties shall cooperate with each other to restore the Small Generating Facility, Interconnection Facilities, and the Transmission System to their normal operating state as soon as reasonably practicable following a temporary disconnection.

Article 4. Cost Responsibility for Interconnection Facilities

4.1 Interconnection Facilities

The Interconnection Customer shall install and pay for the cost of the Interconnection Facilities itemized in Attachment 2 of this Agreement, and as further set forth in Section 1.4.

4.2 System Stability Upgrades

It is agreed that system operational characteristic changes or Small Generator Facility modifications shall be required to be installed by the Interconnection Customer as a result of the development, installation or operation of the Small Generating Facility or other generation installed in Guam.

Transmission system relaying to line current differential upgrade is required as further described in Attachment 5. GPA shall own and operate the System Stability Upgrades described in Attachment 5 of this Agreement, which will be installed as and to the extent required as as result of the Interconnection Customer connecting to the Interconnection Facilities. All actual costs of such required System Stability Upgrades, including overhead, shall be borne by the Interconnection Customer.

For any verified costs for the System Stability Upgrades in excess of $900,000.00, GPA shall reimburse the Interconnection Customer. The Interconnection Customer shall properly notify and obtain GPA's approval prior to exceeding the $900,000.00 cap.

Article 5. [Not Used]

Article 6. Billing, Payment, Milestones, and Financial Security

6.1 Milestones

The Parties shall agree on milestones for which each Party is responsible and list them in Attachment 4 of this Agreement. A Party's obligations under this provision may be extended by agreement. If a Party anticipates that it will be unable to meet a milestone for any reason other than a Force Majeure Event, it shall immediately notify the other Party of the reason(s) for not meeting the milestone and (1) propose the earliest reasonable alternate date by which it can attain this and future milestones, and (2) requesting appropriate amendments to Attachment 4. The Party affected by the failure to meet a milestone shall not unreasonably withhold agreement to such an amendment unless it will (1) suffer significant uncompensated economic or operational harm from the delay, (2) attainment of the same milestone has previously been delayed, or (3) it has reason to believe that the delay in meeting the milestone is intentional or unwarranted notwithstanding the circumstances explained by the Party proposing the amendment.

Article 7. Assignment, Liability, Indemnity, Force Majeure, Consequential Damages, and Default

7.1 Assignment

This Agreement may be assigned by either Party upon fifteen (15) Business Days prior written notice and opportunity to object by the other Party; provided that:

7.1.1 Either Party may assign this Agreement without the consent of the other Party to (i) any affiliate of the assigning Party with an equal or greater creditworthiness and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement, provided that the assigning Party promptly notifies the other Party of any such assignment or (ii) to any person or entity succeeding to all or substantially all of the assets of such Party, and whose creditworthiness is equal to or higher than that of such Party;

7.1.2 The Interconnection Customer shall have the right to assign this Agreement, without the consent of GPA, for collateral security purposes to aid in providing financing for the Small Generating Facility, provided that the Interconnection Customer will promptly notify GPA of any such assignment.

7.1.3 Any attempted assignment that violates this Article is void and ineffective. Assignment shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. An assignee is responsible for meeting the same financial, credit, and insurance obligations as the Interconnection Customer. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

7.2 Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Agreement.

7.3 Indemnity

7.3.1 This provision protects each Party from liability incurred to third parties as a result of carrying out the provisions of this Agreement. Liability under this provision is exempt from the general limitations on liability found in Article 7.2.

7.3.2 The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or failure to meet its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

7.3.3 If an indemnified person is entitled to indemnification under this Article as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed under this article, to assume the defense of such claim, such indemnified person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.

7.3.4 If an indemnifying party is obligated to indemnify and hold any indemnified person harmless under this article, the amount owing to the indemnified person shall be the amount of such indemnified person's actual loss, net of any insurance or other recovery.

7.3.5 Promptly after receipt by an indemnified person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Article may apply, the indemnified person shall notify the indemnifying party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the indemnifying party.

7.4 Consequential Damages

Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, or cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

7.5 Force Majeure

7.5.1 As used in this article, a Force Majeure Event shall mean an event or circumstance which prevents one Party from performing its obligations under this Agreement, which event or circumstance was not anticipated as of the Effective Date, which is not within the reasonable control of, or the result of the negligence of, the Affected Party, and which, by the exercise of due diligence, the Affected Party is unable to overcome or avoid or cause to be avoided. So long as the requirements of the preceding sentence are met, a Force Majeure Event shall include, without limitation, any act of God, labor disturbance, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. A Force Majeure Event does not include an act of negligence or intentional wrongdoing.

7.5.2 If a Force Majeure Event prevents a Party from fulfilling any obligations under this Agreement, the Party affected by the Force Majeure Event (Affected Party) shall promptly notify the other Party, either in writing or via the telephone, of the existence of the Force Majeure Event. The notification must specify in reasonable detail the circumstances of the Force Majeure Event, its expected duration, and the steps that the Affected Party is taking to mitigate the effects of the event on its performance. The Affected Party shall keep the other Party informed on a continuing basis of developments relating to the Force Majeure Event until the event ends. The Affected Party will be entitled to suspend or modify its performance of obligations under this Agreement (other than the obligation to make payments) only to the extent that the effect of the Force Majeure Event cannot be mitigated by the use of Reasonable Efforts. The Affected Party will use Reasonable Efforts to resume its performance as soon as possible.

7.6 Default

7.6.1 No Default shall exist where such failure to discharge an obligation (other than the payment of money) is the result of a Force Majeure Event as defined in this Agreement or the result of an act or omission of the other Party. Upon a Default, the non-defaulting Party may give written notice of such Default to the defaulting Party. Except as provided in Article 7.6.2, the defaulting Party shall have sixty (60) calendar days from receipt of the Default notice within which to cure such Default; provided however, if such Default is not capable of cure within sixty (60) calendar days, the defaulting Party shall commence such cure within twenty (20) calendar days after notice and continuously and diligently complete such cure

within six months from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.

7.6.2 If a Default is not cured as provided in this article, or if a Default is not capable of being cured within the period provided for herein, the non-defaulting Party shall have the right to terminate this Agreement by written notice at any time until cure occurs, and be relieved of any further obligation hereunder and, whether or not that Party terminates this Agreement, to recover from the defaulting Party all amounts due hereunder, plus all other damages and remedies to which it is entitled at law or in equity. The provisions of this Article will survive termination of this Agreement.

Article 8. [Not Used]

Article 9. Confidentiality

9.1 Confidential Information shall mean any confidential and/or proprietary information provided by one Party to the other Party that is clearly marked or otherwise designated "Confidential." For purposes of this Agreement all design, operating specifications, and metering data provided by the Interconnection Customer shall be deemed Confidential Information regardless of whether it is clearly marked or otherwise designated as such.

9.2 Confidential Information does not include information previously in the public domain, required to be publicly submitted or divulged by Governmental Authorities (after notice to the other Party and after exhausting any opportunity to oppose such publication or release), or necessary to be divulged in an action to enforce this Agreement. Each Party receiving Confidential Information shall hold such information in confidence and shall not disclose it to any third party nor to the public without the prior written authorization from the Party providing that information, except to any permitted disclosee of confidential information pursuant to the Power Purchase Agreement, to fulfill obligations under this Agreement, or to fulfill legal or regulatory requirements.

9.2.1 Each Party shall employ at least the same standard of care to protect Confidential Information obtained from the other Party as it employs to protect its own Confidential Information.

9.2.2 Each Party is entitled to equitable relief, by injunction or otherwise, to enforce its rights under this provision to prevent the release of Confidential Information without bond or proof of damages, and may seek other remedies available at law or in equity for breach of this provision.

9.3 Notwithstanding anything in this Article to the contrary, if during the course of an investigation by a Governmental Authority or otherwise, a Governmental Authority requests information from one of the Parties that is otherwise required to be maintained in confidence pursuant to this Agreement, the Party receiving the request, if required under Applicable Laws and Regulations, shall provide the requested information to the Governmental Authority conducting the investigation, within the time provided for in the request for information. In providing the information, the Party may request that the information be treated as confidential and non-public by the Governmental Authority and that the information be withheld from public disclosure. The Party shall notify the other Party to this Agreement when it is notified by a Governmental Authority that a request to release Confidential Information has been received, at which time either of the Parties may respond before such information would be made public. .

Article 10. Disputes

10.1 The Parties agree to resolve all disputes arising out of this Agreement according to the provisions of the Power Purchase Agreement.

Article 11. Taxes

11.1 The Parties agree to follow all applicable Guam tax laws and regulations.

11.2 Each Party shall cooperate with the other to maintain the other Party's tax status. Nothing in this Agreement is intended to adversely affect the Transmission Provider's tax exempt status with respect to the issuance of bonds including, but not limited to, local furnishing bonds.

Article 12. Miscellaneous

12.1 Governing Law, Regulatory Authority, and Rules

The validity, interpretation and enforcement of this Agreement and each of its provisions shall be governed by the laws of the Territory of Guam (where the Point of Interconnection is located), without regard to its conflicts of law principles. This Agreement is subject to all Applicable Laws and Regulations. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, or regulations of a Governmental Authority.

12.2 Amendment

The Parties may amend this Agreement by a written instrument duly executed by both Parties.

12.3 No Third-Party Beneficiaries

This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and where permitted, their assigns.

12.4 Waiver

12.4.1 The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party.

12.4.2 Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or default of this Agreement for any reason by the Interconnection Customer shall not constitute a waiver of the Interconnection Customer's legal rights to obtain an interconnection from GPA. Any waiver of this Agreement shall, if requested, be provided in writing.

12.5 Entire Agreement

This Agreement, including all Attachments, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for or any condition to, either Party's compliance with its obligations under this Agreement.

12.6 Multiple Counterparts

This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

12.7 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

12.8 Severability

If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other Governmental Authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

12.9 Security Arrangements

Infrastructure security of electric system equipment and operations and control hardware and software is essential to ensure day-to-day reliability and operational security. Both Parties are expected to meet basic standards for system infrastructure and operational security, including physical, operational, and cyber-security practices.

12.10 Environmental Releases

Each Party shall notify the other Party, first orally and then in writing, of the release of any hazardous substances, any asbestos or lead abatement activities, or any type of remediation activities related to the Small Generating Facility or the Interconnection Facilities, each of which may reasonably be expected to affect the other Party. The notifying Party shall (1) provide the notice as soon as practicable, provided such Party makes a good faith effort to provide the notice no later than twenty-four (24) hours after such Party becomes aware of the occurrence, and (2) promptly furnish to the other Party copies of any publicly available reports filed with any governmental authorities addressing such events.

12.11 Subcontractors

Nothing in this Agreement shall prevent a Party from utilizing the services of any subcontractor as it deems appropriate to perform its obligations under this Agreement; provided, however, that each Party shall require its subcontractors to comply with all applicable terms and conditions of this Agreement in providing such services and each

Party shall remain primarily liable to the other Party for the performance of such subcontractor.

12.11.1 The creation of any subcontract relationship shall not relieve the hiring Party of any of its obligations under this Agreement. The hiring Party shall be fully responsible to the other Party for the acts or omissions of any subcontractor the hiring Party hires as if no subcontract had been made; provided, however, that in no event shall a Party be liable for the actions or inactions of the other Party or its subcontractors with respect to obligations of the first Party under this Agreement. Any applicable obligation imposed by this Agreement upon the hiring Party shall be equally binding upon, and shall be construed as having application to, any subcontractor of such Party.

12.11.2 The obligations under this Article will not be limited in any way by any limitation of subcontractor's insurance.

12.12 Waiver of Sovereign Immunity

To the extent that GPA may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to GPA or its assets or revenues such immunity (whether or not claimed), GPA agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

Article 13. Notices

13.1 General

Unless otherwise provided in this Agreement, any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person, delivered by recognized national currier service, or sent by first class mail, postage prepaid, to the person specified below:

If to the Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____

_____
Physical Address: _____
_____
Phone: _____
Email: _____
Fax: _____

If to the Transmission Provider:

Guam Power Authority
Attention: _____
Address: _____
_____
Physical Address: _____
_____
Phone: _____
Email: _____
Fax: _____

13.2 Billing and Payment

Billings and payments shall be sent to the addresses set out below:

Interconnection Customer:

Interconnection Customer: _____
Attention: _____
Address: _____
_____
Physical Address: _____
_____
Phone: _____
Email: _____
Fax: _____

Transmission Provider:

Guam Power Authority
Attention: _____
Address: _____
_____
Physical Address: _____

	_____
Phone:	_____
Email:	_____
Fax:	_____

13.3 Alternative Forms of Notice

Any notice or request required or permitted to be given by either Party to the other and not required by this Agreement to be given in writing may be so given by telephone, facsimile or e-mail to the telephone numbers and e-mail addresses set out below:

If to the Interconnection Customer:

Interconnection Customer:	_____
Attention:	_____
Address:	_____
	_____
Physical Address:	_____
	_____
Phone:	_____
Email:	_____
Fax:	_____

If to the Transmission Provider:

	Guam Power Authority
Attention:	_____
Address:	_____
	_____
Physical Address:	_____
	_____
Phone:	_____
Email:	_____
Fax:	_____

13.4 Designated Operating Representative

The Parties may also designate operating representatives to conduct the communications which may be necessary or convenient for the administration of this Agreement. This person will also serve as the point of contact with respect to operations and maintenance of the Party's facilities.

Interconnection Customer's Operating Representative:

Interconnection Customer: _____
Attention: _____
Address: _____
_____
Physical Address: _____
_____
Phone: _____
Email: _____
Fax: _____

Transmission Provider's Operating Representative:

Guam Power Authority
Attention: _____
Address: _____
_____
Physical Address: _____
_____
Phone: _____
Email: _____
Fax: _____

With a copy of all notices, including notices of any defaults, sent to legal counsel of the applicable Party, as follows:

Interconnection Customer: _____
Attention: _____
Address: _____
_____
Physical Address: _____
_____
Phone: _____
Email: _____
Fax: _____

13.5 Changes to the Notice Information

Either Party may change this information by giving five Business Days written notice prior to the effective date of the change.

[Signature page follows]

Article 14. Signatures

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives.

For the Transmission Provider

By: _____

Name: _____

Title: _____

Date: _____

For the Interconnection Customer

By: _____

Name: _____

Title: _____

Date: _____

Attachment 1

Glossary of Terms

Applicable Laws and Regulations – All duly promulgated applicable federal, state, territorial and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

Business Day – Any day except a Saturday, Sunday, a Federal Reserve Bank holiday or an official Guam holiday. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. local time for the relevant Party's principal place of business.

Default – The failure of a breaching Party to cure its breach under this Agreement, within the time periods provided in Section 7.6 hereof.

Effective Date -- The date first set forth in the preamble hereto.

Good Utility Practice – Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be generally acceptable and consistently adhered to acceptable practices, methods, or acts.

Governmental Authority – Any federal, territorial or local governmental body; any governmental, quasi-governmental, regulatory or administrative agency, commission, body or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; or any court or governmental tribunal.

IEEE Standards - The standards of the Institute of Electrical and Electronics Engineers (IEEE), or its IEEE Standards Association (IEEE-SA), in effect as of the Effective Date.

Interconnection Customer – Any entity, including the Transmission Provider, the Transmission Customer or any of the affiliates or subsidiaries of either, that proposes to interconnect its Small Generating Facility with the Transmission System.

Interconnection Facilities – The Interconnection Facilities include all facilities and equipment between the Small Generating Facility and the Piti and Apra Heights Substations, including any required modification, additions or upgrades related to Interconnection that are necessary to physically and electrically interconnect the Small Generating Facility to such facilities. The Interconnection Facilities are described in more detail in Attachment 2 and Attachment 3 hereto.

Network Upgrades – Additions, modifications, and upgrades to the Transmission System required for steady state system stability to accommodate the interconnection, at the Point of Interconnection, of the Interconnection Customer's facility with the Interconnection Facilities.

Operating Requirements – Any operating and technical requirements that may be applicable and are set forth in the Power Purchase Agreement or in this Interconnection Agreement, including Attachment 5 hereto.

Party or Parties – The Transmission Provider, Interconnection Customer or any combination of the above.

Point of Interconnection – The point at the Small Generating Facility site (_____)where the Small Generating Facility connects with the Interconnection Facilities, as shown in Attachment 3.

Reasonable Efforts – With respect to an action required to be attempted or taken by a Party under the Interconnection Agreement, efforts that are timely and consistent with Good Utility Practice and are otherwise substantially equivalent to those a Party would use to protect its own interests.

Small Generating Facility – The Interconnection Customer's device for the production of electricity, but shall not include the Interconnection Facilities.

Power Purchase Agreement - (i) The Renewable Energy Purchase Agreement for the sale by Interconnection Customer and the purchase by GPA of renewable solar energy from the Small Generating Facility, dated as of _____, 201___.

System Stability Upgrades – Additions, modifications, and upgrades to the Transmission System, System Operational Characteristics or Small Generating Facility required for power system recovery as a result of faults or loss of generation events, which are not considered as Network Upgrades.

Tariff – The Transmission Provider's tariff through which open access transmission service and interconnection services are offered and as amended or supplemented from time to time, or any successor tariff.

Transmission Provider – As defined in the preamble hereto.

Transmission System – The facilities owned, controlled or operated by the Transmission Provider that connect to the Interconnection Facilities and are used to provide transmission service under the Tariff.

Attachment 2

Description of the Small Generating Facility, Interconnection Facilities and Metering Equipment

Equipment, including the Small Generating Facility, Interconnection Facilities, and metering equipment shall be itemized and identified as being owned by the Interconnection Customer or by GPA.

Interconnection Facilities:

The Interconnection Facilities and the capped amounts with respect thereto (beyond which GPA will reimburse Interconnection Customer as set forth in this Agreement) include the following:

Description of work for the Substation:

A. Interconnection Customer is responsible for the design and construction of additions at the existing _____ Piti and Apra Heights Substations. Interconnection Customer shall procure and install Facility Hardware in accordance with applicable codes and standards; plans and specifications. Interconnection Customer shall test and commission the augmented substation to provide for a complete, functional, and operational _____ modification of Piti and Apra Heights Substations. Interconnection Customer shall be responsible for the following:

    1. Development of detailed engineering and physical arrangement for the new additions at the Piti 115 kV Substation and 115 & 34.5kV for Apra Heights Substation. including, but not limited to:

        a. At Piti Substation Interconnection Customer will use the existing spare 115kV switchgear and will connect one circuit (AAAC 927MCM) to it which will come from Apra Heights Substation

        b. At Apra Heights Substation one circuit (AAAC 927MCM) will come in from Malojloj Substation and will connected to the Substation.

        c. Interconnection Customer will provide a 50MVA transformer according to the SIS report which will be installed with switchgear at Apra Heights Substation

        d. In case GPA requires a higher capacity transformer (i.e. 60MVA) due to GPA's grid condition, Interconnection Customer will provide such required transformer on the basis that GPA will provide the cost difference between the 50MVA capacity and the new capacity

2. Civil and foundation design for substation new Equipment and related modification of Existing facility. Supply and installation of structural steel to support new equipment, as required, and anchor bolts for all new equipment. Structural steel will be hot dip galvanized. For foundation design, geotechnical data of Piti and Apra Heights Substations area shall be provided by GPA if available.

3. Circuit and Raceway design for all 34.5 and 115 kV new equipment and related modification of Existing facility in accordance with applicable codes and standards and specifications.

4. Circuit and Raceway list.

5. Interconnection Customer shall prepare an energization and start-up plan and submit to GPA for approval. GPA shall provide input within 10 business days.

6. Exclusion: The Interconnection Customer's work does not include the upgrade of Existing facility's infrastructures such as software version upgrade, utility system, storm & waste water drainage system, security system, external lighting, spare part storage, landscaping and etc.; unless Interconnection Customer's work detrimentally affects function of existing facility. If so, then Interconnection Customer shall take the necessary measures to correct deficiencies.

   For modification of Existing substations, Interconnection customer is only responsible for new equipment and directly-related modification work to have equipment functional that it will provide according to this Agreement.

Description of work for the Malojloj _____ Substation:

A. Interconnection Customer is responsible for the design and construction new _____ Substation. Interconnection Customer shall procure and install Facility Hardware in accordance with applicable codes and standards and specifications. Interconnection Customer shall test and commission the substation to provide for a complete, functional, and operational _____ Substation. Interconnection Customer shall be responsible for the following:

B. GPA shall be involved in the review, inspection, testing and approval processes throughout the design, construction and commissioning, as described herein.

C. GPA reserves the right to witness standard factory testing of Malojloj Substation switchgear, relay and control panel, and similar equipment supplied as spare parts. Not less than 30 days prior to factory tests, a factory test plan shall be submitted to the Owner and GPA for approval. Each item of electrical equipment and similar equipment supplied as spare parts shall be given the manufacturer's routine factory tests and also other tests as specified, to ensure successful operation of parts of the assemblies. The factory test

equipment and the test methods used shall conform to the applicable requirements of ANSI, IEEE, UL and NEMA standards and equivalent standards as approved by GPA. Five certified copies of the reports of production tests, including complete test data shall be submitted to the Owner and GPA. Factory tests shall be witnessed by the Owner and GPA, at the discretion of the Owner and GPA. Interconnection Customer shall be responsible for cost of travel, meals, and accommodations for two (2) GPA personnel for a minimum of three (3) days, or days, required to perform and witness a comprehensive factory acceptance testing.

D. Each Plant will generate and feed a maximum output of 22.5MW to the grid directly and the remaining generated power; which could be a maximum 7.5MW for each Plant will be charged during day time into the ESS and will be discharged during night time. So the total maximum output of the two power Plants is 45 MW and the maximum charging amount is 15MW. One 50MVA Step-up transformer which specification will follow the Harmon substation's 115/34.5kV transformer specification will be installed with switchgear.

E. Description of work for the Malojloj __Substation:

1. The new _____ Substation will be housed in a concrete building. The metering switchgear proposed for the Malojloj Substation, which would be directly adjacent to the Small Generating Facility and on Interconnection Customer's property, include one meter for each project (A), (B) for Power Purchase Agreement billing purposes, and would be a unit that is rated for 34,500 volts and up to 1200 amps of power along with associated auxiliaries. A meter shall also be provided on the 115 kV of the step-up power transformer. The unit would provide protective-type circuit breakers for a currently planned 60MW solar system.

2. The Work under these plans and specifications shall include complete engineering, procurement, and construction services for the 34.5 and 115 kV substation equipment associated with the Project. The Project substation, otherwise known as the Malojloj Substation, shall include 38 kV class switchgear draw-out type breaker assembly of metal-clad vacuum circuit breakers, enclosed in a walk-in concrete structure in area that collects the solar generated ac power at 34.5 kV from the solar array field and 34.5/115 kV Step-Up Transformer with 115kV class SF6 Gas Circuit Breaker (GCB) with associated disconnect switches. .

3. The Interconnection Customer is responsible for the selection, procurement, and installation of all _____ Substation equipment. This equipment shall be GPA approved equipment and conform with GPA current specifications, unless otherwise noted and approved in writing by GPA.

4. The Work required shall consist of:

a. AC collection switchgear, relaying, and metering.

b. The specific technical scope of work under these specifications includes the 38 kV class switchgear, 38 kV class vacuum breakers, one (1) 34.5/115 kV Step-Up Transformer and one (1) 115kV class SF6 Gas Circuit Breaker.

c. Relays, metering, current transformers, and voltage or potential transformers.

d. Surge arresters, cables, and raceways.

e. Grounding and lightning protection.

f. Breaker controls.

g. SCADA system including SCADA Remoter Terminal Unit (RTU).

h. Battery bank and battery bank charger.

i. Station service pad mount transformer including AC panels, DC panels, control wiring, and all other appurtenances for a complete and operational facility in accordance with GPA standards.

j. All of the new facilities shall be Interconnection Customer furnished and installed except as noted herein.

5. The Point of Interconnection is located at the designated 115 kV side of the step-up power transformer with associated metering equipment at the Malojloj Substation at the 34.5 kV level. Interconnection Customer shall provide the substation revenue meter and associated current and potential transformers. The revenue meter shall be a Schweitzer Engineering Laboratories SEL-735 or equivalent. The current and potential transformers shall have 0.2 percent accuracy or better. Current transformers shall be window type. The Interconnection Customer is responsible for the installation of these devices.

6. All necessary mounting materials such as weatherproof enclosures, terminal blocks, shorting current transformer blocks, conduit, etc. shall be provided.

7. Interconnection Customer shall prepare an energization and start-up plan and submit to Owner and GPA for approval 30 days prior to energization. GPA shall provide input within 10 business days.

Description of work for the transmission line from Substation to Substation:

A. Interconnection Customer is responsible for the design and construction of one (1) 115 kV overhead transmission line between Malojloj Substation and Apra Heights Substation.

Interconnection Customer plans to install new steel poles for this 115 kV circuit from Malojloj Substation to Apra Heights Substation along one side of road.

B. Interconnection Customer is responsible for the design and construction of one (1) 115 kV overhead transmission line using existing 115kV steel pole between Apra Heights Substation and Piti Substation along the one side of road. Interconnection Customer is responsible for the modification of existing two (2) 34.5 kV & one (1) 13.8 kV circuits. After the modification each pole will have a one 115kV circuit, two 34.5kV circuits and one 13.8kV circuit configuration

C. The Work includes the complete construction of a 115 kV overhead transmission line from the Malojloj Substation to Piti Substation via Apra Heights Substation in accordance with the applicable codes, standards and specifications.

D. Installation of fiber optic communication lines from Dandan Substation to Apra to Piti 115 kV Substation and associated hardware.

E. Transmission lines shall be 3#927 kcmil AAAC conductors. If required, underground cable for 34.5 kV line shall be two sets 3#1000 kcmil XLPE Al. conductors. 13.8 kV overhead lines shall be 3#336.4 kcmil Al.

F. GPA reserves the right to witness standard factory testing of the power circuit breakers and Apra Heights 50 MVA power transformer, relay and control panel, and similar equipment supplied as spare parts. Not less than 30 days prior to factory tests, a factory test plan shall be submitted to the Owner and GPA for approval. Each item of electrical equipment and similar equipment supplied as spare parts shall be given the manufacturer's routine factory tests and also other tests as specified, to ensure successful operation of parts of the assemblies. The factory test equipment and the test methods used shall conform to the applicable requirements of ANSI, IEEE, UL and NEMA standards and equivalent standards as approved by GPA. Five certified copies of the reports of production tests, including complete test data shall be submitted to the Owner and GPA. Factory tests shall be witnessed by the Owner and GPA, at the discretion of the Owner and GPA. Interconnection Customer shall be responsible for cost of travel, meals, and accommodations for two (2) GPA personnel for a minimum of three (3) days, or days, required to perform and witness a comprehensive factory acceptance testing. Per diem rates shall conform with Federal GSA Schedule.

G. Interconnection Customer will replace one wooden pole with a steel pole as stated in Attachment 2 clause A. The wooden pole is located on the Apra Heights Substation-Piti Substation route at the branch into Tenjo substation. Interconnection Customer’s responsibility will be limited to replacing the wooden pole with the same circuit configuration. In the case that GPA requires additional configuration circuit changes, then GPA will provide the direct cost differences that may arise from the additional configuration changes.

Spare Parts:

The Interconnection Customer shall provide the following spare parts with proper storage;

a. For each equipment supplied, the manufacturer's recommended spare parts shall be provided in accordance with best utility practices.
b. Underground Wire: the length of the longest cable run shall be provided (1000 kcmil XLPE Al. or other approved cable size), if required.
c. Underground Splices/Termination Kits: 10% of total installed, if required.
d. Overhead Transmission Line: Steel pole shall be provided one (1) set per pole type. Spare of 115kV overhead cable is not provided, because Interconnection Customer will follow the GPA's cable standard specification.
e. Non-standard/inventory materials: Provide replacement or replacement parts.

Small Generating Facility:

The general location of the Small Generating Facility and the Malojloj Substation are noted on the attached picture. The facility is planned to be installed at the locations of Lot B-3REM14, B-3REM-R14 and B-3-R4. The Small Generating Facility will be an approximately 60 MW AC fixed tilt solar and 40MW/usable 65MWh Energy Storage System (ESS) for Ramp-rate control generating facility. The Small Generating Facility will be equipped with high efficiency solar panels generating direct current that will be converted to alternating current (AC) using approximately 2,500 to 3,000kW inverters manufactured by SMA or equivalent type. Inverter will generate approximately 60MW AC power that will be transformed by LV side of 550V to 655V to MV side of 34.5kV transformers located in close proximity to the inverter. And also, these approximately 60MW solar generators are connected with Renewable Integrated ESS which is located in ESS building. The ESS consist of approximately 40MWPCS and usable 65MWh Batteries. The PCS will generate V AC power that will be transformed by LV side of 434V to 550VV to MV side of 34.5kV transformers located in close proximity to the PCS. The onsite underground constructed 34.5kV collection grid will bring the 1% ramp rate controlled approximately 60MW solar generated electricity to the Malojloj Substation to be located on the site of the Small Generating Facility, where GPA will accept the metered power under the Power Purchase Agreements.

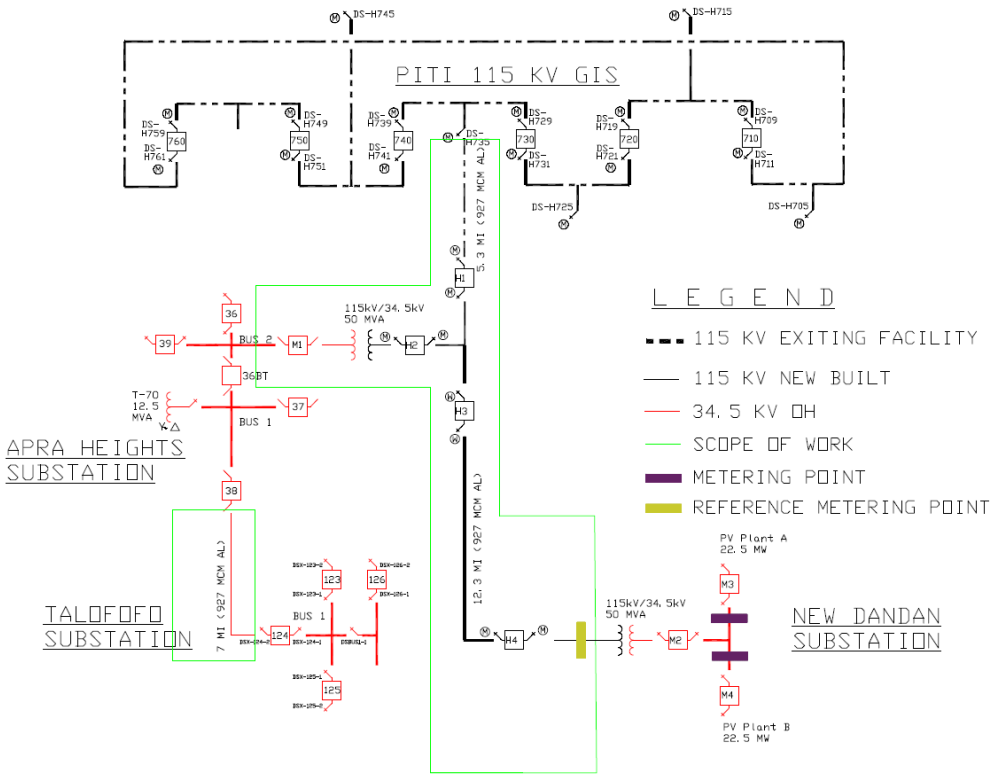
Addendum to Attachment 2 -- Project Site Picture



Project layout is subject to change as a result of archeological findings, wetlands or any other survey results

Attachment 3

One-line Diagram Depicting the Small Generating Facility, Interconnection Facilities and Metering Equipment



Provide meter at the 115 kV side of the step-up power transformer at Malojloj Substation.

Attachment 4

Milestones

In-Service Date: _____

Critical milestones and responsibility as agreed to by the Parties:

	Milestone/Date	Responsible Party
(1)	Preliminary design for Interconnection Facilities (_____/__/20_____)	Interconnection Customer
(2)	GPA approval of design basis (_____/__/20____)	GPA
(3)	Interconnection Customer to have all permits in hand for Interconnection Customer construction to start on public roads (supported by GPA engineering) (_____/__/20_____)	Interconnection Customer
(4)	Construction completion (18 month after permits are in hand)	Interconnection Customer

Agreed to by:

For the GPA (If Applicable) _____ Date_____

For the Interconnection Customer_____ Date_____

Attachment 5

Additional Operating Requirements for the Transmission Provider's Transmission System Needed to Accept the Interconnection Customer

The following requirements must be met by the Interconnection Customer prior to initiating parallel operation with the Transmission Provider's Transmission System:

If ramp rate is greater than 3 MW/minute and this situation lasts more than ten (10) times per day or five (5) consecutive times per day, seller shall reduce plant output to meet ramp rate is less than 3 MW/minute. If system issues remain, GPA reserves the right to restrict Seller's plant output until seller restores operation with a ramp rate less than 3 MW/minute.

(a) GPA counts the failure power is greater than 3 MW/minute.

i. If the number of failure is greater than ten (10) times per day or five (5) consecutive times per day, GPA SCADA sends the warning command to seller's EMS/PMS or inform via email.

ii. Seller's EMS/PMS double check the number of failure times, and send back to GPA SCADA to verify the exact number of failure times.

iii. Seller sends the restore documentation included analysis the data, how to fix, fix plan and expected results to GPA for confirming.

iv. When seller restores operation with a ramp rate less than 3MW/minute for full renewable power (60 MW), than seller send the restore result documentation to GPA.

v. GPA reviews the restore result documentation and allows to operate full (60MW) power of seller's renewable plant.

(b) If GPA's ESS or UFLS is activated twice during a single day, then GPA reserves the right to restrict Sellers's plant output until Seller restores operation with a ramp rate less than 3 MW/minute.

The Interconnection Customer is interconnecting into an established GPA power grid. The Interconnection Customer shall design, construct, and operate its facilities to ensure compatible operations with GPA and protect its facilities against any grid events. These measures shall comply with inverter ride-through and/or ramping requirements as stated in the System Impact Study.

The Interconnection Customer shall be responsible for the following project:

Transmission relay upgrade to line differential relays:

This project will replace existing line and overcurrent relays for 20 existing transmission lines with primary and backup SEL-311L line differential relays. Two each SEL-311L line differential relays will be installed (primary and backup) at each substation associated with a transmission line. Hence, 4 each SEL311L for each transmission line for a total of eighty (80) SEL311L relays shall be installed. The Interconnection Customer shall be responsible for materials, labor, and equipment. GPA will provide technical support in the setting of relays.

The Interconnection Customer's obligation shall be limited to provision of labor, equipment and materials at its cost up to $900,000 only in connection with differential relay replacement project for the System Stability Upgrades.

GPA shall provide the Interconnection Customer with detailed written instructions for quantity and quality of labor, equipment and materials for the differential relay replacement project prior to April 30, 2018 and the scope of work for provision of labor, equipment and materials for the differential relay replacement project shall be mutually agreed by the Interconnection Customer and GPA.

Interconnection Customer shall make best efforts in completing the Transmission Relay Upgrade prior to COD. However, GPA will not unreasonably withhold COD if the Transmission Relay Upgrade is not completed as long as Interconnection Customer complies with all other requirements for COD.

For the implementation Interconnection Customer shall provide to GPA intended construction schedule and construction method and GPA shall provide a response to these items within one (1) week. GPA shall provide Right of Access, Power shut down and all necessary matters so that Interconnection Customer can replace the existing relays at the predetermined date which was agreed on between Interconnection Customer and GPA. If due to GPA's fault the Transmission Relay Upgrade implementation is delayed beyond the intended COD of the Small Generating Facility, Interconnection Customer should be only responsible for the remaining cost up to the cap as defined in 4.2 and shall not be responsible for implementing the remaining Transmission Relay Upgrade.

Upon completion of the differential relay replacement project for the System Stability Upgrades, ownership of all assets in relation to the differential relay replacement project for System Stability Upgrades and all rights thereof shall be transferred to the GPA.

Attachment 6

[Not Used]

Attachment 7

Bill of Sale

THIS BILL OF SALE (this "Bill of Sale") is made and entered into by _____ ("Seller"), and Guam Power Authority ("Buyer", and together with Seller, the "Parties"), effective as of [_____], 20__.

RECITALS

WHEREAS, Seller in connection with the development, construction and ownership of a solar power generating station and related assets located in the Territory of Guam (the "Project") has designed, developed and constructed, and owns, certain transmission, switching and related assets described more fully on Exhibit "A" hereto, together with all ancillary rights and interests (including all manufacturers' and contractors' warranties) relating thereto and further described on Exhibit "A" hereto (the "Assets"); and

WHEREAS, Seller and Buyer entered into a Renewable Energy Purchase Agreement dated as of _____, 201____, pursuant to which Seller and Buyer have agreed to sell and purchase renewable energy generated by the Project (the "Seller Purchase Agreement"), Purchase Agreement, the "Purchase Agreement") and Seller and Buyer entered into an Small Generator Interconnection Agreement dated as of _____, 201___, pursuant to which Seller and Buyer have agreed to the installation and interconnection of the Project with Buyer's transmission system (the "SGIA"); and

WHEREAS, as contemplated by the SGIA, and in connection with the operation of the Project by Seller and the purchase and sale of renewable energy pursuant to the Purchase Agreement, Seller desires to transfer and Buyer desires to receive the Assets.

NOW, THEREFORE, BE IT KNOWN THAT:

1. Conveyance and Assignment. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller does hereby **GRANT, BARGAIN, ASSIGN, TRANSFER, SET OVER, DELIVER AND CONVEY** to Buyer all of Seller's right, title and interest in and to the Assets, **TO HAVE AND TO HOLD** the Assets by Buyer and its successors and permitted assigns, forever.

2. **NO WARRANTY. THE ASSETS ARE HEREBY CONVEYED AS IS, WHERE IS, AND SELLER HEREBY GIVES NO WARRANTY OF DESIGN, MATERIALS, WORKMANSHIP OR PERFORMANCE OF THE ASSETS, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** However, Seller covenants and agrees that the manufacturers' and contractors' warranties transferred hereby as part of the Assets shall extend for a period of at least one (1) year from the acceptance of the Assets by Seller.

3. Further Assurances. Seller for itself, its successors and assigns, hereby covenants and agrees that, at any time and from time to time upon the written request of Buyer, Seller will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required in order to assign, transfer, set over, convey, assure and confirm unto and vest in Buyer, its successors and assigns, title to the assets sold, conveyed and transferred by this Bill of Sale.

4. Counterparts. This Bill of Sale may be executed in counterparts.

5. Governing Law. This Bill of Sale shall be governed by and construed in and interpreted in accordance with the laws of the Territory of Guam.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Bill of Sale as of the date above first written.

Seller:

_____

By: _____

Name: _____

Title: _____

Buyer:

GUAM POWER AUTHORITY

By: _____

Name: _____

Title: _____

A C K N O W L E D G E M E N T S

GUAM, U.S.A.)
) **SS:**
MUNICIPALITY OF)
_____)

ON THIS ____ day of _____, 20___, before me, a notary public in and for Guam, personally appeared _____, known or identified to me to be the _____ of Guam Power Authority, an autonomous instrumentality of the government of the Territory of Guam, whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same on behalf of said corporation, in such capacity, being fully authorized to do so, and for the uses and purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

_____

GUAM, U.S.A.)
) **SS:**
MUNICIPALITY OF)
_____)

ON THIS ____ day of _____, 20___, before me, a notary public in and for Guam, personally appeared _____, known or identified to me to be the _____ of _____, whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same on behalf of said corporation, in such capacity, being fully authorized to do so, and for the uses and purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

_____

Exhibit "A"

Description of Assets

[Description of Interconnection Facilities; see § 1.4.2.4 of SGIA]

[Description of Network Upgrades; see § 5.2 of SGIA]

Exhibit F

GPA Contract No. _____

RENEWABLE ENERGY
PURCHASE AGREEMENT

BETWEEN
GUAM POWER AUTHORITY
AND

[HANWHA ENERGY CORPORATION][1]

[1] Please note that it is expected that Hanwha Energy Corporation will establish a special-purpose entity to execute the PPA

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RENEWABLE ENERGY
PURCHASE AGREEMENT
BETWEEN
GUAM POWER AUTHORITY
AND
[HANWHA ENERGY CORPORATION][2]

THIS RENEWABLE ENERGY PURCHASE AGREEMENT (the "Agreement"), effective as of last date set forth on the signature page hereto (the "Effective Date"), is entered into by and between and Guam Power Authority, ("GPA" or "Buyer") and [Hanwha Energy Corporation] [3], a _____ ("Seller"). The purpose of this Agreement is to establish the terms and conditions under which Seller shall sell and GPA shall purchase Renewable Energy and associated Renewable Energy Credits, as defined herein. In this Agreement, Seller and GPA may be individually referred to as a "Party" or collectively as "Parties."

Recitals

WHEREAS, Seller desires to sell to GPA at the Delivery Point a portion of the Renewable Energy and associated RECs from the Facility and GPA desires to buy the same from the Seller at the Delivery Point.

WHEREAS, on the date hereof, Seller and GPA have entered into a Renewable Energy Purchase Agreement as to the remaining capacity of the Facility (the "Additional PPA").

Therefore, for good and valuable consideration, including, without limitation, the covenants and agreements of the Parties contained in this Agreement, the receipt and sufficiency of which consideration is acknowledged, the Parties agree as follows:

ARTICLE ONE: DEFINITIONS

The following definitions apply to this Agreement:

1.1 "Actual Renewable Energy" means the actual output of the Facility (expressed in MWhs), measured at the Delivery Point, including all Renewable Energy and all Stored Energy, over any Production Measurement Period. Actual Renewable Energy shall be measured by the Seller Metering Equipment, and adjusted as applicable in accordance with Section 7.4.

1.2 "Affiliate" means, with respect to any party, any other party (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such party. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

1.3 "Annual Facility Test" has the meaning set forth in Section 4.9.

1.4 "Annual Microgrid Payment" means, as to each Contract Year, the amount set forth in Appendix A.

1.5 "Appraisal Price" means the average of three (3) appraisals of the market value of the Facility at the end of the Delivery Term, delivered by three (3) independent appraisers qualified by experience and expertise to

[2] Please note that it is expected that Hanwha Energy Corporation will establish a special-purpose entity to execute the PPA

[3] Please note that it is expected that Hanwha Energy Corporation will establish a special-purpose entity to execute the PPA

determine the arm's length market value of the Facility. If the Parties do not agree on the independent appraisers then they shall be determined by arbitration in accordance with Section 12.9.

1.6 "Bankrupt" means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such valid petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

1.7 "Bid Security" or "Bid Bond" means the $150,000.00, which is the amount of the security provided by Seller in connection with its initial bid to GPA for the Project.

1.8 "Business Day" means any day except a Saturday, Sunday, a Federal Reserve Bank holiday or an official Guam holiday. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. local time for the relevant Party's principal place of business. The relevant Party, in each instance unless otherwise specified, shall be the Party by whom the Notice or payment or delivery is to be received.

1.9 "Buyout Payment" means, with respect to Seller's election not to re-build the Facility pursuant to Section 12.2, an amount equal to: Minimum Production x the number of Contract Years (or portion thereof) remaining in the Delivery Period x Incremental Price

1.10 "Change Event" has the meaning set forth in Section 4.16(c).

1.11 "Charging Energy" means Renewable Energy generated by the Facility and used to charge the Microgrid Unit as contemplated in Appendix C.

1.12 "Claiming Party" has the meaning set forth in Section 4.9.

1.13 "Claims" means all claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys' fees and court costs, whether incurred by settlement or otherwise.

1.14 "COD Extension" has the meaning set forth in Section 4.2(a).

1.15 "COD Extension Payment" has the meaning set forth in Section 4.2(a).

1.16 "Commercially Reasonable" or "Commercially Reasonable Efforts" means, with respect to any purchase, sale, decision, or other action made, attempted or taken by a Party, such efforts as a reasonably prudent business would undertake for the protection of its own interest under the conditions affecting such purchase, sale, decision or other action, consistent with Good Utility Practices, including, without limitation, electric system reliability and stability or other regulatory mandates relating to renewable energy portfolio requirements, the cost of such action (including whether such cost is reasonable), the amount of notice of the need to take a particular action, the duration and type of purchase or sale or other action, and the commercial environment in which such purchase, sale, decision or other action occurs. "Commercially Reasonable" or "Commercially Reasonable Efforts" shall be reviewed and determined based upon the facts and circumstances known, or which could have been known with the exercise of reasonable efforts, at the time that a sale, purchase, or other action is taken and shall not be based upon a retroactive review of what would have been optimal at such time.

1.17 "Commercial Operation" has the meaning set forth in Section 4.1.

1.18 "Commercial Operation Date" or "COD" means the date that Commercial Operation of the Project has been achieved in accordance with Section 4.1.

1.19 "Confidential Information" means all information, whether written or oral, that is disclosed or otherwise available in connection with this Agreement or the performance by either Party of any of its duties hereunder, except any information which: (i) at the time of disclosure or thereafter is generally available to the public (other than as a result of a disclosure by any Party in violation of this Agreement); (ii) was available to any Party on a non-confidential basis from a source other than the Party hereto providing the Confidential Information, provided that such source is not bound by a confidentiality agreement that protected the Confidential Information; or (iii) has been independently acquired or developed by any Party without violating any of its obligations under this Agreement.

1.20 "Contract Price" means the price in U.S. Dollars (unless otherwise provided for) rounded to the nearest $0.01, to be paid by GPA to Seller for the purchase of the Renewable Energy, as described in Appendix A.

1.21 "Contract Year" means the annual period, beginning on the Commercial Operation Date, and renewing thereafter on each anniversary of the Commercial Operation Date.

1.22 "Conventional Energy Resource" is an energy resource that is non-renewable in nature, such as natural gas, coal, oil, and uranium, or electricity that is produced with energy resources that are not Renewable Energy resources.

1.23 "Credit Rating" means, with respect to any entity, the rating then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P, Moody's or any other rating agency agreed by the Parties.

1.24 "Cure Plan" has the meaning set forth in Section 4.7.

1.25 "Daily Delay Liquidated Damages" has the meaning set forth in Section 4.2(b).

1.26 "Defaulting Party" has the meaning set forth in Section 6.1.

1.27 "Deficiency Amount" has the meaning set forth in Section 4.8

1.28 "Delivery Period" means the period of delivery under this Agreement, commencing on the Commercial Operation Date and continuing for the Term, as such period may be extended in accordance with this Agreement.

1.29 "Delivery Point" means the point at which the Renewable Energy (including Stored Energy) will be delivered and received, as specified in Section 2.1 herein, or such other delivery point as may be agreed to by the Parties in writing.

1.30 "Development Security" means the security deposit during construction of the renewable project or facility prior to Commercial Operation Date. The Development Security shall be 50% of the total projected payment for the 1st contract year based on the contractor's 1st Contract Year energy rate and the guaranteed energy production. Refer to Section 9.1 for additional requirements.

1.31 "Dispatch Down" means any curtailment is initiated by GPA for reasons other than Force Majeure or Seller Event of Default.

1.32 "Early Termination Date" has the meaning set forth in Section 6.2.

1.33 "Effective Date" means the date first set forth above.

1.34 "Eligible Renewable Energy Resources" are applications of the following defined technologies that displace Conventional Energy Resources that would otherwise be used to provide electricity to GPA's customers: biogas electricity generator, biomass electricity generator, fuel cell that use only renewable fuels, geothermal

generator, hybrid wind and solar electric generator, landfill gas generator, solar electricity resources, wind generator and such other generally accepted renewable energy resources.

1.35 "Emergency" means any abnormal interconnection or system condition (including, without limitation, equipment or transmission limitations and constraints caused by thermal limits, stability, voltage, or loop flows) that Buyer determines in accordance with Good Utility Practices): (a) requires automatic or immediate manual operation to prevent or limit loss of Buyer's system or generation supply; (b) could adversely affect the reliability of the Buyer system or generation supply; (c) could adversely affect the reliability of any interconnected electric system; or (d) could otherwise pose a threat to public safety.

1.36 "End Date" has the meaning given in Section 12.1(b).

1.37 "Environmental Attributes" means environmental characteristics that are attributable to Renewable Energy, including credits; credits towards achieving local, national or international renewable portfolio standards; green tags; Renewable Energy Credits; greenhouse gas or emissions reductions, credits, offsets, allowances or benefits; actual SO2, NOx, CO2, CO, Carbon, VOC, PM_{10}, mercury, and other emissions avoided; and any and all other green energy or other environmental benefits associated with the generation of Renewable Energy (regardless of how any present or future law or regulation attributes or allocates such characteristics). Such Environmental Attributes shall be expressed in kWh or, as applicable in the case of emissions credits, in tonne equivalent or other allowance measurement. Environmental Attributes does not include Tax Benefits, or any energy, capacity, reliability, or other power attributes used by Seller to provide electricity services.

1.38 "EPC Contractor" means the contractor(s) under the engineering, procurement and construction contract for the Project.

1.39 "Equitable Defenses" means any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending.

1.40 "Event of Default" has the meaning set forth in Section 6.1.

1.41 "Excused Hours" means the hours in the applicable Production Measurement Period (i) in which Seller has declared Force Majeure, (ii) during any Planned Outage or Forced Outage but subject to an aggregate maximum of six hours per Contract Year; (ii) in which Seller has initiated a Dispatch Down or (iii) in which Seller's delivery to GPA of Renewable Energy is adversely affected as a result of failure by GPA to perform its obligations under this Agreement or the Interconnection Agreement or in which GPA does not accept delivery of Renewable Energy for any reason.

1.42 "Facility" means all of the following: the Project, as defined in Section 2.1 of this Agreement, the purpose of which is to produce Renewable Energy including the Microgrid Unit, Seller's Interconnection Facilities and all equipment and other tangible assets, land rights and contract rights reasonably necessary for the construction, operation, and maintenance of the electric generating facility that produces the Renewable Energy being sold under this Agreement.

1.43 "Facility Capacity" has the meaning set forth in Section 2.1.

1.44 "Facility Test" has the meaning set forth in Section 4.1(e).

1.45 "Facility Debt" means the obligations of Seller or its Affiliates to any Facility lender, tax equity investor or other financing party pursuant to the Financing Documents, including without limitation, principal of, premium and interest on indebtedness, reimbursement obligations regarding letters of credit, obligations under financing leases, fees, expenses or penalties, amounts due upon acceleration, prepayment or restructuring, swap or interest rate hedging obligations and breakage costs and any claims or interest due with respect to any of the foregoing. Facility Debt does not include trade debt or obligations incurred in the ordinary course of business.

1.46 "FERC" means the Federal Energy Regulatory Commission or any successor government agency.

1.47 “Financing Documents” means the loan and credit agreements, notes, bonds, indentures, security agreements, lease financing agreements, mortgages, deeds of trust, interest rate exchanges, swap agreements and other documents relating to the development, bridge, construction and/or permanent debt financing or a tax equity investment for the Facility (including any portfolio debt financing of which the Facility is included), including any credit enhancement, credit support, working capital financing, or refinancing documents, and any and all amendments, modifications, or supplements to the foregoing that may be entered into from time to time at the discretion of Seller and/or its Affiliates in connection with development, construction, ownership, leasing, operation or maintenance of the Facility.

1.48 “Forced Outage” means the shutdown or unavailability of the Facility, or a portion thereof other than as a Planned Outage, for reasons including, but not limited to, unanticipated equipment breakdown, human error, or Emergency conditions. A Forced Outage shall not include any Outage that may be deferred consistent with Good Utility Practices and without causing safety risk damage to equipment or additional costs.

1.49 “Forced Outage Notice” has the meaning set forth in Section 4.12(b).

1.50 Force Majeure” means an event or circumstance which prevents one Party from performing its obligations under this Transaction, which event or circumstance was not anticipated as of the date the Transaction was agreed to, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid or cause to be avoided. So long as the requirements of the preceding sentence are met, a “Force Majeure” event may include, but shall not be limited to, any act of God, an act or threatened act of the public enemy, blockade, accidents of navigation or breakdown or injury of vessels, accidents to harbors, docks, canals or other assistances to, or adjuncts of, shipping or navigation, perils of the sea, air crash, shipwreck, train wrecks or other failures or delays of transportation, nuclear emergency, radioactive contamination, ionizing radiation, release of hazardous waste or materials, sabotage, invasion, riot, civil disturbance or disobedience, flood, drought, military ordinances or archaeological discoveries at the Project site, change in applicable law or interpretation or application thereof, failure or delay by any Governmental Authority in issuing or granting any required clearance, approval, arrangement, or permit, an earthquake, storm, fire, flood, tidal wave, storm, wind, explosion or any similar cataclysmic occurrence, lightning, epidemic, war (imminent, declared or otherwise), terrorism or riot. Notwithstanding the foregoing, Force Majeure shall not be based on (i) the loss of Buyer's markets; (ii) Buyer's inability economically to use or resell the Renewable Energy purchased hereunder; (iii) the loss or failure of Seller's supply, including materials or equipment, unless such loss or failure is caused by a Force Majeure event (iv) the delay in or inability of Seller to obtain financing or economic hardship of any kind; or (v) Seller's ability to sell the Renewable Energy at a price greater than the Contract Price or Buyer’s ability to purchase the Renewable Energy at a price less than the Contract Price; or (vi) strike or other labor dispute. Neither Party may raise a claim of Force Majeure based in whole or in part on curtailment by a transmission provider unless (i) such Party has contracted for firm transmission with a transmission provider for the Renewable Energy to be delivered to or received at the Delivery Point and (ii) such curtailment is due to "force majeure" or "uncontrollable force" or a similar term as defined under the transmission provider's tariff.

1.51 “Force Majeure Extension” has the meaning set forth in Section 4.2(c).

1.52 “Good Utility Practices” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result of the lowest reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be generally accepted and consistently adhered to acceptable practices, methods, or acts.

1.53 “Governmental Authority” means any federal, territorial or local government body; any governmental, quasi-governmental, regulatory or administrative agency, commission, body or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; or any court or governmental tribunal.

1.54 “Governmental Charges” has the meaning set forth in Section 10.2.

1.55 “GPA Delay” means any delay by GPA in performing an obligation under this Agreement or under the Interconnection Agreement which results in a delay to Seller achieving COD. A GPA Delay is not an Event of Default unless it is otherwise so designated in this Agreement.

1.56 “Guaranteed Output” has the meaning given in Section 4.8.

1.57 “Incremental Price” means, at the time of its calculation, the LEAC Rate minus the Contract Price, provided, however, if the LEAC Rate is less than the Contract Price then the Incremental Price shall be deemed to be zero. Sample calculations of the Incremental Price are shown in Schedule III to Appendix K.

1.58 “Independent Engineer” shall mean one of the engineering firms set forth in Appendix D hereto, and any other independent engineer or engineering firm, nationally recognized in the United States and having knowledge and expertise in the United States generation industry (including specifically the design and construction of utility scale solar photovoltaic power projects), and which is mutually agreed to by the Parties.

1.59 “Interconnection Agreement” means the agreement for interconnection service relating to the Facility between GPA and Seller, executed and delivered as of the Effective Date in the form attached hereto as Appendix J.

1.60 “Interest Rate” means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

1.61 “kWh” means kilowatt hour.

1.62 “LEAC Rate” means the “Fuel Recovery Charge” (expressed in US$/MWh) as set forth in GPA’s most recent approved tariff in effect as of any date of determination of the LEAC Rate under this Agreement.

1.63 “Letter(s) of Credit” means one or more irrevocable standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank having a Credit Rating of at least A- from S&P or A3 from Moody's, in substantially the form set forth in Appendix [F-1] hereto; provided, however that such form may be modified by the issuing bank as long as such modifications are acceptable to the beneficiary in its sole discretion. Costs of a Letter of Credit shall be borne by the applicant for such Letter of Credit.

1.64 “Merger Event” means, with respect to a Party, that such Party consolidates or amalgamates with, or merges into or with, or transfers substantially all of its assets to another entity and (i) the resulting entity fails to assume all of the obligations of such Party hereunder or (ii) the benefits of any credit support provided pursuant to this Agreement fail to extend to the performance by such resulting, surviving or transferee entity of its obligations hereunder unless such credit support is replaced by the resulting, surviving or transferee entity in accordance with this Agreement.

1.65 “Minimum Production” has the meaning set forth in Section 4.8.

1.66 “Month” means a calendar Month. The term “Monthly” shall have a meaning correlative to a Month.

1.67 “Moody's” means Moody's Investor Services, Inc. or its successor.

1.68 “MW” or “MWh” means megawatt or megawatt hour, in each case rounded to the nearest whole MW or MWh.

1.69 “NAR” means the North American Renewables Registry.

1.70 “NAR Operating Procedures” means any and all guidelines, procedures, requirements and obligations established by the NAR, including the terms of use, operating procedures, and fee schedules, as such may be amended from time to time.

1.71 “Non-Defaulting Party” has the meaning set forth in Section 6.

1.72 "Notice” has the meaning set forth in Section 12.7.

1.73 “Outage” means the period during which the Facility or a portion thereof is out of service.

1.74 “Outside Commercial Operation Date” has the meaning set forth in Section 4.2(b).

1.75 “Payment and Performance Bond” means one or more payment and performance bonds issued by an insurance company or other institution having an investment grade Credit Rating from S&P, Moody’s or Fitch, in substantially the form set forth in Appendix [F-2] hereto; provided, however that such form may be modified by the issuing entity as long as such modifications are acceptable to the beneficiary in its sole discretion.

1.76 “Planned Outage” means any Outage that is not a Forced Outage, and refers to the shutdown or unavailability of the Facility or a portion thereof for inspection or maintenance in accordance with an advance schedule.

1.77 “Production Measurement Period” has the meaning set forth in Section 4.8.

1.78 “Project” has the meaning set forth in Section 2.1.

1.79 “QRE” means the Qualified Reporting Entity as such term is defined in the NAR Operating Procedures.

1.80 “Quantity” means the actual quantity of Renewable Energy (including Stored Energy) sold by Seller and purchased by and delivered to GPA pursuant to this Agreement. The Quantity shall be measured based on the metered data from the Seller Metering Equipment at the Delivery Point.

1.81 “Renewable Energy” means energy derived from a Renewable Energy Resource.

1.82 “Renewable Energy Credit” or “REC” means the unit created to track kWh derived from an Eligible Renewable Energy Resource or kWh equivalent of Conventional Energy Resources displaced by distributed renewable energy resources if and to the extent recognized under applicable law.

1.83 “Renewable Energy Resource” means an energy resource that is replaced rapidly by a natural, ongoing process and that is not nuclear or fossil fuel.

1.84 “Replacement Price” means the price at which GPA, acting in a Commercially Reasonable Manner, purchases electricity in place of Renewable Energy.

1.85 “S&P” means the Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor.

1.86 “SCADA” means “supervisory control and data acquisition” and shall refer to that category of software application program that can be used to gather data from the Facility remotely in real time in order to monitor Facility equipment and conditions.

1.87 “Schedule,” "Scheduled” or "Scheduling” means the actions of Seller, Buyer and/or their designated representatives, of notifying, requesting and confirming to each other the quantity and type of Renewable Energy (including Stored Energy) to be delivered on any given day or days during the Delivery Period at a specified Delivery Point.

1.88 "Scheduled Commercial Operation Date" has the meaning set forth in Section 4.2(a).

1.89 "Seller Failure" has the meaning set forth in Section 5.1.

1.90 "Seller Failure Damages" has the meaning set forth in Section 5.1.

1.91 "Seller's Interconnection Facilities" means Seller's equipment as specified in the Interconnection Agreement.

1.92 "Seller Metering Equipment" means all metering equipment and data processing equipment used to measure the Quantity delivered to the Delivery Point.

1.93 "Shortfall Damages" has the meaning set forth in Section 4.8.

1.94 "Sponsor Interest" means an upstream ownership interest held by an entity that is an Affiliate of the Seller as of the Effective Date which represents a partial indirect ownership interest in Seller and which is established in connection with a tax equity financing.

1.95 "Microgrid Unit" means the energy storage unit to be installed by Seller as part of the Facility, as contemplated in Appendix C.

1.96 "Stored Energy" means Charging Energy stored in the Microgrid Unit which is later delivered to the Delivery Point as contemplated in Appendix C.

1.97 "Tax Benefits" means any and all tax benefits arising from the ownership and operation of the Facility, including without limitation Renewable Energy related tax credits or other benefits established under Section 45 and Section 48 of the Internal Revenue Code, as amended, or any similar or successor provision of the Internal Revenue Code, or any other applicable tax law, regulation, or code.

1.98 "Tax Equity Investor Interest" means an upstream ownership interest held by a financing party (including a financial institution, insurance company or other third party not affiliated with the Seller except based on the applicable tax equity investment or other similar investments or financings) as of the Effective Date which represents a partial indirect ownership interest in Seller and which is established in connection with a tax equity financing.

1.99 "Term" has the meaning set forth in Section 12.1.

1.100 "Termination Damages" has the meaning set forth in Section 4.4.

1.101 "Test Energy" means non-firm Renewable Energy generated prior to the Commercial Operation Date, subject to immediate interruption, fluctuations or reduction/increase with no prior Notice, due to unit performance.

1.102 "Transaction" means the transaction relating to the purchase or sale of Renewable Energy as contemplated in this Agreement.

1.103 "Unit Contingent" means that the Renewable Energy (excluding Charging Energy but including Stored Energy) is intended to be supplied from the Facility as it is produced.

1.104 "Weather Hours" means the total hours in any Production Measurement Period, as applicable, in which the Facility is derated as a result of cumulative weather conditions which are outside historical average conditions for any applicable Month during the Production Measurement Period in which the deration occurs, calculated in accordance with Appendix K.

ARTICLE TWO: COMMERCIAL TERMS

2.1 Commercial Terms.

The following commercial terms apply to the Transaction that is the subject of this Agreement, each as more fully described herein:

Buyer: GPA	**Seller:** Hanwha Energy Corporation
Project: Hanwha Project A	
Delivery Point: The "Point of Interconnection" as defined in the Interconnection Agreement	
Guaranteed Annual Production (MWhs): As set forth in Appendix A	**Estimated Annual Production: (MWhs):** NOT APPLICABLE
Guaranteed Availability (%): NOT APPLICABLE	**Guaranteed Capacity (MWs):** NOT APPLICABLE
Delivery Period: Twenty-five (25) years from the Commercial Operation Date	**Contract Price ($/MWh):** See Appendix A
Renewable Energy Type: Unit Contingent (solar) and associated RECs	**Development Security:** As contemplated in Section 9.1
Day(s) of week: Monday through Sunday, including NERC holidays	**Hours:** Hour Ending 0100 – Hour Ending 2400, Monday through Sunday Chamorro Standard Time (CHST), Guam time
Commercial Operation Date: No later than 36 months after Effective Date.	
Test Energy: Seller agrees to sell and Buyer agrees to purchase all Test Energy from the Facility. The test period shall be up to six (6) months. . The price of such Test Energy for the first thirty days shall be the current LEAC Rate. The price thereafter shall be the Year 1 Contract Price set out in Appendix A. Test Energy shall be delivered in accordance with the Scheduling provisions contained herein. Both Parties agree that Seller will use Commercially Reasonable Efforts to pre-schedule the Test Energy, but Buyer shall nonetheless be obligated to accept all Test Energy up to 22.5 MW per hour of Test Energy for the period set forth above. Seller shall provide to Buyer all RECs associated with the Test Energy sold hereunder in accordance with Section 4.16.	

ARTICLE THREE: REPRESENTATIONS AND WARRANTIES

3.1 Mutual Representations and Warranties.

On the Effective Date of this Agreement, each Party represents and warrants to the other Party that:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) It has all regulatory authorizations necessary for it to legally perform its obligations under this Agreement (other than permits or regulatory authorizations to be obtained by Seller for the construction, operation or maintenance of the Facility, which Seller reasonably anticipates it will be able to obtain in due course);

(c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it, and the Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses.

(d) It is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;

(e) There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement;

(f) No Event of Default or potential Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement; and

(g) It is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this Agreement;

3.2 Seller Representations and Warranties.

Seller affirmatively represents and warrants to GPA that:

(a) On the Effective Date of this Agreement, or in due course as required in accordance with the Financing Arrangement Deadline (as may be extended as provided in Section 4.3), Seller has (or reasonably expects to have in due course), good defensible title, or valid and effective leasehold rights in the case of leased property, to the Facility, free and clear of all liens, charges, claims, pledges, security interests, equities and encumbrances of any nature whatsoever other than the lien of current taxes not delinquent, liens, charges, claims, pledges, security, interests, equities and encumbrances relating to Facility Debt as provided for herein, or liens that in the aggregate do not materially detract from or interfere with the ability of Seller to deliver the Quantity of the Renewable Energy;

(b) All acts necessary to the valid execution, delivery and performance of this Agreement by Seller have or will be taken and performed as required under Seller's ordinances, bylaws, or other regulations including, but not limited to (i) the valid authority of the person

executing this Agreement to bind Seller and (ii) the Term of this Agreement does not extend beyond any limitation applicable to Seller imposed by relevant governing documents and applicable law; and

(c) Seller will have at the time of sale, title to and ownership of the RECs sold hereunder.

3.3 GPA Representations and Warranties.

GPA represents and warrants that:

(a) The Commission on Consolidated Utilities has made all certifications required by the Guam Public Utilities Commission and the Guam legislature in order for the valid execution, delivery and performance of this Agreement by GPA copies of which are attached hereto as Appendix L.

(b) Each of the PPA Approval and the ICA Approval is final, non-appealable and not subject to rehearing or other proceedings challenging its validity or enforceability.

(c) No authorizations, approvals or consents of any governmental or regulatory authority or agency or any other person, and no filings or registrations with any governmental authority or agency, are necessary for the execution, delivery or performance by GPA of this Agreement, or for the validity or enforceability thereof, except for any authorizations, approvals, consents or filings which have been made or obtained prior to the date hereof and are in full force and effect and are conclusive, binding and final.

(d) During the entire Term of the Agreement, all terms and conditions set forth in this Agreement shall be valid and enforceable against GPA.

(e) All legal, statutory and regulatory requirements and conditions necessary for the validity and enforceability of this Agreement and the obligations of GPA hereunder to purchase Renewable Energy, including, without limitation, the conditions and requirements as set forth in Title 12 of the Guam Code Annotated, Section 8306, have been satisfied, and at the time of the execution of the Agreement GPA further represents and warrants specifically as to the following: **NOTE TO GPA: GPA IS TO ENSURE THE RESOLUTIONS OF THE CCU ATTEST TO THE MATTERS SET FORTH BELOW**.

(i) Pursuant to the provisions of Public Law 30-66 (as codified in Title 12 of the Guam Code Annotated, Section 8104(n)), GPA is authorized to enter into this Agreement, together with any other agreement to be entered into by GPA and Seller as provided herein, and perform all the obligations imposed upon GPA as set forth herein, including, without limitation, the obligation to purchase Renewable Energy and pay all amounts due and owing to the Seller under the terms of this Agreement, and that no separate and specific appropriation or approval by *Liheslaturan Guahan* is required for such purpose.

(ii) This Agreement and the purchase of Renewable Energy by GPA at the time of the execution of the Agreement pursuant to the terms herein will not result in (A) costs to GPA which exceed the average cost of producing power under the islandwide power system owned and operated by GPA not inclusive of energy production from any backup diesel generators or other renewable energy sources, and (B) increased expenses and costs for GPA.

(iii) As set forth in the resolutions attached hereto as Appendix L, the Consolidated Commission on Utilities has certified that this Agreement is consistent with and does not violate any and all bond covenants applicable to and imposed upon

GPA and that the price to be paid by GPA for Renewable Energy as provided herein does not exceed GPA's actual current avoided cost.

GPA is not a party to a pooling agreement or any other agreement with the United States Department of Navy or any other federal agency, department or instrumentality ("Federal Government) which requires GPA to notify or obtain the approval of the Federal Government of this Agreement.

(iv) Any and all Renewable Energy to be purchased by GPA pursuant to the terms of this Agreement constitutes electrical power needed and required by GPA in connection with the operation and stability of the islandwide power system and to meet renewable energy portfolio standards which GPA is mandated to achieve and satisfy by law including without limitation, the mandates as set forth in Public Law 29-062 as codified in Title 12 of the Guam Code Annotated, Section 8311.

ARTICLE FOUR: PERFORMANCE REQUIREMENTS

4.1 Commercial Operation.

Seller shall achieve Commercial Operation of the Project no later than the Scheduled Commercial Operation Date except to the extent such date is extended pursuant to Section 4.2, in which case Commercial Operation shall occur on or prior to the Outside Commercial Operation Date. Commercial Operation shall be achieved as of the date on which each of the following conditions precedent has been satisfied or waived in writing by the Parties, as applicable ("Commercial Operation"):

(a) Seller shall have obtained all governmental and regulatory authorizations, including any applicable permits, required for the construction, ownership, operation and maintenance of the Project and for the sale of the Renewable Energy therefrom;

(b) Seller and Buyer shall have entered into the Interconnection Agreement;

(c) Seller shall have established SCADA information and real time data feed to enable GPA to view parameters or data points that relate to Renewable Energy data and other actual resource data for the Facility;

(d) The Microgrid Unit shall be capable of charging and discharging Renewable Energy;

(e) The Project shall in all other respects be capable of delivering the Renewable Energy to GPA at the Delivery Point;

(f) Seller shall perform at its cost a capacity test in accordance with the protocol outlined in Appendix I to determine the capacity of the Project ("Facility Test"). GPA shall receive the entire Renewable Energy from the Facility during such test. Renewable Energy deliveries during testing shall be measured at the Delivery Point.

GPA shall use all available Commercially Reasonable Efforts to assist Seller in achieving the Scheduled Commercial Operation Date. Seller shall present to GPA a certificate executed by its duly executed officer, and by an Independent Engineer as to items (c), (d) and (e), verifying that each of the foregoing conditions has been satisfied or waived in writing by the Parties and Commercial Operation shall be deemed to have occurred upon the delivery of such certificate to GPA unless GPA objects to such certificate within ten (10) Business Days of delivery thereof and such objections are either agreed by Seller or resolved in favor of GPA pursuant to Section 12.9 hereof. Upon any acceptance or deemed acceptance of Seller's certificate by GPA, all conditions, set forth above shall no longer be a condition precedent to Commercial Operation of the Project. If the Commercial Operation Date does not occur on or before the Outside Commercial Operation Date, as such date may be extended in accordance with Section 4.2 herein; either Party shall have the right to terminate the Agreement upon written Notice to the other Party. In the event of such termination by either Party, GPA shall be entitled to Termination Damages set forth in Section 4.4; provided, however, that in accordance with Section 4.2(c), GPA shall not be entitled to such Termination Damages if the Outside Commercial Operation Date is not achieved due to a Force Majeure event or a GPA Delay.

4.2 Extension of Commercial Operation Date.

(a) Planned Extension. The Parties agree that the Commercial Operation Date is expected to be No later than 36 months after Effective Date. (as extended pursuant to the terms of this Agreement, the "Scheduled Commercial Operation Date"). Seller may elect to extend the Commercial Operation Date beyond such date (the "COD Extension") by paying GPA for such extension (the "COD Extension Payment"). The COD Extension Payment shall be in the amount of fifty percent (50%) of the Shortfall Damages (based on ninety percent (90%) of the Minimum Production for the first Contract Year per day for

each day (or portion thereof) after but not including the date of the COD Extension until, but not including, the date on which the Project actually achieves Commercial Operation]. To extend the Commercial Operation Date, Seller must, as early as reasonably possible, but in no event later than fourteen (14) days prior to the first day of the proposed extension, provide GPA with Notice of its election to extend the Commercial Operation Date along with an estimate of the duration of the extension. The COD Extension Payment is in addition to and not to be considered part of the Development Security, and shall be paid to GPA at the time of the Notice hereunder. Seller's request to extend the Commercial Operation Date shall not be valid unless proper Notice and payment are timely received by GPA. No Event of Default shall be deemed to have occurred with respect to Seller's extension as provided herein, and GPA shall not have the right to terminate the Agreement or to receive Termination Damages with respect to such extension so long as Seller has provided the Notice, estimation and payment as provided in this Section 4.2(a). Seller may further extend the Commercial Operation Date beyond the original COD Extension, subject to the foregoing Notice, estimation and payment terms applicable to the original COD Extension.

Seller shall be entitled to a prompt refund, without interest, of any portion of the COD Extension Payment held by GPA which exceeds the amount required to cover the number of days by which the Commercial Operation Date was actually extended. In no event may Seller extend the Commercial Operation Date by more than ninety (90) days through the payment of the COD Extension Payment, except as provided in Section 4.2(b). In the event that the Project does not achieve Commercial Operation on or before the expiration of any COD Extension period as provided herein, either Party shall have the right to terminate the Agreement upon written Notice to the other, subject to any further extension rights pursuant to Sections 4.2(b) or (c) below. In the event of such termination by either Party in accordance with this provision, GPA shall be entitled to Termination Damages as set forth in Section 4.4 as its sole and exclusive remedy, subject to Section 4.2(c).

(b) Unplanned Extension/Additional Planned Extension. In the event that (i) the Project does not achieve Commercial Operation by the Scheduled Commercial Operation Date and Seller fails to provide sufficient Notice and/or payment in order to extend the Commercial Operation Date as provided in Section 4.2(a), or (ii) the Commercial Operation Date shall not have occurred within the ninety (90) day planned extension period provided under Section 4.2(a), then Seller may further extend the Commercial Operation Date by paying GPA damages ("Daily Delay Liquidated Damages"). The Daily Delay Liquidated Damages shall be in the amount of one hundred percent (100%) of the Shortfall Damages (based on ninety percent (90%) of the Minimum Production for the first Contract Year) per day for each day (or portion thereof) after but not including the earlier of the dates set forth in sub-clauses (i) or (ii) above, or until, but not including, the date on which the Project actually achieves Commercial Operation, and shall be payable within ten (10) Business Days following receipt of an invoice from GPA for any such Daily Delay Liquidated Damages. No Event of Default shall be deemed to have occurred with respect to Seller's extension as provided herein and GPA shall not have the right to terminate the Agreement with respect to such extension or to receive Termination Damages so long as Seller has extended the Commercial Operation Date and pays the Daily Delay Liquidated Damages as provided in this Section 4.2(b).

In no event may the Commercial Operation Date be extended more than one hundred and eighty (180) days through the payment of Daily Delay Liquidated Damages, without the express written consent of GPA. In the event that the Project does not achieve Commercial Operation on or before three hundred and sixty-five (365) days from the Scheduled Commercial Operation Date (as extended pursuant to this Agreement, the "Outside Commercial Operation Date"), then either Party shall have the right to terminate the Agreement upon written Notice to the other, subject to any further extension rights

pursuant to Section 4.2(c) below. In the event of such termination by either Party in accordance with this provision, GPA shall be entitled to Termination Damages as set forth in Section 4.4 as its sole and exclusive remedy, subject to Section 4.2(c).

(c) Additional Extension. The Scheduled Commercial Operation Date and the Outside Commercial Operation Date shall also be extended, without payment or other penalty, on a day-for-day basis for each day of delay caused by reason of Force Majeure (a "Force Majeure Extension") or by reason of GPA Delay. Any Force Majeure Extension or GPA Delay shall also extend the period of any planned or unplanned extensions pursuant to Sections 4.2(a) or (b) on a day-for-day basis for each day during the Force Majeure Extension or GPA Delay, and Seller shall not be required to pay any COD Extension Payments or Daily Delay Liquidated Damages, as applicable, for any days during the Force Majeure Extension or GPA Delay. Notwithstanding any other provision in this Agreement, if, due solely to a Force Majeure Extension and/or a GPA Delay, the Project does not achieve Commercial Operation on or before the Outside Commercial Operation Date, then the Parties by mutual agreement may terminate this Agreement without penalty or further obligation to either Party, and after one hundred and eighty 180 days following the Outside Commercial Operation Date, either Party may unilaterally terminate this Agreement without penalty or further obligation to either Party. For the sake of clarityin the event of any such termination, GPA shall not be entitled to Termination Damages.

4.3 Financing Arrangement Deadline.

Seller shall make Commercially Reasonable Efforts to secure a financing sufficient for the successful completion of the Project as and when required and procure a preliminary agreement customary for such financing (such as an engagement letter) no later than one (1) year after the Effective Date as extended day-for-day for any Force Majeure Extension or GPA Delay (the "Financing Arrangement Deadline"). After the execution of the preliminary agreement, Seller shall provide GPA with a copy of such agreement within three (3) Business Days. In the event that Seller fails to procure the execution of a preliminary agreement by the Financing Arrangement Deadline, GPA may terminate the Agreement and shall be entitled to Termination Damages set forth in Section 4.4 as its sole and exclusive remedy.

4.4 Termination Damages.

Prior to the Commercial Operation Date, Seller may terminate this Agreement at any time for its convenience. GPA shall be entitled to termination damages, payable solely from the Bid Security or the Development Security established in Section 9.1 ("Termination Damages"), in the amounts set forth in the table below, if: (a) subject to the last sentence of this Section 4.4, Seller terminates the Agreement prior to the Commercial Operation Date for any reason other than: (i) a Force Majeure event or (ii) an Event of Default by GPA; [(b) GPA terminates the Agreement as a result of Seller failing to meet any Financing Arrangement Deadline after the passage of a grace period of thirty (30) days (as extended day-for-day for any Force Majeure Extension or GPA Delay);] and/or (c) GPA terminates the Agreement as a result of Seller failing to achieve the Commercial Operation Date on or prior to the Scheduled Commercial Operation Date, as the same may have been extended pursuant to Section 4.2. The Termination Damages are designed to help compensate GPA for, among other things, transactions that it did not consummate because it relied on this Agreement with Seller, and GPA's potential failure to meet its applicable renewable energy portfolio requirements and do not constitute a penalty payment. Accordingly, Seller shall pay to GPA, from the Development Security, Termination Damages in the following amounts, based upon when the termination occurs:

Prior to Posting Date of Development Security pursuant to Section 9.1:	$0.00

[Up to Financing Arrangement Deadline]	100% of the Bid Security
[Up to six months following Financing Arrangement Deadline]	50% of Development Security
[From six months to twelve months following Financing Arrangement Deadline]	75% of Development Security
[From twelve months following Financing Arrangement Deadline]	100% of Development Security

No later than five (5) Business Days following the Financing Arrangement Deadline, GPA shall return the Bid Security to Seller, to the extent GPA has not validly claimed the Bid Security in respect of Termination Damages on or prior to such date. Notwithstanding the foregoing, in the event that Seller terminates this Agreement for any reason prior to the posting date for the Development Security as set forth in Section 9.1 herein, then Seller shall owe GPA no Termination Damages and such termination shall be without penalty to Seller.

4.5 Seller's and Buyer's Obligations.

Subject to Appendix H and Appendix C, Seller shall sell and deliver, or cause to be delivered, and GPA shall purchase and receive, or cause to be received, all Renewable Energy generated by the Facility (excluding Charging Energy but including Stored Energy when delivered, in each case, as set forth in Appendix C), at the Delivery Point, and GPA shall pay Seller the Contract Price for such Quantity of Renewable Energy (including Stored Energy) as measured by the Seller's Metering Equipment at the Delivery Point; provided that for quantities of Renewable Energy (including Stored Energy) in excess of the Estimated Annual Renewable Energy Amount, as shown in the third column of Appendix A, which are not make-up quantities for delivery deficiencies in prior Production Measurement Periods, the price payable by GPA shall be the lower of the Contract Price and the LEAC Rate.

For Seller's failure to deliver Renewable Energy as required hereunder, GPA's remedies shall be as set forth in Section 4.8. For GPA's failure to purchase and receive Renewable Energy (including Stored Energy) as required hereunder, Seller shall in addition have all other remedies available at law or in equity. Seller shall be responsible for any costs or charges imposed on or associated with the Renewable Energy (including Stored Energy) or its delivery up to the Delivery Point. GPA shall be responsible for any costs or charges imposed on or associated with Renewable Energy (including Stored Energy) or its receipt at and from the Delivery Point. Title to and risk of loss of Renewable Energy (including Stored Energy) from the Facility delivered to the Delivery Point shall transfer to GPA at the Delivery Point. Seller warrants that it will deliver to Buyer Renewable Energy (including Stored Energy) free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Delivery Point.

4.6 Operation of Facility.

Seller shall operate and maintain the Facility in accordance with Good Utility Practices and in accordance with the Agreed Ramp Rate as set forth in Appendix C.

4.7 Not Used.

4.8 Minimum Production.

The Facility is expected to produce a minimum number of MWhs of Renewable Energy (including Stored Energy) each Contract Year as set forth in the third column of Appendix A (such annual MWh production is the "Minimum Production"). Seller during the Delivery Period shall (i) during any Contract Year, deliver to GPA at least ninety percent (90%) of the Minimum Production (which calculated amounts are set forth in the fourth column

of Appendix A), and (ii) for any consecutive six (6) Contract Years during the Delivery Period, deliver to GPA at least ninety-five percent (95%) of the aggregate Minimum Production during such period (which shall include make-up amounts generated and delivered in any years in excess of one hundred percent (100%) of the Minimum Production for such year) (any such time period a "Production Measurement Period" and each such guaranteed amount of delivered Renewable Energy during any Production Measurement Period, the "Guaranteed Output"). Any shortfall of Renewable Energy (expressed in MWhs/year) from the applicable Guaranteed Output during a Production Measurement Period shall be deemed a "Deficiency Amount." For the avoidance of doubt, (i) Stored Energy delivered to the Delivery Point shall count towards Seller's achievement of the Minimum Production during each Production Measurement Period, and (ii) Charging Energy shall not be delivered by Seller and shall not count towards any Deficiency Amount as it is used to charge the Microgrid Unit as contemplated in Appendix C.

GPA shall be entitled to receive damages for any Deficiency Amount ("Shortfall Damages") which are not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below). Shortfall Damages shall be calculated as follows on an annual basis at the end of each Contract Year (and [in accordance with the example set forth in Schedule I to Appendix K].):

Shortfall Damages = Deficiency Amount x Incremental Price.

For purposes of clarity, if Actual Renewable Energy (including Stored Energy) for any given Contract Year is less than the Minimum Production for that year (even if due to Excused Hours or Weather Hours), there shall be a "Shortfall," and Seller shall be entitled to deliver to GPA Renewable Energy in the amount of such Shortfall in subsequent time periods (even if such make-up amounts are in excess of the Minimum Production for such subsequent year), and this Agreement may be extended as necessary for a period of up to six (6) months to allow Seller to make up any Shortfalls; however, there shall be no Shortfall Damages owing to GPA for such individual Contract Year unless such Actual Renewable Energy is less than the Guaranteed Output for the applicable Production Measurement Period, and such shortfall is not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below).

In the event Shortfall Damages are due for a Production Measurement Period of six (6) rolling Contract Years, then such Shortfall Damages shall be reduced by the amount of any Shortfall Damages paid for any Contract Year during such six (6) year Production Measurement Period. Seller's payment of Shortfall Damages shall be Seller's sole liability and obligation, and GPA's sole right and remedy, with respect to Seller's failure to deliver the Guaranteed Output during any Production Measurement Period.

To the extent any Deficiency Amount is due to Weather Hours, Seller's sole liability and GPA's sole remedy shall be to deliver thereafter Renewable Energy equal to such Deficiency Amount attributable to Weather Hours, calculated in accordance with Appendix K (which includes a sample calculation for a hypothetical Production Measurement Period). If any portion of a Deficiency Amount due to Weather Hours is not made up in the five (5) Contract Years beginning in the first Contract Year following the Contract Year in which the Weather Hours Deficiency Amount occurred, then Seller shall pay Shortfall Damages for the remaining Deficiency Amount. Notwithstanding the foregoing, with respect to any Deficiency Amount that is due to Weather Hours, Seller shall have the option, at any time prior to the expiration of the five (5) Contract Year make-up period, to pay any remaining associated Shortfall Damages in their entirety. If the Deficiency Amount arising as a result of Weather Hours occurs in the last five (5) years of the Delivery Period, then unless Seller exercises its option to pay the Deficiency Amount early, the Delivery Period shall be extended as necessary, for a period of up to six (6) months, to achieve a make-up period of five (5) Contract Years as described above. The Contract Price for such Renewable Energy shall be the Contract Price in effect in the Contract Year in which the Deficiency Amount due to Weather Hours accrued.

Seller shall be entitled to sell, and GPA shall purchase, quantities of Renewable Energy for which Shortfall Damages are paid hereunder, during any remaining Production Measurement Period during the Delivery Period. The price therefore shall be the Contract Price in effect at the time the Shortfall Damages accrued. During any Contract Year, all Renewable Energy delivered by Seller to GPA in excess of the Minimum Production shall be credited against makeup of any outstanding Deficiency Amounts, with oldest Deficiency Amounts made up first.

To the extent any Deficiency Amount is due to Excused Hours, Seller shall be excused from any liability with respect thereto.

Notwithstanding the foregoing, in the event that the Delivery Point is unavailable for any reason other than due to GPA's electric system, Seller's obligation to supply and sell, and GPA's obligation to accept and purchase, Renewable Energy shall be limited to such Renewable Energy that is actually deliverable from the Facility to the Delivery Point during such period except this paragraph shall not apply in the case of Excused Hours or an Event of Default by either Party.

4.9 Facility Testing.

In addition to the Facility Test referenced in Section 4.1(e), the capacity of the Facility shall be tested during each Contract Year during the Delivery Period (the "Annual Facility Test"). Seller shall notify GPA of the specific date on which it intends to conduct the Annual Facility Test at least ten (10) Business Days in advance and shall permit GPA to be present at such test. GPA shall have the right to receive copies of the results of the Annual Facility Test, which shall be conducted in accordance with the protocol set forth in Appendix I. Any dispute regarding the results of the Annual Facility Test shall be resolved as set forth in Section 12.9 of this Agreement. GPA shall receive, in accordance with Section 4.5, the entire Renewable Energy from the Facility during any Annual Facility Test or re-test. Renewable Energy deliveries during testing shall be measured at the Delivery Point.

4.10 Scheduling.

Seller agrees to supply at the Delivery Point all Renewable Energy produced by the Project, net of Renewable Energy self-generated and consumed at the Facility, and net of any generation losses prior to the Delivery Point, up to the Facility Capacity, in accordance with the scheduling and coordination procedures set out in Appendix H. GPA agrees to take at the Delivery Point all Renewable Energy tendered by Seller in accordance with the foregoing sentence. The Schedules and estimates provided pursuant to this Section 4.10 shall be made by Seller in good faith and based on information available to it at such time, but in no event shall such Schedules be binding on Seller nor shall Seller be liable for any inaccuracies in such Schedules.

4.11 Force Majeure.

To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Transaction and such Party (the "Claiming Party") gives Notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party shall be excused from the performance of its obligations with respect to such Transaction (other than the obligation to make payments then due or becoming due hereunder). The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure.

4.12 Facility Outages and Maintenance Scheduling.

(a) Planned Outages. Seller shall provide written Notice to GPA prior to conducting any Planned Outages of the Facility. Within ninety (90) days prior to the Commercial Operation Date, as the same may be extended in accordance with the provisions of Section 4.2, and on or before the first day of each subsequent Contract Year, Seller shall provide GPA with a schedule of such proposed Planned Outages. The proposed Planned Outages schedule shall be submitted electronically to GPA, using a reasonably acceptable format provided by GPA. Such format is subject to change from time-to-time during the Term of this Agreement by agreement of the Parties, but will generally describe the nature of the Outage, the expected duration, and any other pertinent information that will assist GPA in planning for the decreased output of the Facility as a result of the Outage.

GPA shall promptly review Seller's proposed schedule and may request modifications within thirty (30) days of GPA's receipt of such schedule. Changes to the schedule may

be requested by either Party and each Party shall make Commercially Reasonable Efforts to accommodate such changes, provided further that Seller shall have no obligation to agree to GPA's proposed modifications or revisions to any Planned Outage schedule.

Notwithstanding any of the foregoing, Seller shall not commence a Planned Outage that is expected to result in an Outage of ten percent (10%) or more of the Facility without notifying GPA of the Planned Outage at least five (5) Business Days prior to the start of such Planned Outage.

(b) Forced Outages. In the event of any Forced Outage, Seller shall promptly notify GPA of the same. Seller shall immediately notify GPA verbally and shall then, within twenty-four (24) hours thereafter, provide written Notice to GPA (the "Forced Outage Notice"). The Forced Outage Notice shall be submitted electronically to GPA, using a reasonably acceptable format provided by GPA. Such format is subject to change from time-to-time during the Term of this Agreement by agreement of the Parties, but will generally describe the nature of the Outage, the expected duration, and any other pertinent information that will assist GPA in planning for the decreased output of the Facility as a result of the Outage. Seller shall return the Facility to service as soon as possible, consistent with Good Utility Practices, after the Forced Outage ceases to exist.

(c) GPA Parts Inventory. To the extent GPA maintains an inventory of parts or components that are used or useful in the Facility and provided it can prudently do so under its own ordinary course operating practices and restrictions, GPA shall cooperate with Seller in a commercially reasonable manner by making such parts or components available to Seller at its request during the period of time Seller is obtaining replacement parts or components for the Facility in order to maximize output of Renewable Energy. If Seller obtains a replacement part or component from GPA, it shall at GPA's option either replace such part or component with the new part or component ordered by Seller or return the borrowed part or component to GPA at such time as Seller obtains the replacement. Seller shall bear the installation, transportation and labor charges relating to GPA's replacement parts or components, and if the parts or components are returned to GPA then Seller shall reimburse GPA for any damage to such parts or components while in Seller's possession.

4.13 Operating Status Reports.

From the Effective Date of this Agreement, through the date of Commercial Operation, Seller shall provide GPA with Monthly reports regarding material data pertaining to the operation of the Facility. The operations data is generally identified as performance, Outage, and risk data and shall be sent electronically to GPA using a reasonably acceptable format provided by GPA. The operations data report format may be modified by agreement of the Parties from time-to-time during the Term of this Agreement.

4.14 Resource Quality Reporting: Forecasting.

Seller shall provide to GPA at its request copies of non-proprietary resource quality data that could reasonably be expected to affect, in any material manner, the operation and/or productivity of the Facility, whether produced, compiled or otherwise generated by Seller or any third party in a Commercially Reasonable manner, so that GPA can evaluate the expected performance of the Facility. Seller shall provide such data as it is produced or otherwise made available to Seller. Upon Commercial Operation of the Facility, to the extent generated or procured by Seller, Seller shall also provide to GPA Monthly and day-ahead forecasting information for the Facility. Such information shall be in a format agreed to by the Parties and include, among other things: Seller's forecasts for the performance of the Facility based on Facility specifications, weather-based forecasting, and weather-related studies. Such information, which will be used by GPA solely for evaluation, Scheduling, and other purposes related to this Agreement, shall be provided as available. In no event shall the data and/or information provided to GPA pursuant to this Section 4.14 be binding upon Seller, nor shall Seller be liable for any penalties, charges or other damages based on the inaccuracy of such data or information.

4.15 Permit Violations.

Seller shall at all times during the Term of this Agreement maintain and comply with all applicable permits for the development, ownership and maintenance of the Facility in all material respects. As soon as practicable after the occurrence of any event known to Seller that would constitute or is reasonably likely to lead to a violation of any applicable permit, but in no event more than ten (10) Business Days thereafter, Seller shall provide GPA with written Notice of the same.

4.16 Change in Technical Requirements.

The Parties agree that, from and after the Effective Date, if Seller is required at any time to comply with new or modified technical or other performance requirements for the Facility or any material portion thereof (or in the manner any such facilities are to be operated or maintained) and such addition to or change in the above standards causes an increase in Seller's actual costs to perform in excess of $25,000 in the aggregate, then the Parties shall negotiate in good faith to agree upon an adjustment to the Contract Price and/or the Annual Microgrid Payment, as applicable, to compensate Seller for such increased costs. Such a change in the technical or performance requirements may arise as a result of the scheduling protocols or the communication protocols to be established by GPA pursuant to Appendix H or any other protocols or regulations established by GPA, requirements imposed by the transmission provider or pursuant to the Interconnection Agreement, requirements imposed by GPA or another Governmental Authority pursuant to or in connection with this Agreement, among other circumstances.

Seller will deliver prompt notice of the occurrence of a change in technical or performance requirements which has or is reasonably expected to result in the additional actual costs described above. If, on the date which is forty-five (45) days following Seller's delivery of notice to GPA, the Parties are unable to agree upon an adjustment to the Contract Price and/or the Annual Microgrid Payment, as applicable, which compensates Seller for such additional costs and is otherwise mutually acceptable, then Supplier may submit such dispute for resolution pursuant to Section 12.9.

4.17 Delivery of RECs.

(a) Use of North American Renewables Registry. At least ten (10) days prior to COD, Seller shall transfer to GPA the authority to create, own and transfer all Environmental Attributes associated with the Renewable Energy produced by the Facility, by executing and delivering the form entitled "Generator Owner's Designation of Responsible Party" published by NAR, wherein Seller shall designate GPA as the "responsible party" for all matters relating to the creation, ownership, and transfer of any RECS. Thereafter, GPA shall be responsible for all obligations relating to creating and transferring RECs and Seller shall have no further obligations or liabilities with respect thereto, provided, however, that Seller shall reimburse to GPA its costs of creating and maintaining the NAR account and NAR's fees charged to transfer the RECs, up to an aggregate maximum amount of $5,000 per annum. In the event this Agreement is terminated for any reason, the Parties agree to each consent to the termination of such designation in accordance with NAR procedures.

(b) GPA Registration as a QRE. GPA shall be the QRE for the Facility as required by NAR and shall comply with any and all NAR Operating Procedures relating to the registration and operation as a QRE and the reporting of generation data from the Facility to NAR. As the QRE, each month upon receipt of an invoice and associated interval metering data from Seller in accordance with Section 7.5 herein, GPA shall report such data to NAR within three (3) Business Days following receipt of such data. The Parties shall cooperate to ensure that the Seller Metering Equipment and the resulting interval metering data meet the NAR requirements for metering equipment and generation data.

(c) Change Event. During the Term, in the event that (i) the NAR Operating Procedures are amended or changed such that it becomes impossible for the Parties to utilize NAR as the REC tracking method and/or for GPA to continue as "responsible party" for purposes of

creating, owning and transferring RECs attributable to the Facility; (ii) the fees or charges imposed by NAR on either Seller or GPA to utilize the NAR REC tracking system are materially increased such that use of the NAR REC tracking system becomes uneconomic or infeasible; or (iii) the NAR REC tracking system is eliminated (each one individually, a "Change Event"), then the Parties shall promptly negotiate in good faith to reform the terms of this Agreement in order to give effect to the original intention of the Parties to the extent reasonable under the circumstances, including utilizing an alternative method for transferring RECs to GPA, but in no case shall Seller's cost with respect thereto exceed $5,000 per annum.

4.18 Ramp Rate Control Performance.

During the Delivery Period, Seller shall cause the Microgrid Unit to comply with the performance guarantees for ramp rate control set forth [below] (the "Ramp Rate Control Performance Guarantees").] If the Microgrid Unit System fails to meet the Ramp Rate Control Performance Guarantees over the time periods set forth [below], GPA may provide written notice to Seller of the failure to meet the Ramp Rate Control Performance Guarantees and a request for Seller to take steps needed for the Energy Storage System to meet the Ramp Rate Control Performance Guarantees. In response to such a notice, Seller shall, within two (2) weeks from the date of such notice, provide GPA with a written remedial action plan that provides a detailed description of Seller's course of action and plan to meet the Ramp Rate Control Performance Guarantees and shall take steps to implement such remedial action within six (6) months of the date of such action plan; provided, however, GPA shall not be entitled to such a remedial action plan if the failure to achieve the Ramp Rate Control Performance Guarantees is due to a Force Majeure event, GPA Delay or an Event of Default by GPA. Seller's sole obligation with respect to any deficiency in the Ramp Rate Control Performance Guarantees is to follow its remedial action plan.

If ramp rate is greater than 3 MW/minute seller shall reduce plant output until ramp rate is less than 3 MW/minute. If system issues remain, GPA reserves the right to restrict Seller's plant output until seller restores operation with a ramp rate less than 3 MW/minute. The Interconnection Agreement shall define conditions for Seller's plant reduction and implementation of GPA's restrictions.

ARTICLE FIVE: SELLER FAILURE

5.1 Seller Failure.

In the event Seller fails to deliver to GPA any Quantity of Renewable Energy to which GPA is entitled in accordance with the terms of this Agreement and instead sells such Quantity of Renewable Energy to which GPA is entitled to a third party in violation of this Agreement ("Seller Failure"), then Seller shall pay to GPA the "Seller Failure Damages," which shall mean the positive difference, if any, between the Replacement Price and the Contract Price for the period of such Seller failure, times such Quantity of Renewable Energy. GPA shall calculate the Seller Failure Damages and shall provide to Seller an invoice for such amount, including a written statement explaining in reasonable detail the calculation of such amount. Seller shall pay the Seller Failure Damages not later than ten (10) days following its receipt of such an invoice from GPA. If the Replacement Price is less than the Contract Price, then the Seller Failure Damages are deemed to be zero. The Seller Failure Damages represent the sole and exclusive remedy of GPA for Seller's failure as described herein.

ARTICLE SIX: EVENTS OF DEFAULT; REMEDIES

6.1 Events of Default.

An "Event of Default" shall mean, with respect to a Party (a "Defaulting Party"), the occurrence of any of the following:

(a) The failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within three (3) Business Days after receipt of written Notice;

(b) Any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, if such failure is not remedied within thirty (30) Business Days after receipt of written Notice, or such longer time, not to exceed sixty (60) Business Days, as is reasonably required to remedy such failure, provided the Defaulting Party is employing Commercially Reasonable Efforts to achieve the remedy;

(c) The failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default and except for such Party's obligations to deliver or receive the Renewable Energy, the remedies for which are provided in Article Five) if such failure is not remedied within thirty (30) Business Days after written Notice, or such longer time, not to exceed sixty (60) Business Days, as is reasonably required to remedy such failure, provided the Defaulting Party is employing Commercially Reasonable Efforts to achieve the remedy;

(d) Such Party becomes Bankrupt (or if the Bankruptcy is involuntary, the failure of such Party to achieve dismissal of the Bankruptcy within ninety (90) days);

(e) A Merger Event occurs with respect to such Party;

(f) If during the Term of this Agreement there have occurred three (3) or more Seller Failures as that term is used in Section 5.1;

(g) With respect to Seller, a material permit violation occurs, such violation has or is reasonably likely to result in a material adverse effect on the Seller's ability to perform its obligations under this Agreement and such violation is not remedied within fifteen (15) Business Days after Notice by either GPA or the relevant permitting authority, or such longer time, not to exceed sixty (60) Business Days, as is reasonably required to remedy such failure, provided the Defaulting Party is employing Commercially Reasonable Efforts to achieve the remedy;

(h) With respect to Seller, failure to maintain the Development Security as required pursuant to this Agreement and the failure to reinstate the same within ten (10) Business Days after Seller's receipt of written Notice thereof from GPA.

6.2 Declaration of an Early Termination Date.

If an Event of Default with respect to a Defaulting Party shall have occurred on or after the Commercial Operation Date and be continuing, the other Party (the "Non-Defaulting Party") shall have the right but not the obligation to: (i) designate a day, no earlier than the day such Notice is effective and no later than twenty (20) days after such Notice is effective, as an early termination date ("Early Termination Date") to accelerate all amounts owing between the Parties and to liquidate and terminate this Agreement between the Parties; (ii) withhold any payments due to the Defaulting Party under this Agreement as setoff against termination costs and liabilities as determined herein (and until such amounts are determined); and (iii) suspend its performance under this Agreement.

6.3 Suspension of Performance and Other Remedies.

Except as otherwise expressly provided in this Agreement, if an Event of Default shall have occurred and be continuing, the Non-Defaulting Party, upon written Notice to the Defaulting Party, shall have the right (i) to suspend performance under this Agreement; and (ii) to the extent an Event of Default shall have occurred and be continuing to exercise any remedy available at law or in equity including any specific remedies set forth in this Agreement; provided, however, that any damages shall include only the direct actual damages incurred by the Non-Defaulting Party as provided in Section 8.1.

ARTICLE SEVEN: PAYMENT AND NETTING

7.1 Billing Period.

Unless otherwise specifically agreed upon by the Parties, the calendar Month shall be the standard period for all payments under this Agreement. The Annual MicroGrid Payment shall be divided into twelve equal monthly payments each Contract Year. No later than the tenth (10^{th}) day after the end of each Month, each Party will render to the other Party an invoice (in the case of Seller, such invoice being rendered in accordance with Section 7.5) for the payment obligations of non-invoicing Party, if any, incurred hereunder during the preceding Month.

7.2 Timeliness of Payment.

Unless otherwise agreed by the Parties, all invoices under this Agreement shall be due and payable in accordance with each Party's invoice instructions on or before the later of the tenth (10th) day of each Month, or if later the tenth (10th) day after receipt of the invoice or, if such day is not a Business Day, then on the next Business Day. Each Party will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the other Party. Any amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full.

7.3 Disputes and Adjustments of Invoices.

A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice, rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) Months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with Notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Except as otherwise provided in this Agreement, payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in accordance with this Section 7.3 within twelve (12) Months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) Months after the close of the Month during which performance of a Transaction occurred, the right to payment for such performance is waived.

7.4 Metering and Other Facilities.

Seller shall be responsible, at its sole expense, for providing the Seller Metering Equipment in accordance with Good Utility Practices. In accordance with the terms of the Interconnection Agreement, the Seller may elect to have GPA provide Seller with the Seller Metering Equipment; provided, however, the cost of such meters shall be borne solely by Seller at no cost to GPA. Seller shall be solely responsible for operating, maintaining, and repairing the Seller Metering Equipment at its own expense throughout the Term of this Agreement. Seller shall inspect and test the Seller Metering Equipment upon its installation and at least once every year at Seller's expense. Seller shall give GPA reasonable advance Notice of any test, and promptly provide GPA with the results of any such test. GPA may observe the test and conduct its own tests, at GPA's expense, to verify Seller's procedures and results.

Upon an inaccurate read of the Seller Metering Equipment or if Seller knows of any material inaccuracy or defect in Seller Metering Equipment, Seller shall notify GPA in writing within forty-eight (48) hours of such defect. Seller shall be solely responsible for adjusting, repairing, replacing or recalibrating such metering device as near as practicable to a condition of zero (-0-) error, and for paying any expenses associated with such adjustment, repair,

replacement or recalibration. If a metering device fails to register or is found upon testing to be inaccurate, an adjustment will be made correcting all measurements by the inaccurate or defective metering device in the following manner:

(a) In the event that an adjustment factor cannot be reliably calculated, the Parties shall use the measurements from GPA-owned meters if they are installed, fully operational and calibrated in accordance with Good Utility Practices. If for any reason the measurements cannot be obtained from GPA owned meters, the Parties shall use data from Seller's computer monitoring system to determine the relevant measurements. If Seller's computer monitoring system is found to be inaccurate by more than two (2) percent, the Parties shall estimate the amount of the necessary adjustment using the site meteorological information for the period of the inaccuracy based upon deliveries of Renewable Energy delivered to GPA at the Delivery Point from the Facility during periods of similar operating conditions when the Seller Metering Equipment was registering accurately. The adjustment will be made for the period during which inaccurate measurements were made.

(b) If the Parties cannot agree on the actual period during which the inaccurate measurements were made, the period during which the measurements are to be adjusted will be the shorter of: (1) the last one-half of the period from the last previous test of the metering device to the test that found the metering device to be defective or inaccurate; or (2) the one hundred and eighty 180-day period immediately preceding the test that found the metering device to be defective or inaccurate.

(c) Upon determination of corrected measurements, the required payment adjustment shall be made according to the procedures set forth in Section 7.3.

7.5 Invoices.

Seller shall maintain and read the Seller Metering Equipment for measuring the Renewable Energy (including Stored Energy) delivered hereunder. For review purposes, Seller shall furnish GPA with a written invoice reflecting the Contract Price and the interval data from the Seller Metering Equipment used to calculate that invoice; and any other charges due, within ten (10) Business Days after Seller reads the Seller Metering Equipment. Seller shall furnish GPA with a written invoice reflecting the applicable portion of the Annual Microgrid Payment the tenth (10^{th}) day after the end of each Month. Such invoices may be furnished to GPA by facsimile transmission or by such other method as the Parties agree.

ARTICLE EIGHT: LIMITATIONS

8.1 Limitation of Remedies, Liability and Damages.

EXCEPT AS SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED HEREIN, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

Notwithstanding the foregoing, if GPA is the Defaulting Party, the Parties agree that the actual damages recoverable to Seller hereunder on account of an Event of Default by GPA shall include loss of Tax Benefits on a grossed up after tax basis, using the highest applicable United States marginal personal income tax rate.

Any assets transferred to GPA as required by the Interconnection Agreement shall require a one year warranty on all construction work and assignment of any manufacturer warranties from the transfer of such assets; provided, however, that the obligations and liability of Seller pursuant to such warranty and obligation to assign shall be subject to any limitations and exclusions set forth in the Interconnection Agreement.

ARTICLE NINE: CREDIT AND COLLATERAL REQUIREMENTS

9.1 Development Security.

In order to secure Seller's obligations prior to Commercial Operation of the Facility, hereunder, Seller shall post the Development Security in the form of a Letter of Credit or cash deposit in the amount of $2,375,805 The Development Security shall be held by GPA as security for Seller's obligations prior to the Commercial Operation Date including its obligation to satisfy the Financing Arrangement Deadline, but GPA may draw on the Development Security at any time only in the amounts and according to the schedule set forth in Section 4.4. Seller shall post the Development Security in accordance with the following terms and conditions:

(a) Seller shall post the Development Security within ten business (10) days following the Effective Date of this Agreement.

(b) If the Development Security is posted as a Letter of Credit, it shall be in substantially the form attached hereto as Appendix [F-1].

(c) Any Development Security posted in cash shall bear simple interest at a rate equal to the Interest Rate. The calculation and payment of any such interest shall be made in accordance with the procedure specified in Section 9.3 of this Agreement.

9.2 Forfeiture of Development Security.

In the event that the Commercial Operation Date does not occur on or before the Scheduled Commercial Operations Date, as extended pursuant to the terms of this Agreement, and to the extent Seller does not remit any COD Extension Payment or Daily Delay Liquidated Damages payment when due, then GPA shall be entitled to proceed against the Development Security in accordance with the terms thereof, to the extent of the amount(s) due and owing from time to time. Seller acknowledges and agrees that forfeiture of all or a portion of the Development Security, as provided herein, represents reasonable compensation to GPA for, among other things, transactions that it did not consummate because it relied on this Agreement with Seller, and GPA's potential failure to meet its applicable renewable energy portfolio requirements as a result of Seller's failure to achieve Commercial Operation by the Scheduled Commercial Operation Date. Notwithstanding the foregoing, if Seller terminates this Agreement prior to the Commercial Operation Date for the sole purpose of selling the Renewable Energy to a third party, GPA shall be entitled to both the Development Security and any other remedies available at law or in equity to the extent that GPA's actual damages exceed the value of the Development Security.

9.3 Return of Development Security.

At the end of the Term or upon the termination of this Agreement following the settlement and payment of any damages owed as a result of such termination, GPA shall return to Seller any remaining portion of the Development Security still held by GPA and to which GPA has no claim pursuant to the terms of this Agreement. If the Development Security was posted as a Letter of Credit, GPA shall return the Letter of Credit to Seller and Seller shall be entitled to immediately cancel such Letter of Credit. If the Development Security was posted in cash, GPA shall return to Seller the balance of the Development Security, together with daily interest at the Interest Rate, from and including the date that the Development Security was posted until, but not including, the date on which the Development Security is returned by GPA.

9.4 Performance Security.

In order to secure Seller's obligations after Commercial Operation of the Facility and during the Delivery Period hereunder, Seller shall post security in one of the forms contemplated below, each of which is deemed acceptable by GPA (the "Performance Security"):

(a) A Letter of Credit or cash in the amount of $4,751,610; or

(b) A Payment and Performance Bond in the amount of $4,751,610; or

(c) A subordinated second lien on the Sponsor Interest and Seller agrees to take such action as is reasonably required in order to perfect GPA's security interest in, and lien on, such collateral and any and all proceeds resulting therefrom; provided, that concurrently with the grant of such lien, GPA shall enter into such subordination, inter-creditor and other agreements with the senior financing parties as they as may reasonably require pursuant to which GPA shall agree that their rights and remedies pursuant to their second lien shall be subordinated in all respects to the senior first lien held by the financing parties; provided further, for the avoidance of doubt, there shall be no lien granted on the Tax Equity Investor Interest.

The Performance Security shall be held by GPA as security for Seller's obligations after the Commercial Operation Date and during the Delivery Period, but GPA may draw on the Performance Security at any time only in the amounts actually due and payable by Seller to GPA pursuant to this Agreement. Seller may (i) post the Performance Security by posting a combination or one or more of the above acceptable forms of credit support in an aggregate amount of $4,751,609.95, and (ii) at any time elect to substitute any form of one or more of the above acceptable forms of credit support for any existing Performance Security in which case GPA shall return the replaced Performance Security and reasonably cooperate with Seller in the exchange or cancellation of such credit support.

Seller shall post the Performance Security in accordance with the following terms and conditions:

(a) Seller shall post the Development Security within ten (10) business days following the Commercial Operation Date.

(b) If the Performance Security is posted as a Letter of Credit, it shall be in substantially the form attached hereto as Appendix [F-1].

(c) If the Performance Security is posted as a Payment and Performance Bond, it shall be in substantially the form attached hereto as Appendix [F-2].

(d) Any Performance Security posted in cash shall bear simple interest at a rate equal to the Interest Rate. The calculation and payment of any such interest shall be made in accordance with the procedure specified in Section 9.5 of this Agreement.

9.5 Return of Performance Security.

At the end of the Term or upon the termination of this Agreement following the settlement and payment of any damages owed as a result of such termination, GPA shall return to Seller any remaining portion of the Performance Security still held by GPA and to which GPA has no claim pursuant to the terms of this Agreement. If the Performance Security was posted as a Letter of Credit or a Payment and Performance Bond, then GPA shall return the Letter of Credit or Payment and Performance Bond to Seller and Seller shall be entitled to immediately cancel such Letter of Credit or Payment and Performance Bond. If the Performance Security was posted in cash, GPA shall return to Seller the balance of the Performance Security, together with daily interest at the Interest Rate, from and including the date that the Performance Security was posted until, but not including, the date on which the Performance Security is returned by GPA.

ARTICLE TEN: GOVERNMENTAL CHARGES

10.1 Cooperation.

Each Party shall use Commercially Reasonable Efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

10.2 Governmental Charges.

Seller shall pay or cause to be paid all taxes imposed by any Government Authority ("Governmental Charges") on or with respect to the Renewable Energy or this Agreement arising prior to the Delivery Point. GPA shall pay or cause to be paid all Governmental Charges on or with respect to the Renewable Energy or this Agreement at and from the Delivery Point (other than ad valorem, franchise or income taxes which are related to the sale of the Renewable Energy and are, therefore, the responsibility of the Seller). In the event Seller is required by law or regulation to remit or pay Governmental Charges, which are GPA's responsibility hereunder, GPA shall promptly reimburse Seller for such Governmental Charges. If GPA is required by law or regulation to remit or pay Governmental Charges which are Seller's responsibility hereunder, GPA may deduct the amount of any such Governmental Charges from the sums due to Seller under Article Seven of this Agreement. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the law.

ARTICLE ELEVEN: ASSIGNMENT

11.1 Buyer Assignment.

Buyer may not assign this Agreement or assign or delegate its rights and obligations under this Agreement, in whole or in part, without Seller's consent, not to be unreasonably withheld.

11.2 Seller Assignment.

Seller may perform any of the following, without the consent of the Buyer (1) transfer, pledge, encumber, or assign this Agreement or the accounts, revenues, or proceeds hereof, in connection with any financing or other financial arrangements for the Facility, (2) transfer or assign this Agreement to any of its Affiliates in connection with a transfer of the Facility to such Affiliate, (3) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of such Party, and (4) transfer or assign this Agreement to _____ or to any of its Affiliates; provided, that Seller provides Buyer prior notice of any such transfer or assignment and, with respect to any transfer to an such assignee of Seller, (A) such assignee posts replacement credit support in accordance with this Agreement, and (B) such Affiliate enters into an assignment and assumption agreement, in form and substance reasonably satisfactory to Buyer, pursuant to which Affiliate assumes all of Seller's obligations hereunder and otherwise agrees to be bound by the terms of this Agreement. Seller agrees that it will provide written notice to Buyer of any assignment of this Agreement by Seller within five (5) Business Days of the date of such assignment.

Except as stated above, neither this Agreement nor any of the rights, interests and obligations hereunder shall be assigned by Seller without the prior written consent of Buyer, which consent shall not be unreasonably withheld. Any assignment of this Agreement in violation of the foregoing shall be, at the option of Buyer, void.

11.3 Liability After Assignment.

A Party's assignment or transfer of rights or obligations pursuant to this Article 11 shall relieve said Party from any liability and financial responsibility for the performance thereof arising after any such transfer or assignment.

11.4 Transfers of Ownership.

Subject to any rights of first offer or refusal under this Agreement, during the Term, Seller shall not sell, transfer, assign or otherwise dispose of its interest in the Facility to any third-party absent (1) a transfer of this Agreement to such third-party and (2) Seller entering into an assignment and assumption agreement, in form and substance reasonably satisfactory to Buyer, with such third-party.

11.5 Successors and Assigns.

This Agreement and all of the provisions hereof are binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

11.6 Collateral Assignment by Seller.

In the event that Seller pursuant to Section 11.2 (1) transfers, pledges, encumbers or collaterally assigns this Agreement to Seller's lenders, Seller shall provide written notice to Buyer of such transfer, pledge, encumbrance or assignment, including the address of Seller's lenders. In connection with any financing or refinancing of the Facility, Buyer at Seller's request shall negotiate in good faith with Seller and Seller's lenders to agree upon a reasonable direct agreement with respect to this Agreement, which shall be in form and substance reasonably agreed to by Buyer, Seller and Seller's lenders, and which shall, among other terms. include provisions substantially as follows:

(a) The Parties shall not amend or modify this Agreement in any material respect without the prior written consent of the Seller's lenders;

(b) Prior to exercising its right to terminate this Agreement as a result of an Event of Default by Seller, Buyer shall give notice of such Event of Default by Seller to the administrative agent of Seller's lenders, which Buyer has been provided written notice of; and

(c) Seller's lenders shall have the right, but not the obligation, to cure an Event of Default on behalf of Seller in accordance with the provisions of this Agreement, provided that Seller's lenders shall be provided an additional forty-five (45) days, from the end of the cure periods provided pursuant to Section 6.1, to effect a cure of such Event of Default.

ARTICLE TWELVE: MISCELLANEOUS

12.1 Term of Agreement; Conditions Precedent.

(a) The Term of this Agreement shall commence on the Effective Date and shall remain in effect for the duration of the Delivery Period, as set forth in Section 2.1, unless earlier terminated by either Party in accordance with this Agreement herein (the "Term"); provided, however, that such termination shall not affect or excuse the performance of either Party under any provision of this Agreement that by its terms survives any such termination.

(b) This Agreement shall be effective on the Effective Date provided that the Parties' obligations hereunder shall be subject to the satisfaction of the following conditions precedent:

(i) Receipt by GPA of a final, non-appealable approval of this Agreement by the Guam Public Utilities Commission ("PPA Approval");

(ii) Execution of the Interconnection Agreement by the Parties;

(iii) Receipt by GPA of a final, non-appealable approval of the Interconnection Agreement by the Guam Public Utilities Commission ("ICA Approval"); and

GPA shall submit this Agreement for approval by the Guam Public Utilities Commission within thirty (30) days of the Effective Date. GPA shall also submit the Interconnection Agreement for approval by the Guam Public Utilities Commission within thirty (30) days of the execution of the Interconnection Agreement. Each Party shall use Commercially Reasonable Efforts to satisfy the conditions precedent prior to the End Date; provided that neither Party shall be obligated to execute the Interconnection Agreement except on terms acceptable to such Party in its sole discretion. Seller shall have the right in its sole discretion to waive the conditions precedent set forth in section 12.1(b) above.

Either Party has the right to terminate this Agreement by Notice, which will be effective five (5) Business Days after such Notice is given, if the conditions precedent set forth above have not been satisfied (or waived in accordance herewith) within [**to be determined based on date of signing – between 60-120 days consistent with proposed project schedule**] days after the Effective Date ("End Date"). If either Party exercises its termination right pursuant to this Section 12.1(b), no Termination Damages will be due or owing by either Party and Seller will be entitled to a return of any Development Security provided to GPA.

12.2 Insurance.

At all times during the Term of this Agreement, Seller shall maintain at its own expense insurance policies for the Facility and its tangible assets in such amounts and against such risks and losses as are consistent with Good Utility Practices and those policies listed below. Such insurance policies shall be maintained only with insurers rated at least A- VII by MVI Best or comparable ratings agency.

- Commercial General Liability with limits of $1,000,000 including products, completed operations, and contractual for this Agreement. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Commercial Auto Liability in the amount of $1,000,000 combined single limit for bodily injury and property damage. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Excess Liability with limits of $5,000,000. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Workers Compensation and Employers Liability with statutory limits and $1,000,000/$1,000,000/$1,000,000 respectively. Seller shall add a waiver of subrogation endorsement in favor of GPA.

- Pollution Liability, when applicable, with limits for $5,000,000. GPA is to be an additional insured. Seller shall grant a waiver of Subrogation in favor of GPA.

- Builder's Risk or Installation Floater, when applicable, is to be furnished by Contractor.

- Property insurance that will keep the premises, property, improvements, structures, and machinery and equipment on the premises insured, at a minimum, against with an all risk property policy for full replacement value as determined from time to time. Such insurance shall be issued by financially responsible insurers duly authorized to do business in Guam, and shall contain the standard form of waiver of subrogation. Nothing contained herein shall be construed as creating any liability or responsibility on the part of GPA for the adequacy of insurance coverage on the premises. As to any insurable risks of loss or damage to the premises not required to be insured hereunder, Seller shall bear the cost of the same. Seller shall be deemed to be self-insured as to the deductible or co-insurance amount applicable to such insurance coverage and shall pay any deductible or co-insurance amount applicable in the event of such loss or damage.

At all times after achieving COD, Seller may discontinue or otherwise cancel each of the aforementioned policies, except the following insurance policies, which shall be maintained with the limits set forth below:

- Commercial General Liability with limits of $1,000,000.00 including products, completed operations, and contractual for this Agreement. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Excess Liability with limits of $3,000,000.00. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Property insurance that will keep the premises, property, improvements, structures, and machinery and equipment on the premises insured, at a minimum, against with an all risk property policy for full replacement value as determined from time to time. Such insurance shall be issued by any financially responsible insurer duly authorized to do business in Guam, and shall contain the standard form of waiver of subrogation. Nothing contained herein shall be construed as creating any liability or responsibility on the part of GPA for the adequacy of insurance coverage on the premises. As to any insurable risks of loss or damage to the premises not required to be insured hereunder, Seller shall bear the cost of the same. Seller shall be deemed to be self-insured as to the deductible or co- insurance amount applicable to such insurance coverage and shall pay any deductible or co-insurance amount applicable in the event of such loss or damage.

- Seller is also required to carry Business Interruption and Extra Expense insurance in the amount of $1,000,000.00.

If the Facility is lost or damaged due to a casualty, then only if and to the extent Seller is not required to use available insurance proceeds to prepay any Facility Debt then outstanding, Seller shall re-build the Facility promptly and in a commercially reasonable manner if and to the extent technically feasible and commercially reasonable in

light of the available insurance proceeds and subject to the procurement by Seller of the consent of any lender or financing party pursuant to the Financing Documents if required thereunder; provided, however, (i) if the time to re-build the Facility would result in less than five (5) years remaining in the Delivery Period then (A) Seller shall have the option in lieu of re-building the Facility to pay to GPA the Buyout Payment and terminate this Agreement with no further costs or penalties provided that the Buyout Payment shall not in any case exceed the available insurance proceeds remaining following full prepayment of the Facility Debt, or (B) if Seller nevertheless elects to re-build the Facility then GPA shall reimburse Seller for any deductibles payable by Seller under its property insurance, and (ii) regardless of when the casualty event occurs, if Seller re-builds the Facility then the Delivery Period shall be extended for the greater of one (1) year or two (2) times the length of the interruption of the sale of Renewable Energy (pro rated based on the Minimum Production for partial interruptions), and the Contract Price shall be the price in effect, without escalation, at the beginning of the re-building period.

Within ten (10) Business Days after receipt of a request for the same from GPA, Seller shall deliver to GPA a certificate of insurance for any or all policies maintained in accordance with this Section 12.2, which certificate shall include at least the following information: (i) the name of the insurance company, policy number and expiration date; and (ii) the coverage and limits on coverage, including the amount of deductibles or self-insured retentions.

Seller shall furnish certificates of insurance and waiver of subrogation endorsement to GPA prior to commencement of construction of the Facility showing evidence of such coverage, including the statement to the effect that cancellation or termination of the insurance shall not be effective until at least thirty (30) days after receipt of written Notice to GPA. At all times Seller's insurance shall be primary and non-contributory to any other insurance that may be carried by GPA. The statement of limits of insurance coverage shall not be construed as in any way limiting the Seller's liability under this Agreement. GPA shall be an additional insured on all liability coverage and certificates of insurance shall clearly indicate such.

12.3 Indemnity.

To the extent permitted by law, each Party shall indemnify, defend and hold harmless the other Party from and against any Claims arising from or out of any event, circumstance, act or incident first occurring or existing during the period when control and title to the Renewable Energy is vested in such Party, unless a Claim is due to such Party's willful misconduct or gross negligence. To the extent permitted by law, each Party shall indemnify, defend and hold harmless the other Party against any Governmental Charges for which such Party is responsible under Article Ten. Notwithstanding anything to the contrary contained in this Agreement, no individual representative of either Party shall have any personal liability to the other Party as a result of the breach of any representation, warranty, covenant or agreement contained herein.

12.4 Site Access and Inspection of Records.

Seller shall provide GPA with reasonable access to the Facility site for purposes of review and inspection during regular business hours within a reasonable time after a request for the same is made by GPA. During such reviews and inspections, GPA representatives shall be permitted to review such records relating to the Facility and reasonably related to the performance of this Agreement, including Facility maintenance and operations logs. GPA shall have access to the Facility site for the limited purposes described herein, but Seller shall at all times remain responsible and liable for the control and operation of the Facility and the Facility site. GPA representatives shall follow Seller's safety procedures when accessing the Facility site and shall conduct themselves in a manner that will not interfere with the operation of the Facility. Seller will provide GPA with information about such safety procedures to enable GPA to comply with this requirement.

12.5 Audit.

Subject to Section 7.3, each Party has the right, at its sole expense and during normal working hours, to examine copies of the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement.

12.6 Confidentiality.

The Parties will make Commercially Reasonable Efforts to safeguard Confidential Information against disclosure by employing the same means to protect such Confidential Information as that Party uses to protect its own non-public, confidential or proprietary information, and otherwise in accordance with the provisions of this Section 12.6. Specifically, no receiving Party shall itself, or permit its employees, consultants and/or agents to disclose to any person, corporation or other entity the Confidential Information without the prior written consent of the Party providing the Confidential Information, except a receiving Party may distribute the Confidential Information to its and its Affiliates' board members, officers, employees, agents, consultants, actual or potential investors, actual or potential purchasers, actual or potential Facility lenders or financing parties, and others who have a need for such Confidential Information.

The Parties acknowledge, however, that a Party may need to disclose the Confidential Information in connection with its regulatory filings or to otherwise satisfy its governmental and regulatory requirements. In the event that a Party intends to disclose any of the Confidential Information to its regulatory authorities including, but not limited to, the Guam Public Utilities Commission, the FERC, or any employee, staff member, consultant, and/or agent of the foregoing, it shall give the other Party prompt prior written Notice of its intention so that the other Party may seek a protective order or other appropriate remedy. In addition, each Party specifically agrees not to use the other Party's name in connection with this Agreement or the Facility in any press releases, public meetings or hearings, or other public communications, including any release to any newswire service, without the express written consent of the other Party. The Parties anticipate that at some future time it may be in the best interests of one or both of them to disclose Confidential Information to the media and the Parties anticipate entering into a subsequent agreement that will govern the terms of such disclosure. The Parties expressly agree, however, that unless and until such subsequent agreement is executed between the Parties, the terms of this Agreement shall be binding with respect to such disclosure.

In the event that any Party receiving the Confidential Information becomes legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, the legally compelled Party shall give the other Party providing the Confidential Information prompt prior written Notice of such requirement so that the providing Party may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, the providing Party waives compliance with the terms hereof.

Each Party acknowledges that the unauthorized disclosure of any Confidential Information may cause irreparable harm and significant injury that may be difficult to ascertain. Each Party therefore agrees that specific performance or injunctive relief, in addition to other legal and equitable relief, are appropriate remedies for any actual or threatened violation or breach of this Agreement, **although neither Party shall be entitled to any special, consequential, indirect or punitive damages as a result of a breach of this Agreement, whether a claim is based in contract, tort or otherwise**. The Parties agree that the respondent in any action for an injunction, specific performance decree or similar relief shall not allege or assert that the initiating Party has an adequate remedy at law in respect to the relief sought in the proceeding, nor shall the respondent seek the posting of a bond by the Party initiating the action. Under no circumstances will either Party's directors, management, employees, agents or consultants be individually liable for any damages resulting from the disclosure of Confidential Information in violation of the terms of this Agreement.

12.7 Notices.

All notices, requests, statements or payments ("Notices") shall be made as specified on Appendix B attached hereto and incorporated herein by reference. Notices (other than with respect to scheduling) shall, unless otherwise specified herein, be in writing and may be delivered by hand delivery, United States mail, overnight courier service or facsimile. Notice by facsimile or hand delivery shall be effective at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise shall be effective at the close of business on the next Business Day. Notice by overnight United States mail or courier shall be effective on the next Business Day after it was sent. Notices relating to Facility operations and Scheduling, as required pursuant to Appendix H, may be given electronically and shall be deemed effective upon receipt; otherwise,

electronic notices shall not be effective unless affirmatively acknowledged in writing (including by reply e-mail) by the receiving Party. A Party may change its addresses by providing Notice of same in accordance herewith.

12.8 Purchase Option.

(a) Transfer During the Delivery Period. In the event that Seller desires to sell the Facility during the Delivery Period, Seller shall provide prior written Notice of the same to GPA, and agrees to engage in discussions with GPA during an exclusivity period with GPA if GPA desires to purchase the Facility. Within ninety (90) days following Seller's Notice to GPA of its intent to sell the Facility, GPA may deliver to Seller an indicative purchase price at which it would be willing to purchase the Facility. If GPA does not deliver the indicative purchase price within ninety (90) days, then Seller shall be free to transfer the Facility under any terms and conditions at any time thereafter. If GPA delivers the indicative purchase price within ninety (90) days, then the Parties shall negotiate exclusively for a period of up to sixty (60) days after GPA delivers the indicative purchase price. If no binding agreement is entered into by the Parties during such sixty (60)-day period then Seller shall be free to transfer the Facility to any person on materially comparable terms, including price, better than GPA's indicative offer, and neither Party shall have any further liability or obligation to the other Party in connection with such sale or as a result of the terminated negotiations. If Seller does not transfer the Facility on such basis within one (1) year following the end of the sixty (60)-day exclusive negotiation period, then the procedure in this paragraph shall apply to any subsequent sale of the Facility during the Term of this Agreement.

(b) Transfer or Extension of Delivery Period. GPA, by Notice delivered to Seller at least one hundred and eighty (180) days prior to the end of the Delivery Period, may either (i) extend the Term of this Agreement on a year-to-year basis, in which case the Contract Price during the extension of the Term shall be eighty percent (80%) of the LEAC Rate in effect from time to time during such extension (whereupon either Party may thereafter terminate this Agreement on one hundred and eighty (180) days' Notice prior to the end of any extension year), or (ii) purchase the Facility from Seller at eighty percent (80%) of the Appraisal Price, within thirty (30) days of the determination of the Appraisal Price. If GPA fails to send such Notice then this Agreement shall terminate in accordance with the terms hereof.

12.9 Alternative Dispute Resolution. All disputes arising under this Agreement are subject to the provisions of this Section 12.9.

(a) If a dispute, controversy or claim arises out of, relates, or is in connection with, this Agreement, or the breach, termination or validity thereof, whether sounding in contract, tort, unfair competition, equity, or other legal form, it shall be settled solely in the manner provided for in this Section 12.9. A meeting of the Parties shall be held within ten (10) Business Days after either Party gives the other Party written Notice of the dispute. The Notice shall set forth in reasonable detail the aggrieved Party's position and its proposal for resolution of the dispute. A representative of each Party who has authority to resolve the dispute shall be in attendance at all meetings. If the dispute is not resolved within thirty (30) days after the first meeting of the Parties, or such other period of time as to which the Parties agree, the dispute shall be settled by arbitration in the manner provided in this Section 12.9). A Party's failure to comply with this Section 12.9 shall entitle the other Party to recover its costs and reasonable attorney's fees in any judicial proceedings that circumvent this dispute resolution provision. Settlement discussions undertaken under this Section 12.9 shall be privileged and confidential and no position taken or communication made by a party during or in connection with said settlement discussions may be presented as evidence in the ensuing arbitration should settlement fail to achieve a negotiated result.

(a) Arbitration. Any disputes between the Parties and/or their respective representatives involving or arising under a Claim relating to the terms of this Agreement, or the breach thereof, may be submitted to binding arbitration, whether such Claims sound in contract, tort or otherwise. The arbitration shall be conducted in accordance with the Federal Arbitration Act and the then prevailing Commercial Arbitration Rules of the American Arbitration Association. The validity, construction, and interpretation of this Agreement to arbitrate and all procedural aspects of the arbitration conducted pursuant hereto shall be decided by the arbitrator(s). Submission shall be made upon the request of either Party. Within twenty (20) calendar days of the receipt by the respondent of service of the Notice of arbitration, the Parties shall select one (1) arbitrator by mutual consent. If the Parties are unable to agree upon a single arbitrator, there shall be three (3) arbitrators. Specifically, in the event the Parties cannot agree upon a single arbitrator, both the claimant and the respondent shall appoint one (1) arbitrator within ten (10) calendar days after written Notice by either Party that three (3) arbitrators shall be necessary. The two (2) arbitrators so appointed shall then select the third arbitrator within twenty (20) calendar days, who shall be the chairperson, of the tribunal. The chairperson shall be a person who has over eight (8) years of experience in energy-related transactions, and none of the arbitrators shall have been previously employed by either Party or have any direct interest in either Party or the subject matter of the arbitration, unless such conflict is expressly acknowledged and waived in writing by both Parties. The chairperson shall be bound to schedule and hear the dispute in its entirety within three (3) Months after his/her appointment and shall render the panel's decision within thirty (30) calendar days after the hearing concludes. It is agreed that the arbitration proceeding shall be conducted in Honolulu, Hawaii, or another neutral location mutually agreed to by the Parties; provided, however, either Party may provide all witnesses, deponents and other ancillary personnel by video telecast or other electronic media, it being the intent of the Parties to minimize expenses of conducting the arbitration. It is further agreed that the arbitrator(s) shall have no authority to award consequential, treble, exemplary, or punitive damages of any type or kind regardless of whether such damages may be available under any law or right, with the Parties hereby affirmatively waiving their rights, if any, to recover or claim such damages. The compensation and any costs and expenses of the arbitrators shall be borne equally by the Parties. Any arbitration proceedings, decision or award rendered hereunder and the validity, effect and interpretation of this arbitration provision shall be governed by the Federal Arbitration Act. The award shall be final and binding on the Parties and judgment upon any award may be entered in any court of competent jurisdiction. The Parties agree that all information exchanged as a result of any proceeding as described herein shall be deemed Confidential Information.

(b) Judicial Relief. Either Party may petition a court of appropriate jurisdiction, as described in Section 12.11, for non-monetary relief relating to any claim of breach of this Agreement in order to prevent undue hardship relating to any such claimed breach pending the appointment of an arbitration panel as described in this Section 12.9.

12.10 Governing Law.

THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF GUAM**,** WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

12.11 Jurisdiction and Costs.

Subject to the mandatory arbitration provisions herein, with respect to any proceeding in connection with any claim, counterclaim, demand, cause of action, dispute and controversy arising out of or relating to this Agreement, the Parties hereby consent to the exclusive jurisdiction of the local and federal courts in the Territory of Guam. Both Parties waive any right to trial by jury in such action. In the event such judicial proceedings are

instituted by either Party, the prevailing Party shall be entitled to award of its costs and reasonable attorneys' fees incurred in connection with such proceedings.

12.12 Financial Accounting Standards.

Under the latest interpretations of the Financial Accounting Standards Board's Interpretation No. 46(R) (FIN No. 46(R)), "Consolidation of Variable Interest Entities," GPA may be required to consolidate a Seller's entity for which GPA has entered into a long-term power purchase agreement. Seller agrees to provide all information needed in order for GPA to determine whether or not the special purpose entity which owns the Seller's generating facility must be consolidated by GPA under FIN No. 46(R). If it is determined that GPA needs to consolidate such special purpose entity, Seller agrees to provide all information needed to comply with the consolidation requirements of FIN 46(R) in a timely manner every calendar quarter. If GPA is required to consolidate the special purpose entity that owns the Seller's generating facility in its financial statements, Seller agrees to provide access to any needed records and personnel, as requested, so GPA's independent auditor, Deloitte & Touche LLP, can conduct financial statement audits in accordance with generally accepted auditing standards, as well as internal control audits in accordance with Section 404 of the Sarbanes-Oxley Act of 2002.

12.13 Forward Contract.

The Parties intend that in any relevant proceedings, each be regarded as a forwards trading merchant in respect of this Agreement and that each Transaction be a forwards contract for purposes of the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq., as amended from time to time.

12.14 General.

No delay of a Party in the exercise of, or the failure to exercise, any rights under this Agreement shall operate as a waiver of such rights, a waiver of any other rights under this Agreement or a release of the other Party from any of its obligations under this Agreement. Any provision declared or rendered unlawful by any applicable court of law or regulatory agency or deemed unlawful because of a statutory change will not otherwise affect the remaining lawful obligations that arise under this Agreement; and provided, further, that if such an event occurs, the Parties shall use their best efforts to reform this Agreement in order to give effect to the original intention of the Parties. The term "including" when used in this Agreement shall be by way of example only and shall not be considered in any way to be in limitation. The headings used herein are for convenience and reference purposes only. The indemnity provisions of this Agreement shall survive the termination of this Agreement for the period of the applicable statute of limitations. The audit provisions of this Agreement shall survive the termination of this Agreement for a period of twelve (12) Months. This Agreement shall be binding on each Party's successors and permitted assigns.

12.15 Entire Agreement; Amendment.

This Agreement, together with any appendices, schedules, and any written supplements hereto constitutes the entire agreement between the Parties relating to the subject matter hereof. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. Except to the extent herein provided for, no amendment or modification to this Agreement shall be enforceable unless reduced to writing and executed by both Parties.

12.16 Appendices.

The following Appendices are included in this Agreement for all purposes:

Appendix A	Contract Price and Minimum Production
Appendix B	Notice Addresses
Appendix C	Ramp Rate Control and Microgrid

Appendix D	Independent Engineers
Appendix E	[Not Used]
Appendix F	Form of Letter of Credit
Appendix G	[Not Used]
Appendix H	Scheduling and Coordination
Appendix I	Base Conditions and Facility Test Protocol
Appendix J	Interconnection Agreement
Appendix K	Additional Terms regarding Ramps Rates and Dispatch Down
Appendix L	Resolutions of Consolidated Committee on Utilities

12.17 Special Provisions.

It is the policy of GPA not to discriminate on the basis of age, race, sex, color, national origin, or disability in its hiring and employment practices, or in admission to, access to, or operation of its programs, services, and activities. With regard to all aspects of this Agreement, Seller certifies and warrants it will comply with this policy. No person shall be excluded from participation in, be denied benefits of, be discriminated against in the admission or access to, or be discriminated against in treatment or employment in GPA's contracted programs or activities, on the grounds of such person's handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal or Guam law; nor shall any person be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in performance of contracts with GPA or in the employment practices of GPA's contractors. Accordingly, all persons entering into contracts with GPA shall, upon request, be required to show proof of such nondiscrimination and to post notices of non-discrimination in conspicuous places that are available to all employees and applicants.

Seller hereby represents that Seller has not been retained or retained any persons to solicit or secure a contract from GPA upon an agreement or understanding for a contingent commission, percentage, or brokerage fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business. Breach of the provisions of this section is, in addition to a breach of this Agreement, a breach of ethical standards, which may result in civil or criminal sanction, debarment or suspension from being a contractor or subcontractor under any other contract with GPA and any Government Authority.

It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter, pertaining to any program requirement of a contract or subcontract or to any solicitation or proposal therefor. It shall be breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or a person associated therewith, as an inducement for the award of a subcontractor or order. Breach of the provisions of this paragraph is, in addition to a breach of this Agreement, a breach of ethical standards, which may result in civil or criminal sanction, debarment or suspension from being a contractor or subcontractor under any other contract with GPA and any Governmental Authority.

Seller warrants that no person providing services on behalf of Seller or in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated, or convicted of an offense

defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated regardless of the jurisdiction in which the conviction was obtained, shall provide services on behalf of Seller relative to this Agreement. If any person employed by Seller and providing services under this Agreement is convicted subsequent to the date of this Agreement, then Seller warrants that it will notify GPA of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services under this Agreement. If Seller is found to be in violation of any of the provisions of this paragraph, then GPA shall give Notice to Seller to take corrective action. Seller shall take corrective action within twenty-four hours of Notice from GPA, and Seller shall notify GPA when action has been taken. If Seller fails to take corrective steps within twenty-four hours of Notice from GPA, then GPA in its sole discretion may suspend this Agreement temporarily.

12.18 Waiver of Immunity.

To the extent that GPA may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to GPA or its assets or revenues such immunity (whether or not claimed), GPA agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

IN WITNESS THEREOF, the Parties hereto made and executed this Agreement, signed by their duly authorized officers or individuals, as of the dates listed below.

GUAM POWER AUTHORITY **GPA or Buyer**		**HANWHA ENERGY CORPORATION Seller**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

[Signature Page to Renewable Energy Purchase Agreement]

APPENDICES

APPENDIX A

CONTRACT PRICE AND MINIMUM PRODUCTION

Contract Year	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)
1	65.99	72,005
2	66.65	71,831
3	67.32	71,245
4	67.99	70,865
5	68.67	70,485
6	69.36	70,306
7	70.05	69,724
8	70.75	69,344
9	71.46	68,693
10	72.17	68,780
11	72.89	68,202
12	73.62	67,821
13	74.36	67,440
14	75.10	67,252
15	75.85	66,678

Contract Year	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)
16	76.61	66,296
17	77.38	65,915
18	78.15	65,722
19	78.93	65,151
20	79.72	64,770
21	80.52	64,388
22	81.33	64,190
23	82.14	63,623
24	82.96	63,241
25	83.79	62,859
26		
27		
28		
29		
30		

ESS MICRO GRID

Contract Year	Micro Grid Operation Price ($)
1	1,287,082
2	1,264,710
3	1,244,969
4	1,225,229
5	1,206,804
6	1,188,380
7	1,171,271
8	1,155,479
9	1,139,686
10	1,123,894
11	1,108,101
12	1,093,625
13	1,079,149
14	1,064,672
15	1,051,512

Contract Year	Micro Grid Operation Price ($)
16	1,038,352
17	1,025,191
18	1,012,031
19	998,871
20	987,026
21	975,182
22	963,338
23	951,493
24	939,649
25	927,805

APPENDIX B

NOTICE ADDRESSES

APPENDIX C

RAMP RATE CONTROL & MICROGRID

I. Description of Storage Unit

A. Specifications. The Facility shall include the Storage Unit as more fully described in the technical specifications set forth in Schedule C-1 attached hereto ("Storage Technical Specifications").

B. Operations. The operation of the Storage Unit shall at all times be subject to the operating restrictions and limitation set forth in Schedule C-2 attached hereto ("Storage Operating Restrictions"). At no time will Seller be expected to operate the Storage Unit in a manner that is inconsistent with the Storage Operating Restrictions notwithstanding any contrary terms in this Agreement.

C. Metering. Seller will install and maintain a separate meter for the Storage Unit and the operation and maintenance of such meter shall be governed by section 7.4 of this Agreement. The Storage Unit will not serve station use and Seller shall separately meter station use.

D. Augmentation. Seller shall be entitled to determine the actions necessary to achieve the Guaranteed Storage Output (as defined below) from time to time, including without limitation, whether to augment the batteries included in the Storage Unit solely as determined by Seller in its discretion.

E. Ramp Rate Control. The Storage Unit shall be operated such that the charging and output of the Storage Unit does not exceed 1% of the Project's nameplate capacity per minute; provided that Seller shall only be obligated to achieve such ramp rate as set forth in the table below on an average basis during each Contract Year ("Agreed Ramp Rate").

Contract Year	Agreed Ramp Rate
1	98.00%
2	97.90%
3	97.80%
4	97.70%
5	97.60%
6	97.50%
7	97.40%
8	97.30%
9	97.20%
10	97.10%
11	97.00%
12	96.90%
13	96.80%
14	96.70%
15	96.60%
16	96.50%
17	96.40%
18	96.30%
19	96.20%

20	96.10%
21	96.00%
22	95.90%
23	95.80%
24	95.70%
25	95.60%

F. Ramp Rate Control Performance

Energy Storage System will control the ramping rate under 1% of the Facility Capacity (i.e. 600 kW) per minute and the control period [for the ramping rate] will be no more than 1 second. Detailed ramping control algorithm will be finalized through discussions between GPA and Seller after the final design of the Energy Storage System is put in place but no later than one (1) month before the commissioning test of the Facility will start.

Evaluation of Performance Verification:

During the Delivery Period, on an annual basis, Seller shall carry out the evaluation process for the performance verification of the Energy Storage System, including power test and 1% ramp-rate control test in the presence of GPA, once every year with annual data storage in the Facility database and GPA SCADA. [Note: specify what is to be measured and equation below.]

$$\left| \frac{\sum_{t-\Delta t}^{t} PV_i(x)}{\Delta t} - \frac{\sum_{t-2\Delta t}^{t-\Delta t} PV_i(x)}{\Delta t} \right| > P_{ramp}$$

Where:

- Δt = 60 seconds
- $PV_i(x)$: PV generation at time t
- i = 1,2,3, ….., 60 seconds
- P_{ramp}: active power considering ramp rate limit per 1min window

Ramp Rate Control shall be based on a plus or minus (±) 1% of rated power of 60MW plant ("Measured Value"). Ramp Rate Control Failure means a plus or minus (±) 2% of Measured Value.

Ramp Control Penalty:

Penalty will apply to failure to meet the 1% ramp per minute rate for both under and over power. Ramp-Control must be controlled within 1 second. The failure percentage is as below:

- Failure Percentage (FP) = (E1 – E2)

Symbol	Item	Unit	Remarks
E1	Guaranteed value of Succeed Ramp-Rate	%	Proposal (offer) shown in table below

E2	Output of Ramp Rate Controlled	%	1% ramping requirement with 2% measurement error

If FP is greater than 0 (zero), then Penalty shall be calculated as follow:

- Under Power Failure Penalty = (AF_U) *(C_U)*(FP_U)
- Over Power Failure Penalty= (AF_O) *(C_O)*(FP_O)

Symbol	Item	Value	Unit
C_U	Nominal Ramp Down Cost	1.96	$/min/MW
C_O	Nominal Ramp Up Cost	0.49	$/min/MW

The penalty is calculated only for the portion exceeding the guaranteed value.

Where:

- Failure Power of Under Power (FP_U) = |Ramp Rate Required Power – CP| [MW]
- Failure Power of Over Power (FP_O) = |CP – Ramp Rate Required Power| [MW]
- Controlled Power (CP) =1 minute Average Power of 1% Ramp Rate Controlled by 1 second
- Acceleration Factor of Under Power (AF_U) = 0.5
- Acceleration Factor of Over Power (AF_O) = 0.5

G. Time Shifting. As described herein, the Storage Unit will be charged during the day and discharged during the night and in this manner will provide GPA with delayed deliveries of Renewable Energy.

E. Communication Protocols. Seller and GPA shall mutually agree (in writing) upon communication protocols to allow GPA to have access to SCADA information and a real-time data feed with respect to the Facility.

II. Delivery of Stored Energy for Dispatch

A. Charging. During the Delivery Period, Seller shall (i) operate and maintain the Storage Unit, (ii) charge the Storage Unit with a portion of the Renewable Energy generated by the Project (referred to as Charging Energy), and (iii) then shall store, discharge and deliver the Stored Energy to the Delivery Point. Charging Energy shall be drawn from the Renewable Energy generated by the Project and Stored Energy when delivered shall count towards the Minimum Production of the Project each Contract Year. In no case shall Seller be penalized for a reduction in the Renewable Energy delivered based on Charging Energy used to charge the Storage Unit.

B. Discharging. Seller shall sell and deliver, or cause to be delivered, and GPA shall purchase and receive, or cause to be received, all Stored Energy discharged by the Storage Unit, at the Delivery Point, and GPA shall pay Seller the Annual Storage Payment as compensation for Seller's operation of the Storage Unit and deliver of such Quantity of Stored Energy to the Delivery Point.

Stored Energy shall be discharged each day during the Delivery Period beginning from a time out of the 6 options as follows: 6 pm, 7 pm, 8 pm, 9 pm, 10 pm and 11 pm local time and shall be delivered to the Delivery

Point except during any Excused Hours and Weather Hours. The Discharge Energy shall be fixed as 5MW and the Delivery Period ends once all remaining Energy in the Microgrid has been discharged until the designated SOC of the Microgrid has been met.

If GPA desires to change the daily start time of the dispatch of the Storage Unit at any time during the Delivery Period, then GPA shall deliver Notice to Seller of such proposed change at least seven (7) days prior to the date on which Seller is being asked to implement such change ("Dispatch Instruction"). Seller shall not be obligated to accept and implement Dispatch Instruction requested by GPA if (i) such Dispatch Instruction is not consistent with the Operating Parameters, Good Utility Practices, any Planned Outages, applicable law or any limits set forth in any permit or approval received by Seller in connection with the Facility, or (ii) implementation of such dispatch instructions would limit, interfere with or prevent Seller's operation and maintenance of the Facility and/or its performance of its obligations under this Agreement, including without limitation, Seller's obligations with respect to the Guaranteed Dispatch Rate and/or Minimum Production and any make-up amounts Seller reasonably expects to deliver in any Contract Year, or (iii) implementation of such dispatch instructions would limit, interfere with or prevent Seller's performance of its obligations under the Interconnection Agreement. Any Dispatch Instruction delivered by GPA shall remain in effect until another valid Dispatch Instruction is delivered by GPA to Seller in accordance herewith.

Contract Year	Estimated Annual Stored Energy to be discharged from the Storage Unit and delivered to the Delivery Point referred to herein as the "Guaranteed Dispatch Rate"
1	6,570
2	6,554
3	6,501
4	6,466
5	6,431
6	6,415
7	6,362
8	6,327
9	6,293
10	6,276
11	6,223
12	6,188
13	6,153
14	6,136
15	6,084
16	6,049
17	6,015
18	5,997
19	5,945
20	5,910
21	5,875
22	5,857
23	5,805
24	5,771
25	5,736

The annual estimate of Stored Energy to be delivered shall be subject to the terms set forth in part II.C below.

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C. Guaranteed Storage Output. The Storage Unit is expected to allow Seller to deliver a minimum number of MWhs of Stored Energy each Contract Year as set forth above (such annual MWh production is the "Guaranteed Dispatch Rate").

Seller during the Delivery Period shall (i) during any Contract Year, deliver to GPA at least ninety percent (90%) of the Guaranteed Dispatch Rate, and (ii) for any consecutive six (6) Contract Years during the Delivery Period, deliver to GPA at least ninety percent (90%) of the aggregate Guaranteed Dispatch Rate during such period (which shall include make-up amounts generated and delivered in any years in excess of one hundred percent (100%) of the Guaranteed Dispatch Rate for such year) (any such time period a "Storage Measurement Period" and each such guaranteed amount of delivered Stored Energy during any Stored Measurement Period, the "Guaranteed Storage Output"). Any shortfall of Stored Energy (expressed in MWhs/year) from the applicable Guaranteed Storage Output during a Storage Measurement Period shall be deemed a "Storage Deficiency Amount."

The Annual Storage Payment for the following Contract Year shall be adjusted for any Storage Deficiency Amount which is not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below) ("Shortfall Adjustment"). The Shortfall Adjustment will be calculated as set forth below:

Adjusted Annual Storage Payment = (Storage Deficiency Amount/Guaranteed Dispatch Rate) x Annual Storage Payment

For purposes of clarity, Seller shall be entitled to deliver to GPA Renewable Energy or Stored Energy in the amount of such Storage Shortfall in subsequent time periods (even if such make-up amounts are in excess of the Guaranteed Dispatch Rate for such subsequent year), and this Agreement may be extended as necessary for a period of up to six (6) months to allow Seller to make up any Storage Deficiency Amount; however, there shall be no Shortfall Adjustment for such individual Contract Year unless such Stored Energy delivered hereunder is less than [ninety percent (90%) of the] Guaranteed Storage Output for the applicable Storage Measurement Period, and such shortfall is not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below).

In the event Shortfall Adjustment applies to a Storage Measurement Period of six (6) rolling Contract Years, then such Shortfall Adjustment shall be reduced by the amount of any Shortfall Adjustment paid for any Contract Year during such six (6) year Storage Measurement Period. The Shortfall Adjustment to the Annual Storage Payment shall be Seller's sole liability and obligation, and GPA's sole right and remedy, with respect to Seller's failure to deliver the Guaranteed Output during any Storage Measurement Period.

To the extent any Storage Deficiency Amount is due to Weather Hours, Seller's sole liability and GPA's sole remedy shall be to deliver thereafter Renewable Energy or Stored Energy equal to such Storage Deficiency Amount attributable to Weather Hours, calculated in accordance with Appendix K (which includes a sample calculation for a hypothetical Storage Measurement Period). If any portion of a Storage Deficiency Amount due to Weather Hours is not made up in the five (5) Contract Years beginning in the first Contract Year following the Contract Year in which the Weather Hours Storage Deficiency Amount occurred, then a Shortfall Adjustments shall be applied for the remaining Storage Deficiency Amount. Notwithstanding the foregoing, with respect to any Storage Deficiency Amount that is due to Weather Hours, Seller shall have the option, at any time prior to the expiration of the five (5) Contract Year make-up period, to elect to apply any remaining Shortfall Adjustment in its entirety. If the Storage Deficiency Amount arising as a result of Weather Hours occurs in the last five (5) years of the Delivery Period, then unless Seller exercises its option to apply any remaining Shortfall Adjustment early, the Delivery Period shall be extended as necessary, for a period of up to six (6) months, to achieve a make-up period of five (5) Contract Years as described above.

Seller shall be entitled to sell, and GPA shall purchase, quantities of Stored Energy for which Shortfall Adjustments are paid hereunder, during any remaining Storage Measurement Period during the Delivery Period. During any Contract Year, all Renewable Energy delivered by Seller to GPA in excess of the Guaranteed Dispatch Rate shall be credited against makeup of any outstanding Storage Adjustment, with oldest Storage Adjustment made up first.

To the extent any Storage Adjustment is due to Excused Hours, Seller shall be excused from any liability with respect thereto.

D. Remedies. For Seller's failure to deliver Stored Energy as required hereunder, GPA's remedies shall be as set forth in part II.C above. For GPA's failure to purchase and receive Stored Energy as required hereunder, Seller shall in addition have all other remedies available at law or in equity.

E. Title and Risk of Loss. Seller shall be responsible for any costs or charges imposed on or associated with the Stored Energy or its delivery up to the Delivery Point. GPA shall be responsible for any costs or charges imposed on or associated with Stored Energy or its receipt at and from the Delivery Point. Title to and risk of loss of Stored Energy from the Facility delivered to the Delivery Point shall transfer to GPA at the Delivery Point. Seller warrants that it will deliver to Buyer Stored Energy free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Delivery Point.

III. Compensation for Storage Unit Operations

Compensation to Seller for the operation of the Storage Unit during the Delivery Period shall consist of an Annual Storage Payment as set forth in Appendix A. The Annual Storage Payment shall be paid in accordance with Sections 7.1, 7.2 and 7.5 of this Agreement.

The Annual Storage Payment shall only be subject to reduction or offset for, and GPA's sole remedy for Seller's failure to deliver Stored Energy and Seller's operation of the Storage Unit shall be, the application of any Shortfall Adjustment in accordance with Section II.C above.

Schedule C-1
Technical Specifications for Storage Unit

- Microgrid Capacity: 20MW PCS, 32.5MWh usable energy (Actual installed capacity shall be determined at later stage)
- The Microgrid will normally perform the ramp rate control as required, but if the Power Plant output exceeds 22.5MW, it will charge the excess amount into the Microgrid.
- The Microgrid will also force charge the Microgrid if the weather conditions are not sufficient enough to make the Power Plant to reach production amounts above 22.5MW to ensure that the Microgrid will discharge every year the agreed on discharge amount.

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Schedule C-2
Operating Parameters for Storage Unit

- The output that the Facility delivers to the grid shall be limited to 22.5MWac throughout the Delivery Period.
- [Seller to provide additional Operating Parameters]

APPENDIX D

NOT USED

APPENDIX E

NOT USED

APPENDIX F-1

FORM OF LETTER OF CREDIT

(Provided is sample which may be replaced by Bank / Financial Institution Form)

(*Bank or Financial Institution*)

_____, 201__

Irrevocable Standby Letter of Credit No. ____

Beneficiary:
Guam Power Authority
P.O. Box 2977
Guam 96932-2977
Attn:
Applicant:

Dear _____:

We hereby establish for the account of (*Company Name*) ("Applicant") our irrevocable standby letter of credit in your favor for an amount of USD 4,000,000 (Four Million United States Dollars). Applicant has advised us that this letter of credit is issued in connection with the Renewable Energy Purchase Agreement, dated as of _____, 2012, by and between the Applicant, and Guam Power Authority (the "Beneficiary"). This letter of credit shall become effective immediately on the date hereof and shall expire on _____ [*the date that is XX days after the Effective Date of the PPA*] (such date, or such later date(s) as determined by Applicant in accordance with the next succeeding sentence, the "Expiration Date"). The Expiration Date can be extended on one or more occasions by written notice to us from the Applicant, provided that such written notice is received at least 10 days prior to the Expiration Date. This letter of credit is subject to the following:

1. Funds under this letter of credit shall be made available to Beneficiary against its draft drawn on us in the form of Annex 1 hereto, accompanied by (a) a certificate in the form of Annex 2 hereto, appropriately completed and signed by an authorized officer of Beneficiary, dated the date of presentation, and (b) the original of the letter of credit (the "Accompanying Documents") and presented at our office located at (*Bank/Financial Institution Address*) attention _____. (or at any other office which may be designated by us by written notice delivered to you). A presentation under this letter of credit may be made only on a day, and during hours, in which such office is open for business (a "Business Day"). If we receive your draft and the Accompanying Documents at such office on any Business Day, all in strict conformity with the terms and conditions of this letter of credit, we will honor the same by making payment in accordance with your payment instructions on the third succeeding Business Day after presentation.

2. This letter of credit shall terminate upon the earliest to occur of (i) our receipt of a notice in the form of Annex 3 hereto signed by an authorized officer of Beneficiary, accompanied by this letter of credit for cancellation, or (ii) our close of business at our aforesaid office on the Expiration Date, or if the Expiration Date is not a Business Day, then on the succeeding Business Day. This letter of credit shall be surrendered to us by you upon the earlier of presentation or expiration.

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3. This letter of credit is issued and subject to the International Standby Practices 1998 (ISP98) International Chamber of Commerce Publication No. 590, and as to matters not addressed by ISP98, shall be governed by and construed in accordance with the laws of the State of New York and application of U.S. Federal Law.

4. This letter of credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1, 2 and 3 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as otherwise provided in this paragraph 5.

5. Communications with respect to this letter of credit shall be in writing and shall be addressed to us at the address referred to in paragraph 1 above, and shall specifically refer to this letter of credit no. _____.

Very truly yours,

_____

Authorized signature
(*Bank or Financial Institution*)

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ANNEX 1
TO LETTER OF CREDIT NO. _____

under LETTER OF CREDIT No. _____

To:
(*Bank or Financial Institution*)
(*Bank/Financial Institution Address*)
Attn: _____

[*Month, Day , Year*]

On Sight

Pay to Guam Power Authority U.S. $ _____ [not to exceed amount available to be drawn]

Wire to:
Bank's Name: Bank of Guam
Bank's Location: 111 Chalan Santo Papa St., Hagatna, Guam 96910
Bank's Mailing Address: P.O. Box BW, Hagatna, Guam 96932
Account Name: Guam Power Authority Revenue Fund Account
Acct. No.: (to be provided)
Routing No.: (to be provided)

For value received and charge to account of Letter of Credit No. _____ of (*Company Name*)

GUAM POWER AUTHORITY

By: _____

Name: _____

Title: _____

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ANNEX 2
TO LETTER OF CREDIT NO. _____

Drawing under Letter of Credit No. _____

Date: _____

To:
(*Bank or Financial Institution*)
(*Bank/Financial Institution Address*)
Attn: _____

The undersigned, a duly authorized officer of the Guam Power Authority, ("Beneficiary"), hereby certifies on behalf of Beneficiary to (*Bank or Financial Institution*) and to (*Company Name*) (the "Applicant") with reference to irrevocable standby Letter of Credit No. _____ (the "Letter of Credit") issued for the account of (*Company Name*) ("Applicant"), that:

1) pursuant to the Renewable Energy Purchase Agreement, dated as of _____, 201__, by and between Applicant and Beneficiary and as of the date hereof Beneficiary is entitled to draw under the Letter of Credit;

2) by presenting this certificate and the accompanying sight draft, Beneficiary is requesting that payment in the amount of $_____, as specified on said draft, be made under the Letter of Credit by wire transfer or deposit of funds into the account specified on said draft; and

3) the amount specified on the sight draft accompanying this certificate does not exceed the remaining amount to which Beneficiary is entitled to draft under said Renewable Energy Purchase Agreement.

In witness whereof, Beneficiary has caused this certificate to be duly executed and delivered by its duly authorized officer as of the date and year written below.

Date: _____

GUAM POWER AUTHORITY

By: _____
Name: _____
Title: _____

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ANNEX 3
TO LETTER OF CREDIT NO. _____

Notice of surrender of Letter of Credit No. _____

Date: _____

To:
(*Bank or Financial Institution*)
(*Bank/Financial Institution Address*)
Attn: _____

Re: Letter of Credit No. _____ issued for the account of (*Company Name*)

Ladies and Gentlemen:

We refer to your above-mentioned irrevocable standby Letter of Credit (the "Letter of Credit"). The undersigned hereby surrenders the Letter of Credit to you for cancellation as of the date hereof. No payment is demanded of you under this Letter of Credit in connection with this surrender.

Very truly yours,

GUAM POWER AUTHORITY

By: _____

Name: _____

Title: _____

EAST\151029886.4

APPENDIX F-2

To be provided

APPENDIX G

NOT USED

APPENDIX H

SCHEDULING AND COORDINATION PROCEDURES

The Parties acknowledge that as of the Effective Date GPA has not yet established protocols for scheduling (firm or intermittent) power to permit solar projects to participate in GPA's scheduling process. As soon as practicable, Seller and GPA shall establish such protocols by mutual agreement in writing. Seller shall use Commercially Reasonable Efforts to comply with all additional reasonable protocols issued by GPA relating to available resources during the Delivery Period, and GPA shall consult with Seller (and take into account and accommodate Seller's reasonable comments) in connection with the preparation of any such additional protocols. The foregoing shall be subject to Section 4.16 of this Agreement.

1.1 General

(a) Notices. Seller shall submit to GPA notices and updates required under this Agreement regarding the Project's status, including, but not limited to, outage requests, forced outages and forced outage reports. If a web based system is not available, Seller shall promptly submit such information to GPA (in order of preference) telephonically, by electronic mail, or facsimile transmission to the personnel designated to receive such information. **Need to include PSCC requirements for Hourly Reports, Daily Production Reports, etc.**

(b) GPA Settlements. GPA shall be responsible for all settlement functions within GPA related to the Project.

(c) Resource Data Template. Seller shall provide the data to the GPA that is required for GPA's resource data template (or successor data system) for the Project consistent with this Agreement. Neither Party shall change such data without the other Party's prior written consent.

(d) Annual Delivery Schedules. No later than forty-five (45) days before (A) the first day of the first Contract Year and (B) the beginning of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide a non-binding forecast of each month's average-day expected Actual Renewable Energy for the following calendar year.

(e) Monthly Delivery Schedules. Ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide a non-binding forecast of each day's average expected Actual Renewable Energy for the following month ("Monthly Delivery Forecast") .

(f) Daily Delivery Schedules. By 5:30 AM Guam Prevailing Time on the Business Day immediately preceding the date of delivery, Seller shall provide GPA with a non-binding forecast of the Project's available energy (a "Day-Ahead Forecast"). A Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include Schedules for the immediate day, each succeeding non-Business Day and the next Business Day. Each Day-Ahead Forecast shall clearly identify, for each hour, Seller's estimate of the Project's available energy. Seller may not change such Schedule past the deadlines provided in this section except in the event of a Forced Outage or Schedule change imposed by GPA, in which case Seller shall promptly provide GPA with a copy of any and all updates to such Schedule indicating changes from the then-current Schedule. These notices and changes to the Schedules shall be sent to GPA's on-duty scheduling coordinator. If Seller fails to provide GPA with a Day-Ahead Forecast as required herein, then for such unscheduled delivery period

only GPA shall rely on the delivery Schedule provided in the Monthly Delivery Forecast or GPA's best estimate based on information reasonably available to GPA and Seller shall be liable for Scheduling and delivery based on such Monthly Delivery Forecast or GPA's best estimate.

(g) Hourly Delivery Schedules. Notwithstanding anything to the contrary herein, in the event Seller makes a change to its Schedule on the actual date of delivery for any reason, including Forced Outages (other than a scheduling change imposed by GPA), that results in a change to its deliveries (whether in part or in whole), Seller shall notify GPA immediately by calling GPA's on-duty scheduling coordinator. Seller shall notify GPA of Forced Outages in accordance with this Agreement. Seller shall keep GPA reasonably informed of any developments that are reasonably expected to affect either the duration of the outage or the availability of the Project during or after the end of the outage.

1.2 Dispatch Down/Curtailment.

(a) GPA shall have the right to order Seller to curtail deliveries of Renewable Energy from the Project to the Delivery Point pursuant to a Notice of a Dispatch Down as defined in Appendix K delivered to Seller, provided that the value attributable to any Renewable Energy [in an aggregated quantity of more than _2% of the Minimum Production for any Contract Year] which is not delivered during such curtailment periods, whether for transmission unavailability, operational dispatch or pre-set ramping parameters or otherwise, shall be reimbursed to Seller as provided below.

(b) GPA shall have the right to order Seller to curtail deliveries of Stored Energy from the Microgrid Unit to the Delivery Point pursuant to a Notice of a Dispatch Down as defined in Appendix K delivered to Seller, provided that GPA shall remain obligated to pay Seller the complete Annual Microgrid Payment without adjustment notwithstanding such curtailments, whether for transmission unavailability, operational dispatch or pre-set ramping parameters or otherwise.

(c) Seller shall have the right in its discretion to make up any curtailed quantities of Renewable Energy as a result of a Dispatch Down ("Dispatch Down Makeup Production"), for which it is not reimbursed pursuant to this Appendix H, in the first and any subsequent Contract Year in which at least the Minimum Production is delivered and to extend the Term to the extent necessary, but not to exceed six (6) months, to make up any curtailed quantities. The Contract Price for the Contract Year in which the make-up occurs shall apply to Dispatch Down Makeup Production up to the Minimum Production amount for the Contract Year in which the Dispatch Down originally occurred. For production quantities in excess of the Minimum Production for the Contract Year in which the Dispatch Down originally occurred, the price will be the lesser of the then current LEAC Rate or the Contract Price in the Contract Year in which the make-up occurs. Production in excess of Minimum Production for any Contract Year will first be applied to any previous years' Deficiency Amounts, then to Dispatch Down Makeup Production, then treated under this Agreement as production in excess of Minimum Production.

(d) GPA shall provide to Seller all technical information necessary to justify and support each Dispatch Down.

(e) GPA shall pay Seller, on the date payment would otherwise be due in respect of the month in which any such curtailment in excess of 2% of Minimum Production for such Contract Year occurred], an amount equal to the product of the Contract Price times the amount of Renewable Energy that Seller could reasonably have delivered to

GPA but for such curtailment ("Lost Revenue"). During the Contract Year-end annual true-up process, any payments made by GPA to the Seller for production (MWh) in excess of the Minimum Production for that Contract Year, whether such production results from actual generation surpluses or Lost Revenue, will be adjusted to reflect the lesser of the Contract Price for the then current Contract Year or then current LEAC Rate. For purposes of clarification, for any given Contract Year, GPA will not be required to pay the Contract Price on amounts of production beyond the Minimum Production if the Contract Price for that Contract Year is higher than the LEAC Rate for that Contract Year. Seller agrees to reduce the Project's Renewable Energy as set forth in such a Notice of Dispatch Down that meets the requirements set forth herein.

(f) For purposes of clarification, no curtailment by GPA, as a result of a warranted failure of or defect in the interconnection facilities transferred by Seller to GPA pursuant to the Interconnection Agreement, during the one-year warranty term thereof, shall count against the 2% curtailment threshold set forth above. During the one-year warranty term of the interconnection facilities transferred, any curtailment by GPA which results from such failure of or defect in the interconnection facilities transferred will not be eligible for reimbursement by GPA to Seller, Lost Revenue payments, or Dispatch Down Makeup Production in future Contract Years.

1.3 Outage Notification.

(a) Planned Outages. Seller shall schedule Planned Outages in accordance with Good Utility Practices and with the prior written consent of GPA, which consent may not be unreasonably withheld, conditioned or delayed. Nonetheless, the Parties acknowledge that in all circumstances, Good Utility Practices shall dictate when Planned Outages should occur. Seller shall notify GPA of Seller's proposed Planned Outage schedule for the Project for the following calendar year by submitting a written Planned Outage schedule no later than October 1st of each year during the Delivery Period. The Planned Outage schedule is subject to GPA's concurrence, which concurrence may not be unreasonably withheld, conditioned or delayed. GPA shall promptly respond with its approval or with reasonable modifications to the Planned Outage schedule and Seller shall use its Commercially Reasonable Efforts in accordance with Good Utility Practices to accommodate GPA's requested modifications. Notwithstanding the submission of the Planned Outage schedule described above, Seller shall also submit a completed form of outage notification to GPA no later than fourteen (14) days prior to each Planned Outage and reasonably appropriate outage information or requests to GPA. Seller shall contact GPA with any requested changes to the Planned Outage schedule if Seller believes the Project must be shut down to conduct maintenance that cannot be delayed until the next scheduled Planned Outage consistent with Good Utility Practices. Seller shall not change its Planned Outage schedule without GPA's concurrence, not to be unreasonably withheld, conditioned or delayed.

(b) Forced Outages. Within two hours of any Forced Outage Seller shall submit a completed form of outage notification to GPA in accordance with the instructions shown on the agreed form and shall submit outage information to GPA. Seller shall not substitute Renewable Energy from any other source for the output of the Project during a Forced Outage.

(c) Coordination with GPA. GPA shall cooperate with Seller in arranging and coordinating all Project outages.

1.4 Operations Logs and Access Rights.

(a) Operations Logs. Seller shall maintain a log of all material operations and maintenance information on a daily basis. Such log shall include, but not be limited to, information on power production, efficiency, availability, maintenance performed, outages, results of inspections, manufacturer recommended services, replacements, and control settings or adjustments of equipment and protective devices. Seller shall maintain this information for at least two (2) years and shall provide this information electronically to GPA within five days of GPA's request.

(b) Access Rights. GPA, its authorized agents, employees and inspectors shall have the right of ingress to and egress from the Project during normal business hours upon reasonable advance notice and for any purposes reasonably connected with this Agreement.

APPENDIX I

BASE CONDITIONS AND FACILITY TEST PROTOCOL

[Since this bid is opened to different renewable resources GPA is requiring bidders to provide their own test protocols for GPA's review and approval.]

APPENDIX J
INTERCONNECTION AGREEMENT
(TO BE PROVIDED UPON ITS EXECUTION)

APPENDIX K

ADDITIONAL TERMS REGARDING WEATHER HOURS AND DISPATCH DOWN

WEATHER HOURS

For each applicable period, Seller shall calculate (1) the expected production of the Facility using the historical Weather Data from "WeatherBank PGUM_2004-PRES_solar data" provided in bid Amendment 2 (the "Expected Historical Production") and (2) the expected production of the Facility using the actual Weather Data (the "Expected Actual Production"). Seller than then obtain the quotient, rounded to the fourth decimal place (the "Production Factor"), equal to the Expected Actual Production divided by the Expected Historical Production. If the Production Factor is greater than one (1), then no Weather Hours shall be deemed to have occurred. However, if the Production Factor is less than one (1), then Weather Hours shall be deemed to have occurred. The portion of any Deficiency Amount (as defined in the Agreement) attributable to such Weather Hours shall be the difference equal to (A) the aggregate Minimum Production amount for that period minus (B) the product of (x) the Production Factor and (y) the aggregate Minimum Production amount for that period. The Deficiency Amount due to weather shall not be penalized.

The Deficiency Amount due to weather shall be audited annually by an independent auditor to be selected and the cost shared by both Parties.

DISPATCH DOWN

Buyer shall pay Seller, on the date payment would otherwise be due in respect of the day in which any curtailment is initiated by GPA for reasons of Dispatch Down, an amount equal to the Contract Price times the amount of Renewable Energy that Seller could reasonably have delivered to Buyer but for such Dispatch Down. The determination of the curtailed amount associated with any Dispatch Down shall be calculated as follows:

1) Identification of weather conditions for the period of Dispatch Down
   For any period the Facility was Dispatched Down, Seller shall document the Weather Data associated therewith. ("Weather Data" means solar irradiation, wind speed, and ambient temperatures.)

2) Curtailed amount calculation
   a. Seller shall use PVSyst energy simulation software or other software as agreed by the Parties to generate hypothetical generation amounts for the Dispatch Down period (curtailed amount MWh) by utilizing the Weather Data.

   b. In addition to "Annual Facility Test" (as described in Section 4.9 of this Agreement), GPA shall be entitled to check the accuracy of the equipment associated with the Weather Data once in each Contract Year as agreed with Seller.

APPENDIX L

RESOLUTIONS OF CONSOLIDATED COMMITTEE ON UTILITIES

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Exhibit F

GPA Contract No. _____

RENEWABLE ENERGY
PURCHASE AGREEMENT

BETWEEN
GUAM POWER AUTHORITY
AND

[HANWHA ENERGY CORPORATION][1]

[1] Please note that it is expected that Hanwha Energy Corporation will establish a special-purpose entity to execute the PPA

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RENEWABLE ENERGY
PURCHASE AGREEMENT
BETWEEN
GUAM POWER AUTHORITY
AND
[HANWHA ENERGY CORPORATION][2]

THIS RENEWABLE ENERGY PURCHASE AGREEMENT (the "Agreement"), effective as of last date set forth on the signature page hereto (the "Effective Date"), is entered into by and between and Guam Power Authority, ("GPA" or "Buyer") and [Hanwha Energy Corporation] [3], a _____ ("Seller"). The purpose of this Agreement is to establish the terms and conditions under which Seller shall sell and GPA shall purchase Renewable Energy and associated Renewable Energy Credits, as defined herein. In this Agreement, Seller and GPA may be individually referred to as a "Party" or collectively as "Parties."

Recitals

WHEREAS, Seller desires to sell to GPA at the Delivery Point a portion of the Renewable Energy and associated RECs from the Facility and GPA desires to buy the same from the Seller at the Delivery Point.

WHEREAS, on the date hereof, Seller and GPA have entered into a Renewable Energy Purchase Agreement as to the remaining capacity of the Facility (the "Additional PPA").

Therefore, for good and valuable consideration, including, without limitation, the covenants and agreements of the Parties contained in this Agreement, the receipt and sufficiency of which consideration is acknowledged, the Parties agree as follows:

ARTICLE ONE: DEFINITIONS

The following definitions apply to this Agreement:

1.1 "Actual Renewable Energy" means the actual output of the Facility (expressed in MWhs), measured at the Delivery Point, including all Renewable Energy and all Stored Energy, over any Production Measurement Period. Actual Renewable Energy shall be measured by the Seller Metering Equipment, and adjusted as applicable in accordance with Section 7.4.

1.2 "Affiliate" means, with respect to any party, any other party (other than an individual) that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such party. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

1.3 "Annual Facility Test" has the meaning set forth in Section 4.9.

1.4 "Annual Microgrid Payment" means, as to each Contract Year, the amount set forth in Appendix A.

1.5 "Appraisal Price" means the average of three (3) appraisals of the market value of the Facility at the end of the Delivery Term, delivered by three (3) independent appraisers qualified by experience and expertise to

[2] Please note that it is expected that Hanwha Energy Corporation will establish a special-purpose entity to execute the PPA

[3] Please note that it is expected that Hanwha Energy Corporation will establish a special-purpose entity to execute the PPA

determine the arm's length market value of the Facility. If the Parties do not agree on the independent appraisers then they shall be determined by arbitration in accordance with Section 12.9.

1.6 "Bankrupt" means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such valid petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

1.7 "Bid Security" or "Bid Bond" means the $150,000.00, which is the amount of the security provided by Seller in connection with its initial bid to GPA for the Project.

1.8 "Business Day" means any day except a Saturday, Sunday, a Federal Reserve Bank holiday or an official Guam holiday. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. local time for the relevant Party's principal place of business. The relevant Party, in each instance unless otherwise specified, shall be the Party by whom the Notice or payment or delivery is to be received.

1.9 "Buyout Payment" means, with respect to Seller's election not to re-build the Facility pursuant to Section 12.2, an amount equal to: Minimum Production x the number of Contract Years (or portion thereof) remaining in the Delivery Period x Incremental Price

1.10 "Change Event" has the meaning set forth in Section 4.16(c).

1.11 "Charging Energy" means Renewable Energy generated by the Facility and used to charge the Microgrid Unit as contemplated in Appendix C.

1.12 "Claiming Party" has the meaning set forth in Section 4.9.

1.13 "Claims" means all claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys' fees and court costs, whether incurred by settlement or otherwise.

1.14 "COD Extension" has the meaning set forth in Section 4.2(a).

1.15 "COD Extension Payment" has the meaning set forth in Section 4.2(a).

1.16 "Commercially Reasonable" or "Commercially Reasonable Efforts" means, with respect to any purchase, sale, decision, or other action made, attempted or taken by a Party, such efforts as a reasonably prudent business would undertake for the protection of its own interest under the conditions affecting such purchase, sale, decision or other action, consistent with Good Utility Practices, including, without limitation, electric system reliability and stability or other regulatory mandates relating to renewable energy portfolio requirements, the cost of such action (including whether such cost is reasonable), the amount of notice of the need to take a particular action, the duration and type of purchase or sale or other action, and the commercial environment in which such purchase, sale, decision or other action occurs. "Commercially Reasonable" or "Commercially Reasonable Efforts" shall be reviewed and determined based upon the facts and circumstances known, or which could have been known with the exercise of reasonable efforts, at the time that a sale, purchase, or other action is taken and shall not be based upon a retroactive review of what would have been optimal at such time.

1.17 "Commercial Operation" has the meaning set forth in Section 4.1.

1.18 "Commercial Operation Date" or "COD" means the date that Commercial Operation of the Project has been achieved in accordance with Section 4.1.

1.19 "Confidential Information" means all information, whether written or oral, that is disclosed or otherwise available in connection with this Agreement or the performance by either Party of any of its duties hereunder, except any information which: (i) at the time of disclosure or thereafter is generally available to the public (other than as a result of a disclosure by any Party in violation of this Agreement); (ii) was available to any Party on a non-confidential basis from a source other than the Party hereto providing the Confidential Information, provided that such source is not bound by a confidentiality agreement that protected the Confidential Information; or (iii) has been independently acquired or developed by any Party without violating any of its obligations under this Agreement.

1.20 "Contract Price" means the price in U.S. Dollars (unless otherwise provided for) rounded to the nearest $0.01, to be paid by GPA to Seller for the purchase of the Renewable Energy, as described in Appendix A.

1.21 "Contract Year" means the annual period, beginning on the Commercial Operation Date, and renewing thereafter on each anniversary of the Commercial Operation Date.

1.22 "Conventional Energy Resource" is an energy resource that is non-renewable in nature, such as natural gas, coal, oil, and uranium, or electricity that is produced with energy resources that are not Renewable Energy resources.

1.23 "Credit Rating" means, with respect to any entity, the rating then assigned to such entity's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such entity as an issuer rating by S&P, Moody's or any other rating agency agreed by the Parties.

1.24 "Cure Plan" has the meaning set forth in Section 4.7.

1.25 "Daily Delay Liquidated Damages" has the meaning set forth in Section 4.2(b).

1.26 "Defaulting Party" has the meaning set forth in Section 6.1.

1.27 "Deficiency Amount" has the meaning set forth in Section 4.8

1.28 "Delivery Period" means the period of delivery under this Agreement, commencing on the Commercial Operation Date and continuing for the Term, as such period may be extended in accordance with this Agreement.

1.29 "Delivery Point" means the point at which the Renewable Energy (including Stored Energy) will be delivered and received, as specified in Section 2.1 herein, or such other delivery point as may be agreed to by the Parties in writing.

1.30 "Development Security" means the security deposit during construction of the renewable project or facility prior to Commercial Operation Date. The Development Security shall be 50% of the total projected payment for the 1st contract year based on the contractor's 1st Contract Year energy rate and the guaranteed energy production. Refer to Section 9.1 for additional requirements.

1.31 "Dispatch Down" means any curtailment is initiated by GPA for reasons other than Force Majeure or Seller Event of Default.

1.32 "Early Termination Date" has the meaning set forth in Section 6.2.

1.33 "Effective Date" means the date first set forth above.

1.34 "Eligible Renewable Energy Resources" are applications of the following defined technologies that displace Conventional Energy Resources that would otherwise be used to provide electricity to GPA's customers: biogas electricity generator, biomass electricity generator, fuel cell that use only renewable fuels, geothermal

generator, hybrid wind and solar electric generator, landfill gas generator, solar electricity resources, wind generator and such other generally accepted renewable energy resources.

1.35 “Emergency” means any abnormal interconnection or system condition (including, without limitation, equipment or transmission limitations and constraints caused by thermal limits, stability, voltage, or loop flows) that Buyer determines in accordance with Good Utility Practices): (a) requires automatic or immediate manual operation to prevent or limit loss of Buyer’s system or generation supply; (b) could adversely affect the reliability of the Buyer system or generation supply; (c) could adversely affect the reliability of any interconnected electric system; or (d) could otherwise pose a threat to public safety.

1.36 “End Date” has the meaning given in Section 12.1(b).

1.37 “Environmental Attributes” means environmental characteristics that are attributable to Renewable Energy, including credits; credits towards achieving local, national or international renewable portfolio standards; green tags; Renewable Energy Credits; greenhouse gas or emissions reductions, credits, offsets, allowances or benefits; actual SO2, NOx, CO2, CO, Carbon, VOC, PM_{10}, mercury, and other emissions avoided; and any and all other green energy or other environmental benefits associated with the generation of Renewable Energy (regardless of how any present or future law or regulation attributes or allocates such characteristics). Such Environmental Attributes shall be expressed in kWh or, as applicable in the case of emissions credits, in tonne equivalent or other allowance measurement. Environmental Attributes does not include Tax Benefits, or any energy, capacity, reliability, or other power attributes used by Seller to provide electricity services.

1.38 “EPC Contractor” means the contractor(s) under the engineering, procurement and construction contract for the Project.

1.39 “Equitable Defenses” means any bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending.

1.40 "Event of Default” has the meaning set forth in Section 6.1.

1.41 “Excused Hours” means the hours in the applicable Production Measurement Period (i) in which Seller has declared Force Majeure, (ii) during any Planned Outage or Forced Outage but subject to an aggregate maximum of six hours per Contract Year; (ii) in which Seller has initiated a Dispatch Down or (iii) in which Seller’s delivery to GPA of Renewable Energy is adversely affected as a result of failure by GPA to perform its obligations under this Agreement or the Interconnection Agreement or in which GPA does not accept delivery of Renewable Energy for any reason.

1.42 “Facility” means all of the following: the Project, as defined in Section 2.1 of this Agreement, the purpose of which is to produce Renewable Energy including the Microgrid Unit, Seller’s Interconnection Facilities and all equipment and other tangible assets, land rights and contract rights reasonably necessary for the construction, operation, and maintenance of the electric generating facility that produces the Renewable Energy being sold under this Agreement.

1.43 “Facility Capacity” has the meaning set forth in Section 2.1.

1.44 “Facility Test” has the meaning set forth in Section 4.1(e).

1.45 “Facility Debt” means the obligations of Seller or its Affiliates to any Facility lender, tax equity investor or other financing party pursuant to the Financing Documents, including without limitation, principal of, premium and interest on indebtedness, reimbursement obligations regarding letters of credit, obligations under financing leases, fees, expenses or penalties, amounts due upon acceleration, prepayment or restructuring, swap or interest rate hedging obligations and breakage costs and any claims or interest due with respect to any of the foregoing. Facility Debt does not include trade debt or obligations incurred in the ordinary course of business.

1.46 “FERC” means the Federal Energy Regulatory Commission or any successor government agency.

1.47 “Financing Documents” means the loan and credit agreements, notes, bonds, indentures, security agreements, lease financing agreements, mortgages, deeds of trust, interest rate exchanges, swap agreements and other documents relating to the development, bridge, construction and/or permanent debt financing or a tax equity investment for the Facility (including any portfolio debt financing of which the Facility is included), including any credit enhancement, credit support, working capital financing, or refinancing documents, and any and all amendments, modifications, or supplements to the foregoing that may be entered into from time to time at the discretion of Seller and/or its Affiliates in connection with development, construction, ownership, leasing, operation or maintenance of the Facility.

1.48 “Forced Outage” means the shutdown or unavailability of the Facility, or a portion thereof other than as a Planned Outage, for reasons including, but not limited to, unanticipated equipment breakdown, human error, or Emergency conditions. A Forced Outage shall not include any Outage that may be deferred consistent with Good Utility Practices and without causing safety risk damage to equipment or additional costs.

1.49 “Forced Outage Notice” has the meaning set forth in Section 4.12(b).

1.50 Force Majeure” means an event or circumstance which prevents one Party from performing its obligations under this Transaction, which event or circumstance was not anticipated as of the date the Transaction was agreed to, which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which, by the exercise of due diligence, the Claiming Party is unable to overcome or avoid or cause to be avoided. So long as the requirements of the preceding sentence are met, a “Force Majeure” event may include, but shall not be limited to, any act of God, an act or threatened act of the public enemy, blockade, accidents of navigation or breakdown or injury of vessels, accidents to harbors, docks, canals or other assistances to, or adjuncts of, shipping or navigation, perils of the sea, air crash, shipwreck, train wrecks or other failures or delays of transportation, nuclear emergency, radioactive contamination, ionizing radiation, release of hazardous waste or materials, sabotage, invasion, riot, civil disturbance or disobedience, flood, drought, military ordinances or archaeological discoveries at the Project site, change in applicable law or interpretation or application thereof, failure or delay by any Governmental Authority in issuing or granting any required clearance, approval, arrangement, or permit, an earthquake, storm, fire, flood, tidal wave, storm, wind, explosion or any similar cataclysmic occurrence, lightning, epidemic, war (imminent, declared or otherwise), terrorism or riot. Notwithstanding the foregoing, Force Majeure shall not be based on (i) the loss of Buyer's markets; (ii) Buyer's inability economically to use or resell the Renewable Energy purchased hereunder; (iii) the loss or failure of Seller's supply, including materials or equipment, unless such loss or failure is caused by a Force Majeure event (iv) the delay in or inability of Seller to obtain financing or economic hardship of any kind; or (v) Seller's ability to sell the Renewable Energy at a price greater than the Contract Price or Buyer’s ability to purchase the Renewable Energy at a price less than the Contract Price; or (vi) strike or other labor dispute. Neither Party may raise a claim of Force Majeure based in whole or in part on curtailment by a transmission provider unless (i) such Party has contracted for firm transmission with a transmission provider for the Renewable Energy to be delivered to or received at the Delivery Point and (ii) such curtailment is due to "force majeure" or "uncontrollable force" or a similar term as defined under the transmission provider's tariff.

1.51 “Force Majeure Extension” has the meaning set forth in Section 4.2(c).

1.52 “Good Utility Practices” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result of the lowest reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be generally accepted and consistently adhered to acceptable practices, methods, or acts.

1.53 “Governmental Authority” means any federal, territorial or local government body; any governmental, quasi-governmental, regulatory or administrative agency, commission, body or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; or any court or governmental tribunal.

1.54 “Governmental Charges” has the meaning set forth in Section 10.2.

1.55 “GPA Delay” means any delay by GPA in performing an obligation under this Agreement or under the Interconnection Agreement which results in a delay to Seller achieving COD. A GPA Delay is not an Event of Default unless it is otherwise so designated in this Agreement.

1.56 “Guaranteed Output” has the meaning given in Section 4.8.

1.57 “Incremental Price” means, at the time of its calculation, the LEAC Rate minus the Contract Price, provided, however, if the LEAC Rate is less than the Contract Price then the Incremental Price shall be deemed to be zero. Sample calculations of the Incremental Price are shown in Schedule III to Appendix K.

1.58 “Independent Engineer” shall mean one of the engineering firms set forth in Appendix D hereto, and any other independent engineer or engineering firm, nationally recognized in the United States and having knowledge and expertise in the United States generation industry (including specifically the design and construction of utility scale solar photovoltaic power projects), and which is mutually agreed to by the Parties.

1.59 “Interconnection Agreement” means the agreement for interconnection service relating to the Facility between GPA and Seller, executed and delivered as of the Effective Date in the form attached hereto as Appendix J.

1.60 “Interest Rate” means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

1.61 “kWh” means kilowatt hour.

1.62 “LEAC Rate” means the “Fuel Recovery Charge” (expressed in US$/MWh) as set forth in GPA’s most recent approved tariff in effect as of any date of determination of the LEAC Rate under this Agreement.

1.63 “Letter(s) of Credit” means one or more irrevocable standby letters of credit issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank having a Credit Rating of at least A- from S&P or A3 from Moody's, in substantially the form set forth in Appendix [F-1] hereto; provided, however that such form may be modified by the issuing bank as long as such modifications are acceptable to the beneficiary in its sole discretion. Costs of a Letter of Credit shall be borne by the applicant for such Letter of Credit.

1.64 “Merger Event” means, with respect to a Party, that such Party consolidates or amalgamates with, or merges into or with, or transfers substantially all of its assets to another entity and (i) the resulting entity fails to assume all of the obligations of such Party hereunder or (ii) the benefits of any credit support provided pursuant to this Agreement fail to extend to the performance by such resulting, surviving or transferee entity of its obligations hereunder unless such credit support is replaced by the resulting, surviving or transferee entity in accordance with this Agreement.

1.65 “Minimum Production” has the meaning set forth in Section 4.8.

1.66 “Month” means a calendar Month. The term “Monthly” shall have a meaning correlative to a Month.

1.67 “Moody's” means Moody's Investor Services, Inc. or its successor.

1.68 “MW” or “MWh” means megawatt or megawatt hour, in each case rounded to the nearest whole MW or MWh.

1.69 “NAR” means the North American Renewables Registry.

1.70 “NAR Operating Procedures” means any and all guidelines, procedures, requirements and obligations established by the NAR, including the terms of use, operating procedures, and fee schedules, as such may be amended from time to time.

1.71 “Non-Defaulting Party” has the meaning set forth in Section 6.

1.72 "Notice” has the meaning set forth in Section 12.7.

1.73 “Outage” means the period during which the Facility or a portion thereof is out of service.

1.74 “Outside Commercial Operation Date” has the meaning set forth in Section 4.2(b).

1.75 “Payment and Performance Bond” means one or more payment and performance bonds issued by an insurance company or other institution having an investment grade Credit Rating from S&P, Moody’s or Fitch, in substantially the form set forth in Appendix [F-2] hereto; provided, however that such form may be modified by the issuing entity as long as such modifications are acceptable to the beneficiary in its sole discretion.

1.76 “Planned Outage” means any Outage that is not a Forced Outage, and refers to the shutdown or unavailability of the Facility or a portion thereof for inspection or maintenance in accordance with an advance schedule.

1.77 “Production Measurement Period” has the meaning set forth in Section 4.8.

1.78 “Project” has the meaning set forth in Section 2.1.

1.79 “QRE” means the Qualified Reporting Entity as such term is defined in the NAR Operating Procedures.

1.80 “Quantity” means the actual quantity of Renewable Energy (including Stored Energy) sold by Seller and purchased by and delivered to GPA pursuant to this Agreement. The Quantity shall be measured based on the metered data from the Seller Metering Equipment at the Delivery Point.

1.81 “Renewable Energy” means energy derived from a Renewable Energy Resource.

1.82 “Renewable Energy Credit” or “REC” means the unit created to track kWh derived from an Eligible Renewable Energy Resource or kWh equivalent of Conventional Energy Resources displaced by distributed renewable energy resources if and to the extent recognized under applicable law.

1.83 “Renewable Energy Resource” means an energy resource that is replaced rapidly by a natural, ongoing process and that is not nuclear or fossil fuel.

1.84 “Replacement Price” means the price at which GPA, acting in a Commercially Reasonable Manner, purchases electricity in place of Renewable Energy.

1.85 “S&P” means the Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) or its successor.

1.86 “SCADA” means “supervisory control and data acquisition” and shall refer to that category of software application program that can be used to gather data from the Facility remotely in real time in order to monitor Facility equipment and conditions.

1.87 “Schedule,” "Scheduled” or "Scheduling” means the actions of Seller, Buyer and/or their designated representatives, of notifying, requesting and confirming to each other the quantity and type of Renewable Energy (including Stored Energy) to be delivered on any given day or days during the Delivery Period at a specified Delivery Point.

1.88 "Scheduled Commercial Operation Date" has the meaning set forth in Section 4.2(a).

1.89 "Seller Failure" has the meaning set forth in Section 5.1.

1.90 "Seller Failure Damages" has the meaning set forth in Section 5.1.

1.91 "Seller's Interconnection Facilities" means Seller's equipment as specified in the Interconnection Agreement.

1.92 "Seller Metering Equipment" means all metering equipment and data processing equipment used to measure the Quantity delivered to the Delivery Point.

1.93 "Shortfall Damages" has the meaning set forth in Section 4.8.

1.94 "Sponsor Interest" means an upstream ownership interest held by an entity that is an Affiliate of the Seller as of the Effective Date which represents a partial indirect ownership interest in Seller and which is established in connection with a tax equity financing.

1.95 "Microgrid Unit" means the energy storage unit to be installed by Seller as part of the Facility, as contemplated in Appendix C.

1.96 "Stored Energy" means Charging Energy stored in the Microgrid Unit which is later delivered to the Delivery Point as contemplated in Appendix C.

1.97 "Tax Benefits" means any and all tax benefits arising from the ownership and operation of the Facility, including without limitation Renewable Energy related tax credits or other benefits established under Section 45 and Section 48 of the Internal Revenue Code, as amended, or any similar or successor provision of the Internal Revenue Code, or any other applicable tax law, regulation, or code.

1.98 "Tax Equity Investor Interest" means an upstream ownership interest held by a financing party (including a financial institution, insurance company or other third party not affiliated with the Seller except based on the applicable tax equity investment or other similar investments or financings) as of the Effective Date which represents a partial indirect ownership interest in Seller and which is established in connection with a tax equity financing.

1.99 "Term" has the meaning set forth in Section 12.1.

1.100 "Termination Damages" has the meaning set forth in Section 4.4.

1.101 "Test Energy" means non-firm Renewable Energy generated prior to the Commercial Operation Date, subject to immediate interruption, fluctuations or reduction/increase with no prior Notice, due to unit performance.

1.102 "Transaction" means the transaction relating to the purchase or sale of Renewable Energy as contemplated in this Agreement.

1.103 "Unit Contingent" means that the Renewable Energy (excluding Charging Energy but including Stored Energy) is intended to be supplied from the Facility as it is produced.

1.104 "Weather Hours" means the total hours in any Production Measurement Period, as applicable, in which the Facility is derated as a result of cumulative weather conditions which are outside historical average conditions for any applicable Month during the Production Measurement Period in which the deration occurs, calculated in accordance with Appendix K.

ARTICLE TWO: COMMERCIAL TERMS

2.1 Commercial Terms.

The following commercial terms apply to the Transaction that is the subject of this Agreement, each as more fully described herein:

Buyer: GPA	**Seller:** Hanwha Energy Corporation
Project: Hanwha Project B	
Delivery Point: The "Point of Interconnection" as defined in the Interconnection Agreement	
Guaranteed Annual Production (MWhs): As set forth in Appendix A	**Estimated Annual Production: (MWhs):** NOT APPLICABLE
Guaranteed Availability (%): NOT APPLICABLE	**Guaranteed Capacity (MWs):** NOT APPLICABLE
Delivery Period: Twenty-five (25) years from the Commercial Operation Date	**Contract Price ($/MWh):** See Appendix A
Renewable Energy Type: Unit Contingent (solar) and associated RECs	**Development Security:** As contemplated in Section 9.1
Day(s) of week: Monday through Sunday, including NERC holidays	**Hours:** Hour Ending 0100 – Hour Ending 2400, Monday through Sunday Chamorro Standard Time (CHST), Guam time
Commercial Operation Date: No later than 36 months after Effective Date.	
Test Energy: Seller agrees to sell and Buyer agrees to purchase all Test Energy from the Facility. The test period shall be up to six (6) months. . The price of such Test Energy for the first thirty days shall be the current LEAC Rate. The price thereafter shall be the Year 1 Contract Price set out in Appendix A. Test Energy shall be delivered in accordance with the Scheduling provisions contained herein. Both Parties agree that Seller will use Commercially Reasonable Efforts to pre-schedule the Test Energy, but Buyer shall nonetheless be obligated to accept all Test Energy up to 22.5 MW per hour of Test Energy for the period set forth above. Seller shall provide to Buyer all RECs associated with the Test Energy sold hereunder in accordance with Section 4.16.	

ARTICLE THREE: REPRESENTATIONS AND WARRANTIES

3.1 Mutual Representations and Warranties.

On the Effective Date of this Agreement, each Party represents and warrants to the other Party that:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) It has all regulatory authorizations necessary for it to legally perform its obligations under this Agreement (other than permits or regulatory authorizations to be obtained by Seller for the construction, operation or maintenance of the Facility, which Seller reasonably anticipates it will be able to obtain in due course);

(c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it, and the Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses.

(d) It is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;

(e) There is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement;

(f) No Event of Default or potential Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement; and

(g) It is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this Agreement;

3.2 Seller Representations and Warranties.

Seller affirmatively represents and warrants to GPA that:

(a) On the Effective Date of this Agreement, or in due course as required in accordance with the Financing Arrangement Deadline (as may be extended as provided in Section 4.3), Seller has (or reasonably expects to have in due course), good defensible title, or valid and effective leasehold rights in the case of leased property, to the Facility, free and clear of all liens, charges, claims, pledges, security interests, equities and encumbrances of any nature whatsoever other than the lien of current taxes not delinquent, liens, charges, claims, pledges, security, interests, equities and encumbrances relating to Facility Debt as provided for herein, or liens that in the aggregate do not materially detract from or interfere with the ability of Seller to deliver the Quantity of the Renewable Energy;

(b) All acts necessary to the valid execution, delivery and performance of this Agreement by Seller have or will be taken and performed as required under Seller's ordinances, bylaws, or other regulations including, but not limited to (i) the valid authority of the person

executing this Agreement to bind Seller and (ii) the Term of this Agreement does not extend beyond any limitation applicable to Seller imposed by relevant governing documents and applicable law; and

(c) Seller will have at the time of sale, title to and ownership of the RECs sold hereunder.

3.3 GPA Representations and Warranties.

GPA represents and warrants that:

(a) The Commission on Consolidated Utilities has made all certifications required by the Guam Public Utilities Commission and the Guam legislature in order for the valid execution, delivery and performance of this Agreement by GPA copies of which are attached hereto as Appendix L.

(b) Each of the PPA Approval and the ICA Approval is final, non-appealable and not subject to rehearing or other proceedings challenging its validity or enforceability.

(c) No authorizations, approvals or consents of any governmental or regulatory authority or agency or any other person, and no filings or registrations with any governmental authority or agency, are necessary for the execution, delivery or performance by GPA of this Agreement, or for the validity or enforceability thereof, except for any authorizations, approvals, consents or filings which have been made or obtained prior to the date hereof and are in full force and effect and are conclusive, binding and final.

(d) During the entire Term of the Agreement, all terms and conditions set forth in this Agreement shall be valid and enforceable against GPA.

(e) All legal, statutory and regulatory requirements and conditions necessary for the validity and enforceability of this Agreement and the obligations of GPA hereunder to purchase Renewable Energy, including, without limitation, the conditions and requirements as set forth in Title 12 of the Guam Code Annotated, Section 8306, have been satisfied, and at the time of the execution of the Agreement GPA further represents and warrants specifically as to the following: **NOTE TO GPA: GPA IS TO ENSURE THE RESOLUTIONS OF THE CCU ATTEST TO THE MATTERS SET FORTH BELOW**.

(i) Pursuant to the provisions of Public Law 30-66 (as codified in Title 12 of the Guam Code Annotated, Section 8104(n)), GPA is authorized to enter into this Agreement, together with any other agreement to be entered into by GPA and Seller as provided herein, and perform all the obligations imposed upon GPA as set forth herein, including, without limitation, the obligation to purchase Renewable Energy and pay all amounts due and owing to the Seller under the terms of this Agreement, and that no separate and specific appropriation or approval by *Liheslaturan Guahan* is required for such purpose.

(ii) This Agreement and the purchase of Renewable Energy by GPA at the time of the execution of the Agreement pursuant to the terms herein will not result in (A) costs to GPA which exceed the average cost of producing power under the islandwide power system owned and operated by GPA not inclusive of energy production from any backup diesel generators or other renewable energy sources, and (B) increased expenses and costs for GPA.

(iii) As set forth in the resolutions attached hereto as Appendix L, the Consolidated Commission on Utilities has certified that this Agreement is consistent with and does not violate any and all bond covenants applicable to and imposed upon

GPA and that the price to be paid by GPA for Renewable Energy as provided herein does not exceed GPA's actual current avoided cost.

GPA is not a party to a pooling agreement or any other agreement with the United States Department of Navy or any other federal agency, department or instrumentality ("Federal Government) which requires GPA to notify or obtain the approval of the Federal Government of this Agreement.

(iv) Any and all Renewable Energy to be purchased by GPA pursuant to the terms of this Agreement constitutes electrical power needed and required by GPA in connection with the operation and stability of the islandwide power system and to meet renewable energy portfolio standards which GPA is mandated to achieve and satisfy by law including without limitation, the mandates as set forth in Public Law 29-062 as codified in Title 12 of the Guam Code Annotated, Section 8311.

ARTICLE FOUR: PERFORMANCE REQUIREMENTS

4.1 Commercial Operation.

Seller shall achieve Commercial Operation of the Project no later than the Scheduled Commercial Operation Date except to the extent such date is extended pursuant to Section 4.2, in which case Commercial Operation shall occur on or prior to the Outside Commercial Operation Date. Commercial Operation shall be achieved as of the date on which each of the following conditions precedent has been satisfied or waived in writing by the Parties, as applicable ("Commercial Operation"):

(a) Seller shall have obtained all governmental and regulatory authorizations, including any applicable permits, required for the construction, ownership, operation and maintenance of the Project and for the sale of the Renewable Energy therefrom;

(b) Seller and Buyer shall have entered into the Interconnection Agreement;

(c) Seller shall have established SCADA information and real time data feed to enable GPA to view parameters or data points that relate to Renewable Energy data and other actual resource data for the Facility;

(d) The Microgrid Unit shall be capable of charging and discharging Renewable Energy;

(e) The Project shall in all other respects be capable of delivering the Renewable Energy to GPA at the Delivery Point;

(f) Seller shall perform at its cost a capacity test in accordance with the protocol outlined in Appendix I to determine the capacity of the Project ("Facility Test"). GPA shall receive the entire Renewable Energy from the Facility during such test. Renewable Energy deliveries during testing shall be measured at the Delivery Point.

GPA shall use all available Commercially Reasonable Efforts to assist Seller in achieving the Scheduled Commercial Operation Date. Seller shall present to GPA a certificate executed by its duly executed officer, and by an Independent Engineer as to items (c), (d) and (e), verifying that each of the foregoing conditions has been satisfied or waived in writing by the Parties and Commercial Operation shall be deemed to have occurred upon the delivery of such certificate to GPA unless GPA objects to such certificate within ten (10) Business Days of delivery thereof and such objections are either agreed by Seller or resolved in favor of GPA pursuant to Section 12.9 hereof. Upon any acceptance or deemed acceptance of Seller's certificate by GPA, all conditions, set forth above shall no longer be a condition precedent to Commercial Operation of the Project. If the Commercial Operation Date does not occur on or before the Outside Commercial Operation Date, as such date may be extended in accordance with Section 4.2 herein; either Party shall have the right to terminate the Agreement upon written Notice to the other Party. In the event of such termination by either Party, GPA shall be entitled to Termination Damages set forth in Section 4.4; provided, however, that in accordance with Section 4.2(c), GPA shall not be entitled to such Termination Damages if the Outside Commercial Operation Date is not achieved due to a Force Majeure event or a GPA Delay.

4.2 Extension of Commercial Operation Date.

(a) Planned Extension. The Parties agree that the Commercial Operation Date is expected to be No later than 36 months after Effective Date. (as extended pursuant to the terms of this Agreement, the "Scheduled Commercial Operation Date"). Seller may elect to extend the Commercial Operation Date beyond such date (the "COD Extension") by paying GPA for such extension (the "COD Extension Payment"). The COD Extension Payment shall be in the amount of fifty percent (50%) of the Shortfall Damages (based on ninety percent (90%) of the Minimum Production for the first Contract Year per day for

each day (or portion thereof) after but not including the date of the COD Extension until, but not including, the date on which the Project actually achieves Commercial Operation]. To extend the Commercial Operation Date, Seller must, as early as reasonably possible, but in no event later than fourteen (14) days prior to the first day of the proposed extension, provide GPA with Notice of its election to extend the Commercial Operation Date along with an estimate of the duration of the extension. The COD Extension Payment is in addition to and not to be considered part of the Development Security, and shall be paid to GPA at the time of the Notice hereunder. Seller's request to extend the Commercial Operation Date shall not be valid unless proper Notice and payment are timely received by GPA. No Event of Default shall be deemed to have occurred with respect to Seller's extension as provided herein, and GPA shall not have the right to terminate the Agreement or to receive Termination Damages with respect to such extension so long as Seller has provided the Notice, estimation and payment as provided in this Section 4.2(a). Seller may further extend the Commercial Operation Date beyond the original COD Extension, subject to the foregoing Notice, estimation and payment terms applicable to the original COD Extension.

Seller shall be entitled to a prompt refund, without interest, of any portion of the COD Extension Payment held by GPA which exceeds the amount required to cover the number of days by which the Commercial Operation Date was actually extended. In no event may Seller extend the Commercial Operation Date by more than ninety (90) days through the payment of the COD Extension Payment, except as provided in Section 4.2(b). In the event that the Project does not achieve Commercial Operation on or before the expiration of any COD Extension period as provided herein, either Party shall have the right to terminate the Agreement upon written Notice to the other, subject to any further extension rights pursuant to Sections 4.2(b) or (c) below. In the event of such termination by either Party in accordance with this provision, GPA shall be entitled to Termination Damages as set forth in Section 4.4 as its sole and exclusive remedy, subject to Section 4.2(c).

(b) Unplanned Extension/Additional Planned Extension. In the event that (i) the Project does not achieve Commercial Operation by the Scheduled Commercial Operation Date and Seller fails to provide sufficient Notice and/or payment in order to extend the Commercial Operation Date as provided in Section 4.2(a), or (ii) the Commercial Operation Date shall not have occurred within the ninety (90) day planned extension period provided under Section 4.2(a), then Seller may further extend the Commercial Operation Date by paying GPA damages ("Daily Delay Liquidated Damages"). The Daily Delay Liquidated Damages shall be in the amount of one hundred percent (100%) of the Shortfall Damages (based on ninety percent (90%) of the Minimum Production for the first Contract Year) per day for each day (or portion thereof) after but not including the earlier of the dates set forth in sub-clauses (i) or (ii) above, or until, but not including, the date on which the Project actually achieves Commercial Operation, and shall be payable within ten (10) Business Days following receipt of an invoice from GPA for any such Daily Delay Liquidated Damages. No Event of Default shall be deemed to have occurred with respect to Seller's extension as provided herein and GPA shall not have the right to terminate the Agreement with respect to such extension or to receive Termination Damages so long as Seller has extended the Commercial Operation Date and pays the Daily Delay Liquidated Damages as provided in this Section 4.2(b).

In no event may the Commercial Operation Date be extended more than one hundred and eighty (180) days through the payment of Daily Delay Liquidated Damages, without the express written consent of GPA. In the event that the Project does not achieve Commercial Operation on or before three hundred and sixty-five (365) days from the Scheduled Commercial Operation Date (as extended pursuant to this Agreement, the "Outside Commercial Operation Date"), then either Party shall have the right to terminate the Agreement upon written Notice to the other, subject to any further extension rights

pursuant to Section 4.2(c) below. In the event of such termination by either Party in accordance with this provision, GPA shall be entitled to Termination Damages as set forth in Section 4.4 as its sole and exclusive remedy, subject to Section 4.2(c).

(c) Additional Extension. The Scheduled Commercial Operation Date and the Outside Commercial Operation Date shall also be extended, without payment or other penalty, on a day-for-day basis for each day of delay caused by reason of Force Majeure (a "Force Majeure Extension") or by reason of GPA Delay. Any Force Majeure Extension or GPA Delay shall also extend the period of any planned or unplanned extensions pursuant to Sections 4.2(a) or (b) on a day-for-day basis for each day during the Force Majeure Extension or GPA Delay, and Seller shall not be required to pay any COD Extension Payments or Daily Delay Liquidated Damages, as applicable, for any days during the Force Majeure Extension or GPA Delay. Notwithstanding any other provision in this Agreement, if, due solely to a Force Majeure Extension and/or a GPA Delay, the Project does not achieve Commercial Operation on or before the Outside Commercial Operation Date, then the Parties by mutual agreement may terminate this Agreement without penalty or further obligation to either Party, and after one hundred and eighty 180 days following the Outside Commercial Operation Date, either Party may unilaterally terminate this Agreement without penalty or further obligation to either Party. For the sake of clarityin the event of any such termination, GPA shall not be entitled to Termination Damages.

4.3 Financing Arrangement Deadline.

Seller shall make Commercially Reasonable Efforts to secure a financing sufficient for the successful completion of the Project as and when required and procure a preliminary agreement customary for such financing (such as an engagement letter) no later than one (1) year after the Effective Date as extended day-for-day for any Force Majeure Extension or GPA Delay (the "Financing Arrangement Deadline"). After the execution of the preliminary agreement, Seller shall provide GPA with a copy of such agreement within three (3) Business Days. In the event that Seller fails to procure the execution of a preliminary agreement by the Financing Arrangement Deadline, GPA may terminate the Agreement and shall be entitled to Termination Damages set forth in Section 4.4 as its sole and exclusive remedy.

4.4 Termination Damages.

Prior to the Commercial Operation Date, Seller may terminate this Agreement at any time for its convenience. GPA shall be entitled to termination damages, payable solely from the Bid Security or the Development Security established in Section 9.1 ("Termination Damages"), in the amounts set forth in the table below, if: (a) subject to the last sentence of this Section 4.4, Seller terminates the Agreement prior to the Commercial Operation Date for any reason other than: (i) a Force Majeure event or (ii) an Event of Default by GPA; [(b) GPA terminates the Agreement as a result of Seller failing to meet any Financing Arrangement Deadline after the passage of a grace period of thirty (30) days (as extended day-for-day for any Force Majeure Extension or GPA Delay);] and/or (c) GPA terminates the Agreement as a result of Seller failing to achieve the Commercial Operation Date on or prior to the Scheduled Commercial Operation Date, as the same may have been extended pursuant to Section 4.2. The Termination Damages are designed to help compensate GPA for, among other things, transactions that it did not consummate because it relied on this Agreement with Seller, and GPA's potential failure to meet its applicable renewable energy portfolio requirements and do not constitute a penalty payment. Accordingly, Seller shall pay to GPA, from the Development Security, Termination Damages in the following amounts, based upon when the termination occurs:

Prior to Posting Date of Development Security pursuant to Section 9.1:	$0.00

[Up to Financing Arrangement Deadline]	100% of the Bid Security
[Up to six months following Financing Arrangement Deadline]	50% of Development Security
[From six months to twelve months following Financing Arrangement Deadline]	75% of Development Security
[From twelve months following Financing Arrangement Deadline]	100% of Development Security

No later than five (5) Business Days following the Financing Arrangement Deadline, GPA shall return the Bid Security to Seller, to the extent GPA has not validly claimed the Bid Security in respect of Termination Damages on or prior to such date. Notwithstanding the foregoing, in the event that Seller terminates this Agreement for any reason prior to the posting date for the Development Security as set forth in Section 9.1 herein, then Seller shall owe GPA no Termination Damages and such termination shall be without penalty to Seller.

4.5 Seller's and Buyer's Obligations.

Subject to Appendix H and Appendix C, Seller shall sell and deliver, or cause to be delivered, and GPA shall purchase and receive, or cause to be received, all Renewable Energy generated by the Facility (excluding Charging Energy but including Stored Energy when delivered, in each case, as set forth in Appendix C), at the Delivery Point, and GPA shall pay Seller the Contract Price for such Quantity of Renewable Energy (including Stored Energy) as measured by the Seller's Metering Equipment at the Delivery Point; provided that for quantities of Renewable Energy (including Stored Energy) in excess of the Estimated Annual Renewable Energy Amount, as shown in the third column of Appendix A, which are not make-up quantities for delivery deficiencies in prior Production Measurement Periods, the price payable by GPA shall be the lower of the Contract Price and the LEAC Rate.

For Seller's failure to deliver Renewable Energy as required hereunder, GPA's remedies shall be as set forth in Section 4.8. For GPA's failure to purchase and receive Renewable Energy (including Stored Energy) as required hereunder, Seller shall in addition have all other remedies available at law or in equity. Seller shall be responsible for any costs or charges imposed on or associated with the Renewable Energy (including Stored Energy) or its delivery up to the Delivery Point. GPA shall be responsible for any costs or charges imposed on or associated with Renewable Energy (including Stored Energy) or its receipt at and from the Delivery Point. Title to and risk of loss of Renewable Energy (including Stored Energy) from the Facility delivered to the Delivery Point shall transfer to GPA at the Delivery Point. Seller warrants that it will deliver to Buyer Renewable Energy (including Stored Energy) free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Delivery Point.

4.6 Operation of Facility.

Seller shall operate and maintain the Facility in accordance with Good Utility Practices and in accordance with the Agreed Ramp Rate as set forth in Appendix C.

4.7 Not Used.

4.8 Minimum Production.

The Facility is expected to produce a minimum number of MWhs of Renewable Energy (including Stored Energy) each Contract Year as set forth in the third column of Appendix A (such annual MWh production is the "Minimum Production"). Seller during the Delivery Period shall (i) during any Contract Year, deliver to GPA at least ninety percent (90%) of the Minimum Production (which calculated amounts are set forth in the fourth column

of Appendix A), and (ii) for any consecutive six (6) Contract Years during the Delivery Period, deliver to GPA at least ninety-five percent (95%) of the aggregate Minimum Production during such period (which shall include make-up amounts generated and delivered in any years in excess of one hundred percent (100%) of the Minimum Production for such year) (any such time period a "Production Measurement Period" and each such guaranteed amount of delivered Renewable Energy during any Production Measurement Period, the "Guaranteed Output"). Any shortfall of Renewable Energy (expressed in MWhs/year) from the applicable Guaranteed Output during a Production Measurement Period shall be deemed a "Deficiency Amount." For the avoidance of doubt, (i) Stored Energy delivered to the Delivery Point shall count towards Seller's achievement of the Minimum Production during each Production Measurement Period, and (ii) Charging Energy shall not be delivered by Seller and shall not count towards any Deficiency Amount as it is used to charge the Microgrid Unit as contemplated in Appendix C.

GPA shall be entitled to receive damages for any Deficiency Amount ("Shortfall Damages") which are not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below). Shortfall Damages shall be calculated as follows on an annual basis at the end of each Contract Year (and [in accordance with the example set forth in Schedule I to Appendix K].):

Shortfall Damages = Deficiency Amount x Incremental Price.

For purposes of clarity, if Actual Renewable Energy (including Stored Energy) for any given Contract Year is less than the Minimum Production for that year (even if due to Excused Hours or Weather Hours), there shall be a "Shortfall," and Seller shall be entitled to deliver to GPA Renewable Energy in the amount of such Shortfall in subsequent time periods (even if such make-up amounts are in excess of the Minimum Production for such subsequent year), and this Agreement may be extended as necessary for a period of up to six (6) months to allow Seller to make up any Shortfalls; however, there shall be no Shortfall Damages owing to GPA for such individual Contract Year unless such Actual Renewable Energy is less than the Guaranteed Output for the applicable Production Measurement Period, and such shortfall is not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below).

In the event Shortfall Damages are due for a Production Measurement Period of six (6) rolling Contract Years, then such Shortfall Damages shall be reduced by the amount of any Shortfall Damages paid for any Contract Year during such six (6) year Production Measurement Period. Seller's payment of Shortfall Damages shall be Seller's sole liability and obligation, and GPA's sole right and remedy, with respect to Seller's failure to deliver the Guaranteed Output during any Production Measurement Period.

To the extent any Deficiency Amount is due to Weather Hours, Seller's sole liability and GPA's sole remedy shall be to deliver thereafter Renewable Energy equal to such Deficiency Amount attributable to Weather Hours, calculated in accordance with Appendix K (which includes a sample calculation for a hypothetical Production Measurement Period). If any portion of a Deficiency Amount due to Weather Hours is not made up in the five (5) Contract Years beginning in the first Contract Year following the Contract Year in which the Weather Hours Deficiency Amount occurred, then Seller shall pay Shortfall Damages for the remaining Deficiency Amount. Notwithstanding the foregoing, with respect to any Deficiency Amount that is due to Weather Hours, Seller shall have the option, at any time prior to the expiration of the five (5) Contract Year make-up period, to pay any remaining associated Shortfall Damages in their entirety. If the Deficiency Amount arising as a result of Weather Hours occurs in the last five (5) years of the Delivery Period, then unless Seller exercises its option to pay the Deficiency Amount early, the Delivery Period shall be extended as necessary, for a period of up to six (6) months, to achieve a make-up period of five (5) Contract Years as described above. The Contract Price for such Renewable Energy shall be the Contract Price in effect in the Contract Year in which the Deficiency Amount due to Weather Hours accrued.

Seller shall be entitled to sell, and GPA shall purchase, quantities of Renewable Energy for which Shortfall Damages are paid hereunder, during any remaining Production Measurement Period during the Delivery Period. The price therefore shall be the Contract Price in effect at the time the Shortfall Damages accrued. During any Contract Year, all Renewable Energy delivered by Seller to GPA in excess of the Minimum Production shall be credited against makeup of any outstanding Deficiency Amounts, with oldest Deficiency Amounts made up first.

To the extent any Deficiency Amount is due to Excused Hours, Seller shall be excused from any liability with respect thereto.

Notwithstanding the foregoing, in the event that the Delivery Point is unavailable for any reason other than due to GPA's electric system, Seller's obligation to supply and sell, and GPA's obligation to accept and purchase, Renewable Energy shall be limited to such Renewable Energy that is actually deliverable from the Facility to the Delivery Point during such period except this paragraph shall not apply in the case of Excused Hours or an Event of Default by either Party.

4.9 Facility Testing.

In addition to the Facility Test referenced in Section 4.1(e), the capacity of the Facility shall be tested during each Contract Year during the Delivery Period (the "Annual Facility Test"). Seller shall notify GPA of the specific date on which it intends to conduct the Annual Facility Test at least ten (10) Business Days in advance and shall permit GPA to be present at such test. GPA shall have the right to receive copies of the results of the Annual Facility Test, which shall be conducted in accordance with the protocol set forth in Appendix I. Any dispute regarding the results of the Annual Facility Test shall be resolved as set forth in Section 12.9 of this Agreement. GPA shall receive, in accordance with Section 4.5, the entire Renewable Energy from the Facility during any Annual Facility Test or re-test. Renewable Energy deliveries during testing shall be measured at the Delivery Point.

4.10 Scheduling.

Seller agrees to supply at the Delivery Point all Renewable Energy produced by the Project, net of Renewable Energy self-generated and consumed at the Facility, and net of any generation losses prior to the Delivery Point, up to the Facility Capacity, in accordance with the scheduling and coordination procedures set out in Appendix H. GPA agrees to take at the Delivery Point all Renewable Energy tendered by Seller in accordance with the foregoing sentence. The Schedules and estimates provided pursuant to this Section 4.10 shall be made by Seller in good faith and based on information available to it at such time, but in no event shall such Schedules be binding on Seller nor shall Seller be liable for any inaccuracies in such Schedules.

4.11 Force Majeure.

To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Transaction and such Party (the "Claiming Party") gives Notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party shall be excused from the performance of its obligations with respect to such Transaction (other than the obligation to make payments then due or becoming due hereunder). The Claiming Party shall remedy the Force Majeure with all reasonable dispatch. The non-Claiming Party shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure.

4.12 Facility Outages and Maintenance Scheduling.

(a) Planned Outages. Seller shall provide written Notice to GPA prior to conducting any Planned Outages of the Facility. Within ninety (90) days prior to the Commercial Operation Date, as the same may be extended in accordance with the provisions of Section 4.2, and on or before the first day of each subsequent Contract Year, Seller shall provide GPA with a schedule of such proposed Planned Outages. The proposed Planned Outages schedule shall be submitted electronically to GPA, using a reasonably acceptable format provided by GPA. Such format is subject to change from time-to-time during the Term of this Agreement by agreement of the Parties, but will generally describe the nature of the Outage, the expected duration, and any other pertinent information that will assist GPA in planning for the decreased output of the Facility as a result of the Outage.

GPA shall promptly review Seller's proposed schedule and may request modifications within thirty (30) days of GPA's receipt of such schedule. Changes to the schedule may

be requested by either Party and each Party shall make Commercially Reasonable Efforts to accommodate such changes, provided further that Seller shall have no obligation to agree to GPA's proposed modifications or revisions to any Planned Outage schedule.

Notwithstanding any of the foregoing, Seller shall not commence a Planned Outage that is expected to result in an Outage of ten percent (10%) or more of the Facility without notifying GPA of the Planned Outage at least five (5) Business Days prior to the start of such Planned Outage.

(b) Forced Outages. In the event of any Forced Outage, Seller shall promptly notify GPA of the same. Seller shall immediately notify GPA verbally and shall then, within twenty-four (24) hours thereafter, provide written Notice to GPA (the "Forced Outage Notice"). The Forced Outage Notice shall be submitted electronically to GPA, using a reasonably acceptable format provided by GPA. Such format is subject to change from time-to-time during the Term of this Agreement by agreement of the Parties, but will generally describe the nature of the Outage, the expected duration, and any other pertinent information that will assist GPA in planning for the decreased output of the Facility as a result of the Outage. Seller shall return the Facility to service as soon as possible, consistent with Good Utility Practices, after the Forced Outage ceases to exist.

(c) GPA Parts Inventory. To the extent GPA maintains an inventory of parts or components that are used or useful in the Facility and provided it can prudently do so under its own ordinary course operating practices and restrictions, GPA shall cooperate with Seller in a commercially reasonable manner by making such parts or components available to Seller at its request during the period of time Seller is obtaining replacement parts or components for the Facility in order to maximize output of Renewable Energy. If Seller obtains a replacement part or component from GPA, it shall at GPA's option either replace such part or component with the new part or component ordered by Seller or return the borrowed part or component to GPA at such time as Seller obtains the replacement. Seller shall bear the installation, transportation and labor charges relating to GPA's replacement parts or components, and if the parts or components are returned to GPA then Seller shall reimburse GPA for any damage to such parts or components while in Seller's possession.

4.13 Operating Status Reports.

From the Effective Date of this Agreement, through the date of Commercial Operation, Seller shall provide GPA with Monthly reports regarding material data pertaining to the operation of the Facility. The operations data is generally identified as performance, Outage, and risk data and shall be sent electronically to GPA using a reasonably acceptable format provided by GPA. The operations data report format may be modified by agreement of the Parties from time-to-time during the Term of this Agreement.

4.14 Resource Quality Reporting: Forecasting.

Seller shall provide to GPA at its request copies of non-proprietary resource quality data that could reasonably be expected to affect, in any material manner, the operation and/or productivity of the Facility, whether produced, compiled or otherwise generated by Seller or any third party in a Commercially Reasonable manner, so that GPA can evaluate the expected performance of the Facility. Seller shall provide such data as it is produced or otherwise made available to Seller. Upon Commercial Operation of the Facility, to the extent generated or procured by Seller, Seller shall also provide to GPA Monthly and day-ahead forecasting information for the Facility. Such information shall be in a format agreed to by the Parties and include, among other things: Seller's forecasts for the performance of the Facility based on Facility specifications, weather-based forecasting, and weather-related studies. Such information, which will be used by GPA solely for evaluation, Scheduling, and other purposes related to this Agreement, shall be provided as available. In no event shall the data and/or information provided to GPA pursuant to this Section 4.14 be binding upon Seller, nor shall Seller be liable for any penalties, charges or other damages based on the inaccuracy of such data or information.

4.15 Permit Violations.

Seller shall at all times during the Term of this Agreement maintain and comply with all applicable permits for the development, ownership and maintenance of the Facility in all material respects. As soon as practicable after the occurrence of any event known to Seller that would constitute or is reasonably likely to lead to a violation of any applicable permit, but in no event more than ten (10) Business Days thereafter, Seller shall provide GPA with written Notice of the same.

4.16 Change in Technical Requirements.

The Parties agree that, from and after the Effective Date, if Seller is required at any time to comply with new or modified technical or other performance requirements for the Facility or any material portion thereof (or in the manner any such facilities are to be operated or maintained) and such addition to or change in the above standards causes an increase in Seller's actual costs to perform in excess of $25,000 in the aggregate, then the Parties shall negotiate in good faith to agree upon an adjustment to the Contract Price and/or the Annual Microgrid Payment, as applicable, to compensate Seller for such increased costs. Such a change in the technical or performance requirements may arise as a result of the scheduling protocols or the communication protocols to be established by GPA pursuant to Appendix H or any other protocols or regulations established by GPA, requirements imposed by the transmission provider or pursuant to the Interconnection Agreement, requirements imposed by GPA or another Governmental Authority pursuant to or in connection with this Agreement, among other circumstances.

Seller will deliver prompt notice of the occurrence of a change in technical or performance requirements which has or is reasonably expected to result in the additional actual costs described above. If, on the date which is forty-five (45) days following Seller's delivery of notice to GPA, the Parties are unable to agree upon an adjustment to the Contract Price and/or the Annual Microgrid Payment, as applicable, which compensates Seller for such additional costs and is otherwise mutually acceptable, then Supplier may submit such dispute for resolution pursuant to Section 12.9.

4.17 Delivery of RECs.

(a) Use of North American Renewables Registry. At least ten (10) days prior to COD, Seller shall transfer to GPA the authority to create, own and transfer all Environmental Attributes associated with the Renewable Energy produced by the Facility, by executing and delivering the form entitled "Generator Owner's Designation of Responsible Party" published by NAR, wherein Seller shall designate GPA as the "responsible party" for all matters relating to the creation, ownership, and transfer of any RECS. Thereafter, GPA shall be responsible for all obligations relating to creating and transferring RECs and Seller shall have no further obligations or liabilities with respect thereto, provided, however, that Seller shall reimburse to GPA its costs of creating and maintaining the NAR account and NAR's fees charged to transfer the RECs, up to an aggregate maximum amount of $5,000 per annum. In the event this Agreement is terminated for any reason, the Parties agree to each consent to the termination of such designation in accordance with NAR procedures.

(b) GPA Registration as a QRE. GPA shall be the QRE for the Facility as required by NAR and shall comply with any and all NAR Operating Procedures relating to the registration and operation as a QRE and the reporting of generation data from the Facility to NAR. As the QRE, each month upon receipt of an invoice and associated interval metering data from Seller in accordance with Section 7.5 herein, GPA shall report such data to NAR within three (3) Business Days following receipt of such data. The Parties shall cooperate to ensure that the Seller Metering Equipment and the resulting interval metering data meet the NAR requirements for metering equipment and generation data.

(c) Change Event. During the Term, in the event that (i) the NAR Operating Procedures are amended or changed such that it becomes impossible for the Parties to utilize NAR as the REC tracking method and/or for GPA to continue as "responsible party" for purposes of

creating, owning and transferring RECs attributable to the Facility; (ii) the fees or charges imposed by NAR on either Seller or GPA to utilize the NAR REC tracking system are materially increased such that use of the NAR REC tracking system becomes uneconomic or infeasible; or (iii) the NAR REC tracking system is eliminated (each one individually, a "Change Event"), then the Parties shall promptly negotiate in good faith to reform the terms of this Agreement in order to give effect to the original intention of the Parties to the extent reasonable under the circumstances, including utilizing an alternative method for transferring RECs to GPA, but in no case shall Seller's cost with respect thereto exceed $5,000 per annum.

4.18 Ramp Rate Control Performance.

During the Delivery Period, Seller shall cause the Microgrid Unit to comply with the performance guarantees for ramp rate control set forth [below] (the "Ramp Rate Control Performance Guarantees").] If the Microgrid Unit System fails to meet the Ramp Rate Control Performance Guarantees over the time periods set forth [below], GPA may provide written notice to Seller of the failure to meet the Ramp Rate Control Performance Guarantees and a request for Seller to take steps needed for the Energy Storage System to meet the Ramp Rate Control Performance Guarantees. In response to such a notice, Seller shall, within two (2) weeks from the date of such notice, provide GPA with a written remedial action plan that provides a detailed description of Seller's course of action and plan to meet the Ramp Rate Control Performance Guarantees and shall take steps to implement such remedial action within six (6) months of the date of such action plan; provided, however, GPA shall not be entitled to such a remedial action plan if the failure to achieve the Ramp Rate Control Performance Guarantees is due to a Force Majeure event, GPA Delay or an Event of Default by GPA. Seller's sole obligation with respect to any deficiency in the Ramp Rate Control Performance Guarantees is to follow its remedial action plan.

If ramp rate is greater than 3 MW/minute seller shall reduce plant output until ramp rate is less than 3 MW/minute. If system issues remain, GPA reserves the right to restrict Seller's plant output until seller restores operation with a ramp rate less than 3 MW/minute. The Interconnection Agreement shall define conditions for Seller's plant reduction and implementation of GPA's restrictions.

ARTICLE FIVE: SELLER FAILURE

5.1 Seller Failure.

In the event Seller fails to deliver to GPA any Quantity of Renewable Energy to which GPA is entitled in accordance with the terms of this Agreement and instead sells such Quantity of Renewable Energy to which GPA is entitled to a third party in violation of this Agreement ("Seller Failure"), then Seller shall pay to GPA the "Seller Failure Damages," which shall mean the positive difference, if any, between the Replacement Price and the Contract Price for the period of such Seller failure, times such Quantity of Renewable Energy. GPA shall calculate the Seller Failure Damages and shall provide to Seller an invoice for such amount, including a written statement explaining in reasonable detail the calculation of such amount. Seller shall pay the Seller Failure Damages not later than ten (10) days following its receipt of such an invoice from GPA. If the Replacement Price is less than the Contract Price, then the Seller Failure Damages are deemed to be zero. The Seller Failure Damages represent the sole and exclusive remedy of GPA for Seller's failure as described herein.

ARTICLE SIX: EVENTS OF DEFAULT; REMEDIES

6.1 Events of Default.

An "Event of Default" shall mean, with respect to a Party (a "Defaulting Party"), the occurrence of any of the following:

(a) The failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within three (3) Business Days after receipt of written Notice;

(b) Any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, if such failure is not remedied within thirty (30) Business Days after receipt of written Notice, or such longer time, not to exceed sixty (60) Business Days, as is reasonably required to remedy such failure, provided the Defaulting Party is employing Commercially Reasonable Efforts to achieve the remedy;

(c) The failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default and except for such Party's obligations to deliver or receive the Renewable Energy, the remedies for which are provided in Article Five) if such failure is not remedied within thirty (30) Business Days after written Notice, or such longer time, not to exceed sixty (60) Business Days, as is reasonably required to remedy such failure, provided the Defaulting Party is employing Commercially Reasonable Efforts to achieve the remedy;

(d) Such Party becomes Bankrupt (or if the Bankruptcy is involuntary, the failure of such Party to achieve dismissal of the Bankruptcy within ninety (90) days);

(e) A Merger Event occurs with respect to such Party;

(f) If during the Term of this Agreement there have occurred three (3) or more Seller Failures as that term is used in Section 5.1;

(g) With respect to Seller, a material permit violation occurs, such violation has or is reasonably likely to result in a material adverse effect on the Seller's ability to perform its obligations under this Agreement and such violation is not remedied within fifteen (15) Business Days after Notice by either GPA or the relevant permitting authority, or such longer time, not to exceed sixty (60) Business Days, as is reasonably required to remedy such failure, provided the Defaulting Party is employing Commercially Reasonable Efforts to achieve the remedy;

(h) With respect to Seller, failure to maintain the Development Security as required pursuant to this Agreement and the failure to reinstate the same within ten (10) Business Days after Seller's receipt of written Notice thereof from GPA.

6.2 Declaration of an Early Termination Date.

If an Event of Default with respect to a Defaulting Party shall have occurred on or after the Commercial Operation Date and be continuing, the other Party (the "Non-Defaulting Party") shall have the right but not the obligation to: (i) designate a day, no earlier than the day such Notice is effective and no later than twenty (20) days after such Notice is effective, as an early termination date ("Early Termination Date") to accelerate all amounts owing between the Parties and to liquidate and terminate this Agreement between the Parties; (ii) withhold any payments due to the Defaulting Party under this Agreement as setoff against termination costs and liabilities as determined herein (and until such amounts are determined); and (iii) suspend its performance under this Agreement.

6.3 Suspension of Performance and Other Remedies.

Except as otherwise expressly provided in this Agreement, if an Event of Default shall have occurred and be continuing, the Non-Defaulting Party, upon written Notice to the Defaulting Party, shall have the right (i) to suspend performance under this Agreement; and (ii) to the extent an Event of Default shall have occurred and be continuing to exercise any remedy available at law or in equity including any specific remedies set forth in this Agreement; provided, however, that any damages shall include only the direct actual damages incurred by the Non-Defaulting Party as provided in Section 8.1.

ARTICLE SEVEN: PAYMENT AND NETTING

7.1 Billing Period.

Unless otherwise specifically agreed upon by the Parties, the calendar Month shall be the standard period for all payments under this Agreement. The Annual MicroGrid Payment shall be divided into twelve equal monthly payments each Contract Year. No later than the tenth (10^{th}) day after the end of each Month, each Party will render to the other Party an invoice (in the case of Seller, such invoice being rendered in accordance with Section 7.5) for the payment obligations of non-invoicing Party, if any, incurred hereunder during the preceding Month.

7.2 Timeliness of Payment.

Unless otherwise agreed by the Parties, all invoices under this Agreement shall be due and payable in accordance with each Party's invoice instructions on or before the later of the tenth (10th) day of each Month, or if later the tenth (10th) day after receipt of the invoice or, if such day is not a Business Day, then on the next Business Day. Each Party will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the other Party. Any amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full.

7.3 Disputes and Adjustments of Invoices.

A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice, rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) Months of the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due, with Notice of the objection given to the other Party. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Except as otherwise provided in this Agreement, payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived unless the other Party is notified in accordance with this Section 7.3 within twelve (12) Months after the invoice is rendered or any specific adjustment to the invoice is made. If an invoice is not rendered within twelve (12) Months after the close of the Month during which performance of a Transaction occurred, the right to payment for such performance is waived.

7.4 Metering and Other Facilities.

Seller shall be responsible, at its sole expense, for providing the Seller Metering Equipment in accordance with Good Utility Practices. In accordance with the terms of the Interconnection Agreement, the Seller may elect to have GPA provide Seller with the Seller Metering Equipment; provided, however, the cost of such meters shall be borne solely by Seller at no cost to GPA. Seller shall be solely responsible for operating, maintaining, and repairing the Seller Metering Equipment at its own expense throughout the Term of this Agreement. Seller shall inspect and test the Seller Metering Equipment upon its installation and at least once every year at Seller's expense. Seller shall give GPA reasonable advance Notice of any test, and promptly provide GPA with the results of any such test. GPA may observe the test and conduct its own tests, at GPA's expense, to verify Seller's procedures and results.

Upon an inaccurate read of the Seller Metering Equipment or if Seller knows of any material inaccuracy or defect in Seller Metering Equipment, Seller shall notify GPA in writing within forty-eight (48) hours of such defect. Seller shall be solely responsible for adjusting, repairing, replacing or recalibrating such metering device as near as practicable to a condition of zero (-0-) error, and for paying any expenses associated with such adjustment, repair,

replacement or recalibration. If a metering device fails to register or is found upon testing to be inaccurate, an adjustment will be made correcting all measurements by the inaccurate or defective metering device in the following manner:

(a) In the event that an adjustment factor cannot be reliably calculated, the Parties shall use the measurements from GPA-owned meters if they are installed, fully operational and calibrated in accordance with Good Utility Practices. If for any reason the measurements cannot be obtained from GPA owned meters, the Parties shall use data from Seller's computer monitoring system to determine the relevant measurements. If Seller's computer monitoring system is found to be inaccurate by more than two (2) percent, the Parties shall estimate the amount of the necessary adjustment using the site meteorological information for the period of the inaccuracy based upon deliveries of Renewable Energy delivered to GPA at the Delivery Point from the Facility during periods of similar operating conditions when the Seller Metering Equipment was registering accurately. The adjustment will be made for the period during which inaccurate measurements were made.

(b) If the Parties cannot agree on the actual period during which the inaccurate measurements were made, the period during which the measurements are to be adjusted will be the shorter of: (1) the last one-half of the period from the last previous test of the metering device to the test that found the metering device to be defective or inaccurate; or (2) the one hundred and eighty 180-day period immediately preceding the test that found the metering device to be defective or inaccurate.

(c) Upon determination of corrected measurements, the required payment adjustment shall be made according to the procedures set forth in Section 7.3.

7.5 Invoices.

Seller shall maintain and read the Seller Metering Equipment for measuring the Renewable Energy (including Stored Energy) delivered hereunder. For review purposes, Seller shall furnish GPA with a written invoice reflecting the Contract Price and the interval data from the Seller Metering Equipment used to calculate that invoice; and any other charges due, within ten (10) Business Days after Seller reads the Seller Metering Equipment. Seller shall furnish GPA with a written invoice reflecting the applicable portion of the Annual Microgrid Payment the tenth (10^{th}) day after the end of each Month. Such invoices may be furnished to GPA by facsimile transmission or by such other method as the Parties agree.

ARTICLE EIGHT: LIMITATIONS

8.1 Limitation of Remedies, Liability and Damages.

EXCEPT AS SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED HEREIN, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

Notwithstanding the foregoing, if GPA is the Defaulting Party, the Parties agree that the actual damages recoverable to Seller hereunder on account of an Event of Default by GPA shall include loss of Tax Benefits on a grossed up after tax basis, using the highest applicable United States marginal personal income tax rate.

Any assets transferred to GPA as required by the Interconnection Agreement shall require a one year warranty on all construction work and assignment of any manufacturer warranties from the transfer of such assets; provided, however, that the obligations and liability of Seller pursuant to such warranty and obligation to assign shall be subject to any limitations and exclusions set forth in the Interconnection Agreement.

ARTICLE NINE: CREDIT AND COLLATERAL REQUIREMENTS

9.1 Development Security.

In order to secure Seller's obligations prior to Commercial Operation of the Facility, hereunder, Seller shall post the Development Security in the form of a Letter of Credit or cash deposit in the amount of $2,375,805 The Development Security shall be held by GPA as security for Seller's obligations prior to the Commercial Operation Date including its obligation to satisfy the Financing Arrangement Deadline, but GPA may draw on the Development Security at any time only in the amounts and according to the schedule set forth in Section 4.4. Seller shall post the Development Security in accordance with the following terms and conditions:

(a) Seller shall post the Development Security within ten business (10) days following the Effective Date of this Agreement.

(b) If the Development Security is posted as a Letter of Credit, it shall be in substantially the form attached hereto as Appendix [F-1].

(c) Any Development Security posted in cash shall bear simple interest at a rate equal to the Interest Rate. The calculation and payment of any such interest shall be made in accordance with the procedure specified in Section 9.3 of this Agreement.

9.2 Forfeiture of Development Security.

In the event that the Commercial Operation Date does not occur on or before the Scheduled Commercial Operations Date, as extended pursuant to the terms of this Agreement, and to the extent Seller does not remit any COD Extension Payment or Daily Delay Liquidated Damages payment when due, then GPA shall be entitled to proceed against the Development Security in accordance with the terms thereof, to the extent of the amount(s) due and owing from time to time. Seller acknowledges and agrees that forfeiture of all or a portion of the Development Security, as provided herein, represents reasonable compensation to GPA for, among other things, transactions that it did not consummate because it relied on this Agreement with Seller, and GPA's potential failure to meet its applicable renewable energy portfolio requirements as a result of Seller's failure to achieve Commercial Operation by the Scheduled Commercial Operation Date. Notwithstanding the foregoing, if Seller terminates this Agreement prior to the Commercial Operation Date for the sole purpose of selling the Renewable Energy to a third party, GPA shall be entitled to both the Development Security and any other remedies available at law or in equity to the extent that GPA's actual damages exceed the value of the Development Security.

9.3 Return of Development Security.

At the end of the Term or upon the termination of this Agreement following the settlement and payment of any damages owed as a result of such termination, GPA shall return to Seller any remaining portion of the Development Security still held by GPA and to which GPA has no claim pursuant to the terms of this Agreement. If the Development Security was posted as a Letter of Credit, GPA shall return the Letter of Credit to Seller and Seller shall be entitled to immediately cancel such Letter of Credit. If the Development Security was posted in cash, GPA shall return to Seller the balance of the Development Security, together with daily interest at the Interest Rate, from and including the date that the Development Security was posted until, but not including, the date on which the Development Security is returned by GPA.

9.4 Performance Security.

In order to secure Seller's obligations after Commercial Operation of the Facility and during the Delivery Period hereunder, Seller shall post security in one of the forms contemplated below, each of which is deemed acceptable by GPA (the "Performance Security"):

(a) A Letter of Credit or cash in the amount of $4,751,610; or

(b) A Payment and Performance Bond in the amount of $4,751,610; or

(c) A subordinated second lien on the Sponsor Interest and Seller agrees to take such action as is reasonably required in order to perfect GPA's security interest in, and lien on, such collateral and any and all proceeds resulting therefrom; provided, that concurrently with the grant of such lien, GPA shall enter into such subordination, inter-creditor and other agreements with the senior financing parties as they as may reasonably require pursuant to which GPA shall agree that their rights and remedies pursuant to their second lien shall be subordinated in all respects to the senior first lien held by the financing parties; provided further, for the avoidance of doubt, there shall be no lien granted on the Tax Equity Investor Interest.

The Performance Security shall be held by GPA as security for Seller's obligations after the Commercial Operation Date and during the Delivery Period, but GPA may draw on the Performance Security at any time only in the amounts actually due and payable by Seller to GPA pursuant to this Agreement. Seller may (i) post the Performance Security by posting a combination or one or more of the above acceptable forms of credit support in an aggregate amount of $4,751,609.95, and (ii) at any time elect to substitute any form of one or more of the above acceptable forms of credit support for any existing Performance Security in which case GPA shall return the replaced Performance Security and reasonably cooperate with Seller in the exchange or cancellation of such credit support.

Seller shall post the Performance Security in accordance with the following terms and conditions:

(a) Seller shall post the Development Security within ten (10) business days following the Commercial Operation Date.

(b) If the Performance Security is posted as a Letter of Credit, it shall be in substantially the form attached hereto as Appendix [F-1].

(c) If the Performance Security is posted as a Payment and Performance Bond, it shall be in substantially the form attached hereto as Appendix [F-2].

(d) Any Performance Security posted in cash shall bear simple interest at a rate equal to the Interest Rate. The calculation and payment of any such interest shall be made in accordance with the procedure specified in Section 9.5 of this Agreement.

9.5 Return of Performance Security.

At the end of the Term or upon the termination of this Agreement following the settlement and payment of any damages owed as a result of such termination, GPA shall return to Seller any remaining portion of the Performance Security still held by GPA and to which GPA has no claim pursuant to the terms of this Agreement. If the Performance Security was posted as a Letter of Credit or a Payment and Performance Bond, then GPA shall return the Letter of Credit or Payment and Performance Bond to Seller and Seller shall be entitled to immediately cancel such Letter of Credit or Payment and Performance Bond. If the Performance Security was posted in cash, GPA shall return to Seller the balance of the Performance Security, together with daily interest at the Interest Rate, from and including the date that the Performance Security was posted until, but not including, the date on which the Performance Security is returned by GPA.

ARTICLE TEN: GOVERNMENTAL CHARGES

10.1 Cooperation.

Each Party shall use Commercially Reasonable Efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

10.2 Governmental Charges.

Seller shall pay or cause to be paid all taxes imposed by any Government Authority ("Governmental Charges") on or with respect to the Renewable Energy or this Agreement arising prior to the Delivery Point. GPA shall pay or cause to be paid all Governmental Charges on or with respect to the Renewable Energy or this Agreement at and from the Delivery Point (other than ad valorem, franchise or income taxes which are related to the sale of the Renewable Energy and are, therefore, the responsibility of the Seller). In the event Seller is required by law or regulation to remit or pay Governmental Charges, which are GPA's responsibility hereunder, GPA shall promptly reimburse Seller for such Governmental Charges. If GPA is required by law or regulation to remit or pay Governmental Charges which are Seller's responsibility hereunder, GPA may deduct the amount of any such Governmental Charges from the sums due to Seller under Article Seven of this Agreement. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the law.

ARTICLE ELEVEN: ASSIGNMENT

11.1 Buyer Assignment.

Buyer may not assign this Agreement or assign or delegate its rights and obligations under this Agreement, in whole or in part, without Seller's consent, not to be unreasonably withheld.

11.2 Seller Assignment.

Seller may perform any of the following, without the consent of the Buyer (1) transfer, pledge, encumber, or assign this Agreement or the accounts, revenues, or proceeds hereof, in connection with any financing or other financial arrangements for the Facility, (2) transfer or assign this Agreement to any of its Affiliates in connection with a transfer of the Facility to such Affiliate, (3) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of such Party, and (4) transfer or assign this Agreement to _____ or to any of its Affiliates; provided, that Seller provides Buyer prior notice of any such transfer or assignment and, with respect to any transfer to an such assignee of Seller, (A) such assignee posts replacement credit support in accordance with this Agreement, and (B) such Affiliate enters into an assignment and assumption agreement, in form and substance reasonably satisfactory to Buyer, pursuant to which Affiliate assumes all of Seller's obligations hereunder and otherwise agrees to be bound by the terms of this Agreement. Seller agrees that it will provide written notice to Buyer of any assignment of this Agreement by Seller within five (5) Business Days of the date of such assignment.

Except as stated above, neither this Agreement nor any of the rights, interests and obligations hereunder shall be assigned by Seller without the prior written consent of Buyer, which consent shall not be unreasonably withheld. Any assignment of this Agreement in violation of the foregoing shall be, at the option of Buyer, void.

11.3 Liability After Assignment.

A Party's assignment or transfer of rights or obligations pursuant to this Article 11 shall relieve said Party from any liability and financial responsibility for the performance thereof arising after any such transfer or assignment.

11.4 Transfers of Ownership.

Subject to any rights of first offer or refusal under this Agreement, during the Term, Seller shall not sell, transfer, assign or otherwise dispose of its interest in the Facility to any third-party absent (1) a transfer of this Agreement to such third-party and (2) Seller entering into an assignment and assumption agreement, in form and substance reasonably satisfactory to Buyer, with such third-party.

11.5 Successors and Assigns.

This Agreement and all of the provisions hereof are binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

11.6 Collateral Assignment by Seller.

In the event that Seller pursuant to Section 11.2 (1) transfers, pledges, encumbers or collaterally assigns this Agreement to Seller's lenders, Seller shall provide written notice to Buyer of such transfer, pledge, encumbrance or assignment, including the address of Seller's lenders. In connection with any financing or refinancing of the Facility, Buyer at Seller's request shall negotiate in good faith with Seller and Seller's lenders to agree upon a reasonable direct agreement with respect to this Agreement, which shall be in form and substance reasonably agreed to by Buyer, Seller and Seller's lenders, and which shall, among other terms. include provisions substantially as follows:

(a) The Parties shall not amend or modify this Agreement in any material respect without the prior written consent of the Seller's lenders;

(b) Prior to exercising its right to terminate this Agreement as a result of an Event of Default by Seller, Buyer shall give notice of such Event of Default by Seller to the administrative agent of Seller's lenders, which Buyer has been provided written notice of; and

(c) Seller's lenders shall have the right, but not the obligation, to cure an Event of Default on behalf of Seller in accordance with the provisions of this Agreement, provided that Seller's lenders shall be provided an additional forty-five (45) days, from the end of the cure periods provided pursuant to Section 6.1, to effect a cure of such Event of Default.

ARTICLE TWELVE: MISCELLANEOUS

12.1 Term of Agreement; Conditions Precedent.

(a) The Term of this Agreement shall commence on the Effective Date and shall remain in effect for the duration of the Delivery Period, as set forth in Section 2.1, unless earlier terminated by either Party in accordance with this Agreement herein (the "Term"); provided, however, that such termination shall not affect or excuse the performance of either Party under any provision of this Agreement that by its terms survives any such termination.

(b) This Agreement shall be effective on the Effective Date provided that the Parties' obligations hereunder shall be subject to the satisfaction of the following conditions precedent:

(i) Receipt by GPA of a final, non-appealable approval of this Agreement by the Guam Public Utilities Commission ("PPA Approval");

(ii) Execution of the Interconnection Agreement by the Parties;

(iii) Receipt by GPA of a final, non-appealable approval of the Interconnection Agreement by the Guam Public Utilities Commission ("ICA Approval"); and

GPA shall submit this Agreement for approval by the Guam Public Utilities Commission within thirty (30) days of the Effective Date. GPA shall also submit the Interconnection Agreement for approval by the Guam Public Utilities Commission within thirty (30) days of the execution of the Interconnection Agreement. Each Party shall use Commercially Reasonable Efforts to satisfy the conditions precedent prior to the End Date; provided that neither Party shall be obligated to execute the Interconnection Agreement except on terms acceptable to such Party in its sole discretion. Seller shall have the right in its sole discretion to waive the conditions precedent set forth in section 12.1(b) above.

Either Party has the right to terminate this Agreement by Notice, which will be effective five (5) Business Days after such Notice is given, if the conditions precedent set forth above have not been satisfied (or waived in accordance herewith) within [**to be determined based on date of signing – between 60-120 days consistent with proposed project schedule**] days after the Effective Date ("End Date"). If either Party exercises its termination right pursuant to this Section 12.1(b), no Termination Damages will be due or owing by either Party and Seller will be entitled to a return of any Development Security provided to GPA.

12.2 Insurance.

At all times during the Term of this Agreement, Seller shall maintain at its own expense insurance policies for the Facility and its tangible assets in such amounts and against such risks and losses as are consistent with Good Utility Practices and those policies listed below. Such insurance policies shall be maintained only with insurers rated at least A- VII by MVI Best or comparable ratings agency.

- Commercial General Liability with limits of $1,000,000 including products, completed operations, and contractual for this Agreement. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Commercial Auto Liability in the amount of $1,000,000 combined single limit for bodily injury and property damage. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Excess Liability with limits of $5,000,000. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Workers Compensation and Employers Liability with statutory limits and $1,000,000/$1,000,000/$1,000,000 respectively. Seller shall add a waiver of subrogation endorsement in favor of GPA.

- Pollution Liability, when applicable, with limits for $5,000,000. GPA is to be an additional insured. Seller shall grant a waiver of Subrogation in favor of GPA.

- Builder's Risk or Installation Floater, when applicable, is to be furnished by Contractor.

- Property insurance that will keep the premises, property, improvements, structures, and machinery and equipment on the premises insured, at a minimum, against with an all risk property policy for full replacement value as determined from time to time. Such insurance shall be issued by financially responsible insurers duly authorized to do business in Guam, and shall contain the standard form of waiver of subrogation. Nothing contained herein shall be construed as creating any liability or responsibility on the part of GPA for the adequacy of insurance coverage on the premises. As to any insurable risks of loss or damage to the premises not required to be insured hereunder, Seller shall bear the cost of the same. Seller shall be deemed to be self-insured as to the deductible or co-insurance amount applicable to such insurance coverage and shall pay any deductible or co-insurance amount applicable in the event of such loss or damage.

At all times after achieving COD, Seller may discontinue or otherwise cancel each of the aforementioned policies, except the following insurance policies, which shall be maintained with the limits set forth below:

- Commercial General Liability with limits of $1,000,000.00 including products, completed operations, and contractual for this Agreement. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Excess Liability with limits of $3,000,000.00. GPA shall be an additional insured. Seller shall grant a waiver of subrogation in favor of GPA.

- Property insurance that will keep the premises, property, improvements, structures, and machinery and equipment on the premises insured, at a minimum, against with an all risk property policy for full replacement value as determined from time to time. Such insurance shall be issued by any financially responsible insurer duly authorized to do business in Guam, and shall contain the standard form of waiver of subrogation. Nothing contained herein shall be construed as creating any liability or responsibility on the part of GPA for the adequacy of insurance coverage on the premises. As to any insurable risks of loss or damage to the premises not required to be insured hereunder, Seller shall bear the cost of the same. Seller shall be deemed to be self-insured as to the deductible or co- insurance amount applicable to such insurance coverage and shall pay any deductible or co-insurance amount applicable in the event of such loss or damage.

- Seller is also required to carry Business Interruption and Extra Expense insurance in the amount of $1,000,000.00.

If the Facility is lost or damaged due to a casualty, then only if and to the extent Seller is not required to use available insurance proceeds to prepay any Facility Debt then outstanding, Seller shall re-build the Facility promptly and in a commercially reasonable manner if and to the extent technically feasible and commercially reasonable in

light of the available insurance proceeds and subject to the procurement by Seller of the consent of any lender or financing party pursuant to the Financing Documents if required thereunder; provided, however, (i) if the time to re-build the Facility would result in less than five (5) years remaining in the Delivery Period then (A) Seller shall have the option in lieu of re-building the Facility to pay to GPA the Buyout Payment and terminate this Agreement with no further costs or penalties provided that the Buyout Payment shall not in any case exceed the available insurance proceeds remaining following full prepayment of the Facility Debt, or (B) if Seller nevertheless elects to re-build the Facility then GPA shall reimburse Seller for any deductibles payable by Seller under its property insurance, and (ii) regardless of when the casualty event occurs, if Seller re-builds the Facility then the Delivery Period shall be extended for the greater of one (1) year or two (2) times the length of the interruption of the sale of Renewable Energy (pro rated based on the Minimum Production for partial interruptions), and the Contract Price shall be the price in effect, without escalation, at the beginning of the re-building period.

Within ten (10) Business Days after receipt of a request for the same from GPA, Seller shall deliver to GPA a certificate of insurance for any or all policies maintained in accordance with this Section 12.2, which certificate shall include at least the following information: (i) the name of the insurance company, policy number and expiration date; and (ii) the coverage and limits on coverage, including the amount of deductibles or self-insured retentions.

Seller shall furnish certificates of insurance and waiver of subrogation endorsement to GPA prior to commencement of construction of the Facility showing evidence of such coverage, including the statement to the effect that cancellation or termination of the insurance shall not be effective until at least thirty (30) days after receipt of written Notice to GPA. At all times Seller's insurance shall be primary and non-contributory to any other insurance that may be carried by GPA. The statement of limits of insurance coverage shall not be construed as in any way limiting the Seller's liability under this Agreement. GPA shall be an additional insured on all liability coverage and certificates of insurance shall clearly indicate such.

12.3 Indemnity.

To the extent permitted by law, each Party shall indemnify, defend and hold harmless the other Party from and against any Claims arising from or out of any event, circumstance, act or incident first occurring or existing during the period when control and title to the Renewable Energy is vested in such Party, unless a Claim is due to such Party's willful misconduct or gross negligence. To the extent permitted by law, each Party shall indemnify, defend and hold harmless the other Party against any Governmental Charges for which such Party is responsible under Article Ten. Notwithstanding anything to the contrary contained in this Agreement, no individual representative of either Party shall have any personal liability to the other Party as a result of the breach of any representation, warranty, covenant or agreement contained herein.

12.4 Site Access and Inspection of Records.

Seller shall provide GPA with reasonable access to the Facility site for purposes of review and inspection during regular business hours within a reasonable time after a request for the same is made by GPA. During such reviews and inspections, GPA representatives shall be permitted to review such records relating to the Facility and reasonably related to the performance of this Agreement, including Facility maintenance and operations logs. GPA shall have access to the Facility site for the limited purposes described herein, but Seller shall at all times remain responsible and liable for the control and operation of the Facility and the Facility site. GPA representatives shall follow Seller's safety procedures when accessing the Facility site and shall conduct themselves in a manner that will not interfere with the operation of the Facility. Seller will provide GPA with information about such safety procedures to enable GPA to comply with this requirement.

12.5 Audit.

Subject to Section 7.3, each Party has the right, at its sole expense and during normal working hours, to examine copies of the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement.

12.6 Confidentiality.

The Parties will make Commercially Reasonable Efforts to safeguard Confidential Information against disclosure by employing the same means to protect such Confidential Information as that Party uses to protect its own non-public, confidential or proprietary information, and otherwise in accordance with the provisions of this Section 12.6. Specifically, no receiving Party shall itself, or permit its employees, consultants and/or agents to disclose to any person, corporation or other entity the Confidential Information without the prior written consent of the Party providing the Confidential Information, except a receiving Party may distribute the Confidential Information to its and its Affiliates' board members, officers, employees, agents, consultants, actual or potential investors, actual or potential purchasers, actual or potential Facility lenders or financing parties, and others who have a need for such Confidential Information.

The Parties acknowledge, however, that a Party may need to disclose the Confidential Information in connection with its regulatory filings or to otherwise satisfy its governmental and regulatory requirements. In the event that a Party intends to disclose any of the Confidential Information to its regulatory authorities including, but not limited to, the Guam Public Utilities Commission, the FERC, or any employee, staff member, consultant, and/or agent of the foregoing, it shall give the other Party prompt prior written Notice of its intention so that the other Party may seek a protective order or other appropriate remedy. In addition, each Party specifically agrees not to use the other Party's name in connection with this Agreement or the Facility in any press releases, public meetings or hearings, or other public communications, including any release to any newswire service, without the express written consent of the other Party. The Parties anticipate that at some future time it may be in the best interests of one or both of them to disclose Confidential Information to the media and the Parties anticipate entering into a subsequent agreement that will govern the terms of such disclosure. The Parties expressly agree, however, that unless and until such subsequent agreement is executed between the Parties, the terms of this Agreement shall be binding with respect to such disclosure.

In the event that any Party receiving the Confidential Information becomes legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, the legally compelled Party shall give the other Party providing the Confidential Information prompt prior written Notice of such requirement so that the providing Party may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, the providing Party waives compliance with the terms hereof.

Each Party acknowledges that the unauthorized disclosure of any Confidential Information may cause irreparable harm and significant injury that may be difficult to ascertain. Each Party therefore agrees that specific performance or injunctive relief, in addition to other legal and equitable relief, are appropriate remedies for any actual or threatened violation or breach of this Agreement, **although neither Party shall be entitled to any special, consequential, indirect or punitive damages as a result of a breach of this Agreement, whether a claim is based in contract, tort or otherwise**. The Parties agree that the respondent in any action for an injunction, specific performance decree or similar relief shall not allege or assert that the initiating Party has an adequate remedy at law in respect to the relief sought in the proceeding, nor shall the respondent seek the posting of a bond by the Party initiating the action. Under no circumstances will either Party's directors, management, employees, agents or consultants be individually liable for any damages resulting from the disclosure of Confidential Information in violation of the terms of this Agreement.

12.7 Notices.

All notices, requests, statements or payments ("Notices") shall be made as specified on Appendix B attached hereto and incorporated herein by reference. Notices (other than with respect to scheduling) shall, unless otherwise specified herein, be in writing and may be delivered by hand delivery, United States mail, overnight courier service or facsimile. Notice by facsimile or hand delivery shall be effective at the close of business on the day actually received, if received during business hours on a Business Day, and otherwise shall be effective at the close of business on the next Business Day. Notice by overnight United States mail or courier shall be effective on the next Business Day after it was sent. Notices relating to Facility operations and Scheduling, as required pursuant to Appendix H, may be given electronically and shall be deemed effective upon receipt; otherwise,

electronic notices shall not be effective unless affirmatively acknowledged in writing (including by reply e-mail) by the receiving Party. A Party may change its addresses by providing Notice of same in accordance herewith.

12.8 Purchase Option.

(a) Transfer During the Delivery Period. In the event that Seller desires to sell the Facility during the Delivery Period, Seller shall provide prior written Notice of the same to GPA, and agrees to engage in discussions with GPA during an exclusivity period with GPA if GPA desires to purchase the Facility. Within ninety (90) days following Seller's Notice to GPA of its intent to sell the Facility, GPA may deliver to Seller an indicative purchase price at which it would be willing to purchase the Facility. If GPA does not deliver the indicative purchase price within ninety (90) days, then Seller shall be free to transfer the Facility under any terms and conditions at any time thereafter. If GPA delivers the indicative purchase price within ninety (90) days, then the Parties shall negotiate exclusively for a period of up to sixty (60) days after GPA delivers the indicative purchase price. If no binding agreement is entered into by the Parties during such sixty (60)-day period then Seller shall be free to transfer the Facility to any person on materially comparable terms, including price, better than GPA's indicative offer, and neither Party shall have any further liability or obligation to the other Party in connection with such sale or as a result of the terminated negotiations. If Seller does not transfer the Facility on such basis within one (1) year following the end of the sixty (60)-day exclusive negotiation period, then the procedure in this paragraph shall apply to any subsequent sale of the Facility during the Term of this Agreement.

(b) Transfer or Extension of Delivery Period. GPA, by Notice delivered to Seller at least one hundred and eighty (180) days prior to the end of the Delivery Period, may either (i) extend the Term of this Agreement on a year-to-year basis, in which case the Contract Price during the extension of the Term shall be eighty percent (80%) of the LEAC Rate in effect from time to time during such extension (whereupon either Party may thereafter terminate this Agreement on one hundred and eighty (180) days' Notice prior to the end of any extension year), or (ii) purchase the Facility from Seller at eighty percent (80%) of the Appraisal Price, within thirty (30) days of the determination of the Appraisal Price. If GPA fails to send such Notice then this Agreement shall terminate in accordance with the terms hereof.

12.9 Alternative Dispute Resolution. All disputes arising under this Agreement are subject to the provisions of this Section 12.9.

(a) If a dispute, controversy or claim arises out of, relates, or is in connection with, this Agreement, or the breach, termination or validity thereof, whether sounding in contract, tort, unfair competition, equity, or other legal form, it shall be settled solely in the manner provided for in this Section 12.9. A meeting of the Parties shall be held within ten (10) Business Days after either Party gives the other Party written Notice of the dispute. The Notice shall set forth in reasonable detail the aggrieved Party's position and its proposal for resolution of the dispute. A representative of each Party who has authority to resolve the dispute shall be in attendance at all meetings. If the dispute is not resolved within thirty (30) days after the first meeting of the Parties, or such other period of time as to which the Parties agree, the dispute shall be settled by arbitration in the manner provided in this Section 12.9). A Party's failure to comply with this Section 12.9 shall entitle the other Party to recover its costs and reasonable attorney's fees in any judicial proceedings that circumvent this dispute resolution provision. Settlement discussions undertaken under this Section 12.9 shall be privileged and confidential and no position taken or communication made by a party during or in connection with said settlement discussions may be presented as evidence in the ensuing arbitration should settlement fail to achieve a negotiated result.

(a) Arbitration. Any disputes between the Parties and/or their respective representatives involving or arising under a Claim relating to the terms of this Agreement, or the breach thereof, may be submitted to binding arbitration, whether such Claims sound in contract, tort or otherwise. The arbitration shall be conducted in accordance with the Federal Arbitration Act and the then prevailing Commercial Arbitration Rules of the American Arbitration Association. The validity, construction, and interpretation of this Agreement to arbitrate and all procedural aspects of the arbitration conducted pursuant hereto shall be decided by the arbitrator(s). Submission shall be made upon the request of either Party. Within twenty (20) calendar days of the receipt by the respondent of service of the Notice of arbitration, the Parties shall select one (1) arbitrator by mutual consent. If the Parties are unable to agree upon a single arbitrator, there shall be three (3) arbitrators. Specifically, in the event the Parties cannot agree upon a single arbitrator, both the claimant and the respondent shall appoint one (1) arbitrator within ten (10) calendar days after written Notice by either Party that three (3) arbitrators shall be necessary. The two (2) arbitrators so appointed shall then select the third arbitrator within twenty (20) calendar days, who shall be the chairperson, of the tribunal. The chairperson shall be a person who has over eight (8) years of experience in energy-related transactions, and none of the arbitrators shall have been previously employed by either Party or have any direct interest in either Party or the subject matter of the arbitration, unless such conflict is expressly acknowledged and waived in writing by both Parties. The chairperson shall be bound to schedule and hear the dispute in its entirety within three (3) Months after his/her appointment and shall render the panel's decision within thirty (30) calendar days after the hearing concludes. It is agreed that the arbitration proceeding shall be conducted in Honolulu, Hawaii, or another neutral location mutually agreed to by the Parties; provided, however, either Party may provide all witnesses, deponents and other ancillary personnel by video telecast or other electronic media, it being the intent of the Parties to minimize expenses of conducting the arbitration. It is further agreed that the arbitrator(s) shall have no authority to award consequential, treble, exemplary, or punitive damages of any type or kind regardless of whether such damages may be available under any law or right, with the Parties hereby affirmatively waiving their rights, if any, to recover or claim such damages. The compensation and any costs and expenses of the arbitrators shall be borne equally by the Parties. Any arbitration proceedings, decision or award rendered hereunder and the validity, effect and interpretation of this arbitration provision shall be governed by the Federal Arbitration Act. The award shall be final and binding on the Parties and judgment upon any award may be entered in any court of competent jurisdiction. The Parties agree that all information exchanged as a result of any proceeding as described herein shall be deemed Confidential Information.

(b) Judicial Relief. Either Party may petition a court of appropriate jurisdiction, as described in Section 12.11, for non-monetary relief relating to any claim of breach of this Agreement in order to prevent undue hardship relating to any such claimed breach pending the appointment of an arbitration panel as described in this Section 12.9.

12.10 Governing Law.

THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF GUAM**,** WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

12.11 Jurisdiction and Costs.

Subject to the mandatory arbitration provisions herein, with respect to any proceeding in connection with any claim, counterclaim, demand, cause of action, dispute and controversy arising out of or relating to this Agreement, the Parties hereby consent to the exclusive jurisdiction of the local and federal courts in the Territory of Guam. Both Parties waive any right to trial by jury in such action. In the event such judicial proceedings are

instituted by either Party, the prevailing Party shall be entitled to award of its costs and reasonable attorneys' fees incurred in connection with such proceedings.

12.12 Financial Accounting Standards.

Under the latest interpretations of the Financial Accounting Standards Board's Interpretation No. 46(R) (FIN No. 46(R)), "Consolidation of Variable Interest Entities," GPA may be required to consolidate a Seller's entity for which GPA has entered into a long-term power purchase agreement. Seller agrees to provide all information needed in order for GPA to determine whether or not the special purpose entity which owns the Seller's generating facility must be consolidated by GPA under FIN No. 46(R). If it is determined that GPA needs to consolidate such special purpose entity, Seller agrees to provide all information needed to comply with the consolidation requirements of FIN 46(R) in a timely manner every calendar quarter. If GPA is required to consolidate the special purpose entity that owns the Seller's generating facility in its financial statements, Seller agrees to provide access to any needed records and personnel, as requested, so GPA's independent auditor, Deloitte & Touche LLP, can conduct financial statement audits in accordance with generally accepted auditing standards, as well as internal control audits in accordance with Section 404 of the Sarbanes-Oxley Act of 2002.

12.13 Forward Contract.

The Parties intend that in any relevant proceedings, each be regarded as a forwards trading merchant in respect of this Agreement and that each Transaction be a forwards contract for purposes of the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq., as amended from time to time.

12.14 General.

No delay of a Party in the exercise of, or the failure to exercise, any rights under this Agreement shall operate as a waiver of such rights, a waiver of any other rights under this Agreement or a release of the other Party from any of its obligations under this Agreement. Any provision declared or rendered unlawful by any applicable court of law or regulatory agency or deemed unlawful because of a statutory change will not otherwise affect the remaining lawful obligations that arise under this Agreement; and provided, further, that if such an event occurs, the Parties shall use their best efforts to reform this Agreement in order to give effect to the original intention of the Parties. The term "including" when used in this Agreement shall be by way of example only and shall not be considered in any way to be in limitation. The headings used herein are for convenience and reference purposes only. The indemnity provisions of this Agreement shall survive the termination of this Agreement for the period of the applicable statute of limitations. The audit provisions of this Agreement shall survive the termination of this Agreement for a period of twelve (12) Months. This Agreement shall be binding on each Party's successors and permitted assigns.

12.15 Entire Agreement; Amendment.

This Agreement, together with any appendices, schedules, and any written supplements hereto constitutes the entire agreement between the Parties relating to the subject matter hereof. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. Except to the extent herein provided for, no amendment or modification to this Agreement shall be enforceable unless reduced to writing and executed by both Parties.

12.16 Appendices.

The following Appendices are included in this Agreement for all purposes:

Appendix A	Contract Price and Minimum Production
Appendix B	Notice Addresses
Appendix C	Ramp Rate Control and Microgrid

Appendix D	Independent Engineers
Appendix E	[Not Used]
Appendix F	Form of Letter of Credit
Appendix G	[Not Used]
Appendix H	Scheduling and Coordination
Appendix I	Base Conditions and Facility Test Protocol
Appendix J	Interconnection Agreement
Appendix K	Additional Terms regarding Ramps Rates and Dispatch Down
Appendix L	Resolutions of Consolidated Committee on Utilities

12.17 Special Provisions.

It is the policy of GPA not to discriminate on the basis of age, race, sex, color, national origin, or disability in its hiring and employment practices, or in admission to, access to, or operation of its programs, services, and activities. With regard to all aspects of this Agreement, Seller certifies and warrants it will comply with this policy. No person shall be excluded from participation in, be denied benefits of, be discriminated against in the admission or access to, or be discriminated against in treatment or employment in GPA's contracted programs or activities, on the grounds of such person's handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal or Guam law; nor shall any person be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in performance of contracts with GPA or in the employment practices of GPA's contractors. Accordingly, all persons entering into contracts with GPA shall, upon request, be required to show proof of such nondiscrimination and to post notices of non-discrimination in conspicuous places that are available to all employees and applicants.

Seller hereby represents that Seller has not been retained or retained any persons to solicit or secure a contract from GPA upon an agreement or understanding for a contingent commission, percentage, or brokerage fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business. Breach of the provisions of this section is, in addition to a breach of this Agreement, a breach of ethical standards, which may result in civil or criminal sanction, debarment or suspension from being a contractor or subcontractor under any other contract with GPA and any Government Authority.

It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter, pertaining to any program requirement of a contract or subcontract or to any solicitation or proposal therefor. It shall be breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or a person associated therewith, as an inducement for the award of a subcontractor or order. Breach of the provisions of this paragraph is, in addition to a breach of this Agreement, a breach of ethical standards, which may result in civil or criminal sanction, debarment or suspension from being a contractor or subcontractor under any other contract with GPA and any Governmental Authority.

Seller warrants that no person providing services on behalf of Seller or in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated, or convicted of an offense

defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated regardless of the jurisdiction in which the conviction was obtained, shall provide services on behalf of Seller relative to this Agreement. If any person employed by Seller and providing services under this Agreement is convicted subsequent to the date of this Agreement, then Seller warrants that it will notify GPA of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services under this Agreement. If Seller is found to be in violation of any of the provisions of this paragraph, then GPA shall give Notice to Seller to take corrective action. Seller shall take corrective action within twenty-four hours of Notice from GPA, and Seller shall notify GPA when action has been taken. If Seller fails to take corrective steps within twenty-four hours of Notice from GPA, then GPA in its sole discretion may suspend this Agreement temporarily.

12.18 Waiver of Immunity.

To the extent that GPA may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to GPA or its assets or revenues such immunity (whether or not claimed), GPA agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

IN WITNESS THEREOF, the Parties hereto made and executed this Agreement, signed by their duly authorized officers or individuals, as of the dates listed below.

GUAM POWER AUTHORITY **GPA or Buyer**		**HANWHA ENERGY CORPORATION Seller**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

[Signature Page to Renewable Energy Purchase Agreement]

APPENDICES

APPENDIX A

CONTRACT PRICE AND MINIMUM PRODUCTION

Contract Year	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)
1	62.45	72,005
2	63.08	71,831
3	63.71	71,245
4	64.35	70,865
5	64.99	70,485
6	65.64	70,306
7	66.30	69,724
8	66.96	69,344
9	67.63	68,693
10	68.31	68,780
11	68.99	68,202
12	69.68	67,821
13	70.37	67,440
14	71.08	67,252
15	71.79	66,678

Contract Year	Annual Price ($/MWH)	Guaranteed Net Annual Generation (MWH/YR)
16	72.51	66,296
17	73.23	65,915
18	73.96	65,722
19	74.70	65,151
20	75.45	64,770
21	76.21	64,388
22	76.97	64,190
23	77.74	63,623
24	78.52	63,241
25	79.30	62,859
26		
27		
28		
29		
30		

ESS MICRO GRID

Contract Year	Micro Grid Operation Price ($)
1	1,287,082
2	1,264,710
3	1,244,969
4	1,225,229
5	1,206,804
6	1,188,380
7	1,171,271
8	1,155,479
9	1,139,686
10	1,123,894
11	1,108,101
12	1,093,625
13	1,079,149
14	1,064,672
15	1,051,512

Contract Year	Micro Grid Operation Price ($)
16	1,038,352
17	1,025,191
18	1,012,031
19	998,871
20	987,026
21	975,182
22	963,338
23	951,493
24	939,649
25	927,805

APPENDIX B

NOTICE ADDRESSES

APPENDIX C

RAMP RATE CONTROL & MICROGRID

I. Description of Storage Unit

A. Specifications. The Facility shall include the Storage Unit as more fully described in the technical specifications set forth in Schedule C-1 attached hereto ("Storage Technical Specifications").

B. Operations. The operation of the Storage Unit shall at all times be subject to the operating restrictions and limitation set forth in Schedule C-2 attached hereto ("Storage Operating Restrictions"). At no time will Seller be expected to operate the Storage Unit in a manner that is inconsistent with the Storage Operating Restrictions notwithstanding any contrary terms in this Agreement.

C. Metering. Seller will install and maintain a separate meter for the Storage Unit and the operation and maintenance of such meter shall be governed by section 7.4 of this Agreement. The Storage Unit will not serve station use and Seller shall separately meter station use.

D. Augmentation. Seller shall be entitled to determine the actions necessary to achieve the Guaranteed Storage Output (as defined below) from time to time, including without limitation, whether to augment the batteries included in the Storage Unit solely as determined by Seller in its discretion.

E. Ramp Rate Control. The Storage Unit shall be operated such that the charging and output of the Storage Unit does not exceed 1% of the Project's nameplate capacity per minute; provided that Seller shall only be obligated to achieve such ramp rate as set forth in the table below on an average basis during each Contract Year ("Agreed Ramp Rate").

Contract Year	Agreed Ramp Rate
1	98.00%
2	97.90%
3	97.80%
4	97.70%
5	97.60%
6	97.50%
7	97.40%
8	97.30%
9	97.20%
10	97.10%
11	97.00%
12	96.90%
13	96.80%
14	96.70%
15	96.60%
16	96.50%
17	96.40%
18	96.30%
19	96.20%

20	96.10%
21	96.00%
22	95.90%
23	95.80%
24	95.70%
25	95.60%

F. Ramp Rate Control Performance

Energy Storage System will control the ramping rate under 1% of the Facility Capacity (i.e. 600 kW) per minute and the control period [for the ramping rate] will be no more than 1 second. Detailed ramping control algorithm will be finalized through discussions between GPA and Seller after the final design of the Energy Storage System is put in place but no later than one (1) month before the commissioning test of the Facility will start.

Evaluation of Performance Verification:

During the Delivery Period, on an annual basis, Seller shall carry out the evaluation process for the performance verification of the Energy Storage System, including power test and 1% ramp-rate control test in the presence of GPA, once every year with annual data storage in the Facility database and GPA SCADA. [Note: specify what is to be measured and equation below.]

$$\left| \frac{\sum_{t-\Delta t}^{t} PV_i(x)}{\Delta t} - \frac{\sum_{t-2\Delta t}^{t-\Delta t} PV_i(x)}{\Delta t} \right| > P_{ramp}$$

Where:

- Δt = 60 seconds
- $PV_i(x)$: PV generation at time t
- i = 1,2,3, ….., 60 seconds
- P_{ramp}: active power considering ramp rate limit per 1min window

Ramp Rate Control shall be based on a plus or minus (±) 1% of rated power of 60MW plant ("Measured Value"). Ramp Rate Control Failure means a plus or minus (±) 2% of Measured Value.

Ramp Control Penalty:

Penalty will apply to failure to meet the 1% ramp per minute rate for both under and over power. Ramp-Control must be controlled within 1 second. The failure percentage is as below:

- Failure Percentage (FP) = (E1 – E2)

Symbol	Item	Unit	Remarks
E1	Guaranteed value of Succeed Ramp-Rate	%	Proposal (offer) shown in table below

E2	Output of Ramp Rate Controlled	%	1% ramping requirement with 2% measurement error

If FP is greater than 0 (zero), then Penalty shall be calculated as follow:

- Under Power Failure Penalty = (AF_U) *(C_U)*(FP_U)
- Over Power Failure Penalty= (AF_O) *(C_O)*(FP_O)

Symbol	Item	Value	Unit
C_U	Nominal Ramp Down Cost	1.96	$/min/MW
C_O	Nominal Ramp Up Cost	0.49	$/min/MW

The penalty is calculated only for the portion exceeding the guaranteed value.

Where:

- Failure Power of Under Power (FP_U) = |Ramp Rate Required Power – CP| [MW]
- Failure Power of Over Power (FP_O) = |CP – Ramp Rate Required Power| [MW]
- Controlled Power (CP) =1 minute Average Power of 1% Ramp Rate Controlled by 1 second
- Acceleration Factor of Under Power (AF_U) = 0.5
- Acceleration Factor of Over Power (AF_O) = 0.5

G. Time Shifting. As described herein, the Storage Unit will be charged during the day and discharged during the night and in this manner will provide GPA with delayed deliveries of Renewable Energy.

E. Communication Protocols. Seller and GPA shall mutually agree (in writing) upon communication protocols to allow GPA to have access to SCADA information and a real-time data feed with respect to the Facility.

II. Delivery of Stored Energy for Dispatch

A. Charging. During the Delivery Period, Seller shall (i) operate and maintain the Storage Unit, (ii) charge the Storage Unit with a portion of the Renewable Energy generated by the Project (referred to as Charging Energy), and (iii) then shall store, discharge and deliver the Stored Energy to the Delivery Point. Charging Energy shall be drawn from the Renewable Energy generated by the Project and Stored Energy when delivered shall count towards the Minimum Production of the Project each Contract Year. In no case shall Seller be penalized for a reduction in the Renewable Energy delivered based on Charging Energy used to charge the Storage Unit.

B. Discharging. Seller shall sell and deliver, or cause to be delivered, and GPA shall purchase and receive, or cause to be received, all Stored Energy discharged by the Storage Unit, at the Delivery Point, and GPA shall pay Seller the Annual Storage Payment as compensation for Seller's operation of the Storage Unit and deliver of such Quantity of Stored Energy to the Delivery Point.

Stored Energy shall be discharged each day during the Delivery Period beginning from a time out of the 6 options as follows: 6 pm, 7 pm, 8 pm, 9 pm, 10 pm and 11 pm local time and shall be delivered to the Delivery

Point except during any Excused Hours and Weather Hours. The Discharge Energy shall be fixed as 5MW and the Delivery Period ends once all remaining Energy in the Microgrid has been discharged until the designated SOC of the Microgrid has been met.

If GPA desires to change the daily start time of the dispatch of the Storage Unit at any time during the Delivery Period, then GPA shall deliver Notice to Seller of such proposed change at least seven (7) days prior to the date on which Seller is being asked to implement such change ("Dispatch Instruction"). Seller shall not be obligated to accept and implement Dispatch Instruction requested by GPA if (i) such Dispatch Instruction is not consistent with the Operating Parameters, Good Utility Practices, any Planned Outages, applicable law or any limits set forth in any permit or approval received by Seller in connection with the Facility, or (ii) implementation of such dispatch instructions would limit, interfere with or prevent Seller's operation and maintenance of the Facility and/or its performance of its obligations under this Agreement, including without limitation, Seller's obligations with respect to the Guaranteed Dispatch Rate and/or Minimum Production and any make-up amounts Seller reasonably expects to deliver in any Contract Year, or (iii) implementation of such dispatch instructions would limit, interfere with or prevent Seller's performance of its obligations under the Interconnection Agreement. Any Dispatch Instruction delivered by GPA shall remain in effect until another valid Dispatch Instruction is delivered by GPA to Seller in accordance herewith.

Contract Year	Estimated Annual Stored Energy to be discharged from the Storage Unit and delivered to the Delivery Point referred to herein as the "Guaranteed Dispatch Rate"
1	6,570
2	6,554
3	6,501
4	6,466
5	6,431
6	6,415
7	6,362
8	6,327
9	6,293
10	6,276
11	6,223
12	6,188
13	6,153
14	6,136
15	6,084
16	6,049
17	6,015
18	5,997
19	5,945
20	5,910
21	5,875
22	5,857
23	5,805
24	5,771
25	5,736

The annual estimate of Stored Energy to be delivered shall be subject to the terms set forth in part II.C below.

C. Guaranteed Storage Output. The Storage Unit is expected to allow Seller to deliver a minimum number of MWhs of Stored Energy each Contract Year as set forth above (such annual MWh production is the "Guaranteed Dispatch Rate").

Seller during the Delivery Period shall (i) during any Contract Year, deliver to GPA at least ninety percent (90%) of the Guaranteed Dispatch Rate, and (ii) for any consecutive six (6) Contract Years during the Delivery Period, deliver to GPA at least ninety percent (90%) of the aggregate Guaranteed Dispatch Rate during such period (which shall include make-up amounts generated and delivered in any years in excess of one hundred percent (100%) of the Guaranteed Dispatch Rate for such year) (any such time period a "Storage Measurement Period" and each such guaranteed amount of delivered Stored Energy during any Stored Measurement Period, the "Guaranteed Storage Output"). Any shortfall of Stored Energy (expressed in MWhs/year) from the applicable Guaranteed Storage Output during a Storage Measurement Period shall be deemed a "Storage Deficiency Amount."

The Annual Storage Payment for the following Contract Year shall be adjusted for any Storage Deficiency Amount which is not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below) ("Shortfall Adjustment"). The Shortfall Adjustment will be calculated as set forth below:

Adjusted Annual Storage Payment = (Storage Deficiency Amount/Guaranteed Dispatch Rate) x Annual Storage Payment

For purposes of clarity, Seller shall be entitled to deliver to GPA Renewable Energy or Stored Energy in the amount of such Storage Shortfall in subsequent time periods (even if such make-up amounts are in excess of the Guaranteed Dispatch Rate for such subsequent year), and this Agreement may be extended as necessary for a period of up to six (6) months to allow Seller to make up any Storage Deficiency Amount; however, there shall be no Shortfall Adjustment for such individual Contract Year unless such Stored Energy delivered hereunder is less than [ninety percent (90%) of the] Guaranteed Storage Output for the applicable Storage Measurement Period, and such shortfall is not due to Excused Hours or Weather Hours (except, in the case of Weather Hours, as set forth below).

In the event Shortfall Adjustment applies to a Storage Measurement Period of six (6) rolling Contract Years, then such Shortfall Adjustment shall be reduced by the amount of any Shortfall Adjustment paid for any Contract Year during such six (6) year Storage Measurement Period. The Shortfall Adjustment to the Annual Storage Payment shall be Seller's sole liability and obligation, and GPA's sole right and remedy, with respect to Seller's failure to deliver the Guaranteed Output during any Storage Measurement Period.

To the extent any Storage Deficiency Amount is due to Weather Hours, Seller's sole liability and GPA's sole remedy shall be to deliver thereafter Renewable Energy or Stored Energy equal to such Storage Deficiency Amount attributable to Weather Hours, calculated in accordance with Appendix K (which includes a sample calculation for a hypothetical Storage Measurement Period). If any portion of a Storage Deficiency Amount due to Weather Hours is not made up in the five (5) Contract Years beginning in the first Contract Year following the Contract Year in which the Weather Hours Storage Deficiency Amount occurred, then a Shortfall Adjustments shall be applied for the remaining Storage Deficiency Amount. Notwithstanding the foregoing, with respect to any Storage Deficiency Amount that is due to Weather Hours, Seller shall have the option, at any time prior to the expiration of the five (5) Contract Year make-up period, to elect to apply any remaining Shortfall Adjustment in its entirety. If the Storage Deficiency Amount arising as a result of Weather Hours occurs in the last five (5) years of the Delivery Period, then unless Seller exercises its option to apply any remaining Shortfall Adjustment early, the Delivery Period shall be extended as necessary, for a period of up to six (6) months, to achieve a make-up period of five (5) Contract Years as described above.

Seller shall be entitled to sell, and GPA shall purchase, quantities of Stored Energy for which Shortfall Adjustments are paid hereunder, during any remaining Storage Measurement Period during the Delivery Period. During any Contract Year, all Renewable Energy delivered by Seller to GPA in excess of the Guaranteed Dispatch Rate shall be credited against makeup of any outstanding Storage Adjustment, with oldest Storage Adjustment made up first.

To the extent any Storage Adjustment is due to Excused Hours, Seller shall be excused from any liability with respect thereto.

D. Remedies. For Seller's failure to deliver Stored Energy as required hereunder, GPA's remedies shall be as set forth in part II.C above. For GPA's failure to purchase and receive Stored Energy as required hereunder, Seller shall in addition have all other remedies available at law or in equity.

E. Title and Risk of Loss. Seller shall be responsible for any costs or charges imposed on or associated with the Stored Energy or its delivery up to the Delivery Point. GPA shall be responsible for any costs or charges imposed on or associated with Stored Energy or its receipt at and from the Delivery Point. Title to and risk of loss of Stored Energy from the Facility delivered to the Delivery Point shall transfer to GPA at the Delivery Point. Seller warrants that it will deliver to Buyer Stored Energy free and clear of all liens, security interests, claims and encumbrances or any interest therein or thereto by any person arising prior to the Delivery Point.

III. Compensation for Storage Unit Operations

Compensation to Seller for the operation of the Storage Unit during the Delivery Period shall consist of an Annual Storage Payment as set forth in Appendix A. The Annual Storage Payment shall be paid in accordance with Sections 7.1, 7.2 and 7.5 of this Agreement.

The Annual Storage Payment shall only be subject to reduction or offset for, and GPA's sole remedy for Seller's failure to deliver Stored Energy and Seller's operation of the Storage Unit shall be, the application of any Shortfall Adjustment in accordance with Section II.C above.

Schedule C-1
Technical Specifications for Storage Unit

- Microgrid Capacity: 20MW PCS, 32.5MWh usable energy (Actual installed capacity shall be determined at later stage)
- The Microgrid will normally perform the ramp rate control as required, but if the Power Plant output exceeds 22.5MW, it will charge the excess amount into the Microgrid.
- The Microgrid will also force charge the Microgrid if the weather conditions are not sufficient enough to make the Power Plant to reach production amounts above 22.5MW to ensure that the Microgrid will discharge every year the agreed on discharge amount.

Schedule C-2
Operating Parameters for Storage Unit

- The output that the Facility delivers to the grid shall be limited to 22.5MWac throughout the Delivery Period.
- [Seller to provide additional Operating Parameters]

APPENDIX D

NOT USED

APPENDIX E

NOT USED

APPENDIX F-1

FORM OF LETTER OF CREDIT

(Provided is sample which may be replaced by Bank / Financial Institution Form)

(*Bank or Financial Institution*)

_____, 201__

Irrevocable Standby Letter of Credit No. ____

Beneficiary:
Guam Power Authority
P.O. Box 2977
Guam 96932-2977
Attn:
Applicant:

Dear _____:

We hereby establish for the account of (*Company Name*) ("Applicant") our irrevocable standby letter of credit in your favor for an amount of USD 4,000,000 (Four Million United States Dollars). Applicant has advised us that this letter of credit is issued in connection with the Renewable Energy Purchase Agreement, dated as of _____, 2012, by and between the Applicant, and Guam Power Authority (the "Beneficiary"). This letter of credit shall become effective immediately on the date hereof and shall expire on _____ [*the date that is XX days after the Effective Date of the PPA*] (such date, or such later date(s) as determined by Applicant in accordance with the next succeeding sentence, the "Expiration Date"). The Expiration Date can be extended on one or more occasions by written notice to us from the Applicant, provided that such written notice is received at least 10 days prior to the Expiration Date. This letter of credit is subject to the following:

1. Funds under this letter of credit shall be made available to Beneficiary against its draft drawn on us in the form of Annex 1 hereto, accompanied by (a) a certificate in the form of Annex 2 hereto, appropriately completed and signed by an authorized officer of Beneficiary, dated the date of presentation, and (b) the original of the letter of credit (the "Accompanying Documents") and presented at our office located at (*Bank/Financial Institution Address*) attention _____. (or at any other office which may be designated by us by written notice delivered to you). A presentation under this letter of credit may be made only on a day, and during hours, in which such office is open for business (a "Business Day"). If we receive your draft and the Accompanying Documents at such office on any Business Day, all in strict conformity with the terms and conditions of this letter of credit, we will honor the same by making payment in accordance with your payment instructions on the third succeeding Business Day after presentation.

2. This letter of credit shall terminate upon the earliest to occur of (i) our receipt of a notice in the form of Annex 3 hereto signed by an authorized officer of Beneficiary, accompanied by this letter of credit for cancellation, or (ii) our close of business at our aforesaid office on the Expiration Date, or if the Expiration Date is not a Business Day, then on the succeeding Business Day. This letter of credit shall be surrendered to us by you upon the earlier of presentation or expiration.

3. This letter of credit is issued and subject to the International Standby Practices 1998 (ISP98) International Chamber of Commerce Publication No. 590, and as to matters not addressed by ISP98, shall be governed by and construed in accordance with the laws of the State of New York and application of U.S. Federal Law.

4. This letter of credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Annexes 1, 2 and 3 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as otherwise provided in this paragraph 5.

5. Communications with respect to this letter of credit shall be in writing and shall be addressed to us at the address referred to in paragraph 1 above, and shall specifically refer to this letter of credit no. _____.

Very truly yours,

_____

Authorized signature
(*Bank or Financial Institution*)

EAST\151029886.4

ANNEX 1
TO LETTER OF CREDIT NO. _____

under LETTER OF CREDIT No. _____

To:
(*Bank or Financial Institution*)
(*Bank/Financial Institution Address*)
Attn: _____

[*Month, Day , Year*]

On Sight

Pay to Guam Power Authority U.S. $ _____ [not to exceed amount available to be drawn]

Wire to:
Bank's Name: Bank of Guam
Bank's Location: 111 Chalan Santo Papa St., Hagatna, Guam 96910
Bank's Mailing Address: P.O. Box BW, Hagatna, Guam 96932
Account Name: Guam Power Authority Revenue Fund Account
Acct. No.: (to be provided)
Routing No.: (to be provided)

For value received and charge to account of Letter of Credit No. _____ of (*Company Name*)

GUAM POWER AUTHORITY

By: _____

Name: _____

Title: _____

EAST\151029886.4

ANNEX 2
TO LETTER OF CREDIT NO. _____

Drawing under Letter of Credit No. _____

Date: _____

To:
(*Bank or Financial Institution*)
(*Bank/Financial Institution Address*)
Attn: _____

The undersigned, a duly authorized officer of the Guam Power Authority, ("Beneficiary"), hereby certifies on behalf of Beneficiary to (*Bank or Financial Institution*) and to (*Company Name*) (the "Applicant") with reference to irrevocable standby Letter of Credit No. _____ (the "Letter of Credit") issued for the account of (*Company Name*) ("Applicant"), that:

1) pursuant to the Renewable Energy Purchase Agreement, dated as of _____, 201__, by and between Applicant and Beneficiary and as of the date hereof Beneficiary is entitled to draw under the Letter of Credit;

2) by presenting this certificate and the accompanying sight draft, Beneficiary is requesting that payment in the amount of $_____, as specified on said draft, be made under the Letter of Credit by wire transfer or deposit of funds into the account specified on said draft; and

3) the amount specified on the sight draft accompanying this certificate does not exceed the remaining amount to which Beneficiary is entitled to draft under said Renewable Energy Purchase Agreement.

In witness whereof, Beneficiary has caused this certificate to be duly executed and delivered by its duly authorized officer as of the date and year written below.

Date: _____

GUAM POWER AUTHORITY

By: _____
Name: _____
Title: _____

EAST\151029886.4

ANNEX 3
TO LETTER OF CREDIT NO. _____

Notice of surrender of Letter of Credit No. _____

Date: _____

To:
(*Bank or Financial Institution*)
(*Bank/Financial Institution Address*)
Attn: _____

Re: Letter of Credit No. _____ issued for the account of (*Company Name*)

Ladies and Gentlemen:

We refer to your above-mentioned irrevocable standby Letter of Credit (the "Letter of Credit"). The undersigned hereby surrenders the Letter of Credit to you for cancellation as of the date hereof. No payment is demanded of you under this Letter of Credit in connection with this surrender.

Very truly yours,

GUAM POWER AUTHORITY

By: _____

Name: _____

Title: _____

EAST\151029886.4

APPENDIX F-2

To be provided

APPENDIX G

NOT USED

APPENDIX H

SCHEDULING AND COORDINATION PROCEDURES

The Parties acknowledge that as of the Effective Date GPA has not yet established protocols for scheduling (firm or intermittent) power to permit solar projects to participate in GPA's scheduling process. As soon as practicable, Seller and GPA shall establish such protocols by mutual agreement in writing. Seller shall use Commercially Reasonable Efforts to comply with all additional reasonable protocols issued by GPA relating to available resources during the Delivery Period, and GPA shall consult with Seller (and take into account and accommodate Seller's reasonable comments) in connection with the preparation of any such additional protocols. The foregoing shall be subject to Section 4.16 of this Agreement.

1.1 General

(a) Notices. Seller shall submit to GPA notices and updates required under this Agreement regarding the Project's status, including, but not limited to, outage requests, forced outages and forced outage reports. If a web based system is not available, Seller shall promptly submit such information to GPA (in order of preference) telephonically, by electronic mail, or facsimile transmission to the personnel designated to receive such information. **Need to include PSCC requirements for Hourly Reports, Daily Production Reports, etc.**

(b) GPA Settlements. GPA shall be responsible for all settlement functions within GPA related to the Project.

(c) Resource Data Template. Seller shall provide the data to the GPA that is required for GPA's resource data template (or successor data system) for the Project consistent with this Agreement. Neither Party shall change such data without the other Party's prior written consent.

(d) Annual Delivery Schedules. No later than forty-five (45) days before (A) the first day of the first Contract Year and (B) the beginning of each calendar year for every subsequent Contract Year during the Delivery Term, Seller shall provide a non-binding forecast of each month's average-day expected Actual Renewable Energy for the following calendar year.

(e) Monthly Delivery Schedules. Ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide a non-binding forecast of each day's average expected Actual Renewable Energy for the following month ("Monthly Delivery Forecast") .

(f) Daily Delivery Schedules. By 5:30 AM Guam Prevailing Time on the Business Day immediately preceding the date of delivery, Seller shall provide GPA with a non-binding forecast of the Project's available energy (a "Day-Ahead Forecast"). A Day-Ahead Forecast provided in a day prior to any non-Business Day(s) shall include Schedules for the immediate day, each succeeding non-Business Day and the next Business Day. Each Day-Ahead Forecast shall clearly identify, for each hour, Seller's estimate of the Project's available energy. Seller may not change such Schedule past the deadlines provided in this section except in the event of a Forced Outage or Schedule change imposed by GPA, in which case Seller shall promptly provide GPA with a copy of any and all updates to such Schedule indicating changes from the then-current Schedule. These notices and changes to the Schedules shall be sent to GPA's on-duty scheduling coordinator. If Seller fails to provide GPA with a Day-Ahead Forecast as required herein, then for such unscheduled delivery period

only GPA shall rely on the delivery Schedule provided in the Monthly Delivery Forecast or GPA's best estimate based on information reasonably available to GPA and Seller shall be liable for Scheduling and delivery based on such Monthly Delivery Forecast or GPA's best estimate.

(g) Hourly Delivery Schedules. Notwithstanding anything to the contrary herein, in the event Seller makes a change to its Schedule on the actual date of delivery for any reason, including Forced Outages (other than a scheduling change imposed by GPA), that results in a change to its deliveries (whether in part or in whole), Seller shall notify GPA immediately by calling GPA's on-duty scheduling coordinator. Seller shall notify GPA of Forced Outages in accordance with this Agreement. Seller shall keep GPA reasonably informed of any developments that are reasonably expected to affect either the duration of the outage or the availability of the Project during or after the end of the outage.

1.2 Dispatch Down/Curtailment.

(a) GPA shall have the right to order Seller to curtail deliveries of Renewable Energy from the Project to the Delivery Point pursuant to a Notice of a Dispatch Down as defined in Appendix K delivered to Seller, provided that the value attributable to any Renewable Energy [in an aggregated quantity of more than _2% of the Minimum Production for any Contract Year] which is not delivered during such curtailment periods, whether for transmission unavailability, operational dispatch or pre-set ramping parameters or otherwise, shall be reimbursed to Seller as provided below.

(b) GPA shall have the right to order Seller to curtail deliveries of Stored Energy from the Microgrid Unit to the Delivery Point pursuant to a Notice of a Dispatch Down as defined in Appendix K delivered to Seller, provided that GPA shall remain obligated to pay Seller the complete Annual Microgrid Payment without adjustment notwithstanding such curtailments, whether for transmission unavailability, operational dispatch or pre-set ramping parameters or otherwise.

(c) Seller shall have the right in its discretion to make up any curtailed quantities of Renewable Energy as a result of a Dispatch Down ("Dispatch Down Makeup Production"), for which it is not reimbursed pursuant to this Appendix H, in the first and any subsequent Contract Year in which at least the Minimum Production is delivered and to extend the Term to the extent necessary, but not to exceed six (6) months, to make up any curtailed quantities. The Contract Price for the Contract Year in which the make-up occurs shall apply to Dispatch Down Makeup Production up to the Minimum Production amount for the Contract Year in which the Dispatch Down originally occurred. For production quantities in excess of the Minimum Production for the Contract Year in which the Dispatch Down originally occurred, the price will be the lesser of the then current LEAC Rate or the Contract Price in the Contract Year in which the make-up occurs. Production in excess of Minimum Production for any Contract Year will first be applied to any previous years' Deficiency Amounts, then to Dispatch Down Makeup Production, then treated under this Agreement as production in excess of Minimum Production.

(d) GPA shall provide to Seller all technical information necessary to justify and support each Dispatch Down.

(e) GPA shall pay Seller, on the date payment would otherwise be due in respect of the month in which any such curtailment in excess of 2% of Minimum Production for such Contract Year occurred], an amount equal to the product of the Contract Price times the amount of Renewable Energy that Seller could reasonably have delivered to

GPA but for such curtailment ("Lost Revenue"). During the Contract Year-end annual true-up process, any payments made by GPA to the Seller for production (MWh) in excess of the Minimum Production for that Contract Year, whether such production results from actual generation surpluses or Lost Revenue, will be adjusted to reflect the lesser of the Contract Price for the then current Contract Year or then current LEAC Rate. For purposes of clarification, for any given Contract Year, GPA will not be required to pay the Contract Price on amounts of production beyond the Minimum Production if the Contract Price for that Contract Year is higher than the LEAC Rate for that Contract Year. Seller agrees to reduce the Project's Renewable Energy as set forth in such a Notice of Dispatch Down that meets the requirements set forth herein.

(f) For purposes of clarification, no curtailment by GPA, as a result of a warranted failure of or defect in the interconnection facilities transferred by Seller to GPA pursuant to the Interconnection Agreement, during the one-year warranty term thereof, shall count against the 2% curtailment threshold set forth above. During the one-year warranty term of the interconnection facilities transferred, any curtailment by GPA which results from such failure of or defect in the interconnection facilities transferred will not be eligible for reimbursement by GPA to Seller, Lost Revenue payments, or Dispatch Down Makeup Production in future Contract Years.

1.3 Outage Notification.

(a) Planned Outages. Seller shall schedule Planned Outages in accordance with Good Utility Practices and with the prior written consent of GPA, which consent may not be unreasonably withheld, conditioned or delayed. Nonetheless, the Parties acknowledge that in all circumstances, Good Utility Practices shall dictate when Planned Outages should occur. Seller shall notify GPA of Seller's proposed Planned Outage schedule for the Project for the following calendar year by submitting a written Planned Outage schedule no later than October 1st of each year during the Delivery Period. The Planned Outage schedule is subject to GPA's concurrence, which concurrence may not be unreasonably withheld, conditioned or delayed. GPA shall promptly respond with its approval or with reasonable modifications to the Planned Outage schedule and Seller shall use its Commercially Reasonable Efforts in accordance with Good Utility Practices to accommodate GPA's requested modifications. Notwithstanding the submission of the Planned Outage schedule described above, Seller shall also submit a completed form of outage notification to GPA no later than fourteen (14) days prior to each Planned Outage and reasonably appropriate outage information or requests to GPA. Seller shall contact GPA with any requested changes to the Planned Outage schedule if Seller believes the Project must be shut down to conduct maintenance that cannot be delayed until the next scheduled Planned Outage consistent with Good Utility Practices. Seller shall not change its Planned Outage schedule without GPA's concurrence, not to be unreasonably withheld, conditioned or delayed.

(b) Forced Outages. Within two hours of any Forced Outage Seller shall submit a completed form of outage notification to GPA in accordance with the instructions shown on the agreed form and shall submit outage information to GPA. Seller shall not substitute Renewable Energy from any other source for the output of the Project during a Forced Outage.

(c) Coordination with GPA. GPA shall cooperate with Seller in arranging and coordinating all Project outages.

1.4 Operations Logs and Access Rights.

(a) Operations Logs. Seller shall maintain a log of all material operations and maintenance information on a daily basis. Such log shall include, but not be limited to, information on power production, efficiency, availability, maintenance performed, outages, results of inspections, manufacturer recommended services, replacements, and control settings or adjustments of equipment and protective devices. Seller shall maintain this information for at least two (2) years and shall provide this information electronically to GPA within five days of GPA's request.

(b) Access Rights. GPA, its authorized agents, employees and inspectors shall have the right of ingress to and egress from the Project during normal business hours upon reasonable advance notice and for any purposes reasonably connected with this Agreement.

APPENDIX I

BASE CONDITIONS AND FACILITY TEST PROTOCOL

[Since this bid is opened to different renewable resources GPA is requiring bidders to provide their own test protocols for GPA's review and approval.]

APPENDIX J
INTERCONNECTION AGREEMENT
(TO BE PROVIDED UPON ITS EXECUTION)

APPENDIX K

ADDITIONAL TERMS REGARDING WEATHER HOURS AND DISPATCH DOWN

WEATHER HOURS

For each applicable period, Seller shall calculate (1) the expected production of the Facility using the historical Weather Data from "WeatherBank PGUM_2004-PRES_solar data" provided in bid Amendment 2 (the "Expected Historical Production") and (2) the expected production of the Facility using the actual Weather Data (the "Expected Actual Production"). Seller than then obtain the quotient, rounded to the fourth decimal place (the "Production Factor"), equal to the Expected Actual Production divided by the Expected Historical Production. If the Production Factor is greater than one (1), then no Weather Hours shall be deemed to have occurred. However, if the Production Factor is less than one (1), then Weather Hours shall be deemed to have occurred. The portion of any Deficiency Amount (as defined in the Agreement) attributable to such Weather Hours shall be the difference equal to (A) the aggregate Minimum Production amount for that period minus (B) the product of (x) the Production Factor and (y) the aggregate Minimum Production amount for that period. The Deficiency Amount due to weather shall not be penalized.

The Deficiency Amount due to weather shall be audited annually by an independent auditor to be selected and the cost shared by both Parties.

DISPATCH DOWN

Buyer shall pay Seller, on the date payment would otherwise be due in respect of the day in which any curtailment is initiated by GPA for reasons of Dispatch Down, an amount equal to the Contract Price times the amount of Renewable Energy that Seller could reasonably have delivered to Buyer but for such Dispatch Down. The determination of the curtailed amount associated with any Dispatch Down shall be calculated as follows:

1) Identification of weather conditions for the period of Dispatch Down
   For any period the Facility was Dispatched Down, Seller shall document the Weather Data associated therewith. ("Weather Data" means solar irradiation, wind speed, and ambient temperatures.)

2) Curtailed amount calculation
   a. Seller shall use PVSyst energy simulation software or other software as agreed by the Parties to generate hypothetical generation amounts for the Dispatch Down period (curtailed amount MWh) by utilizing the Weather Data.

   b. In addition to "Annual Facility Test" (as described in Section 4.9 of this Agreement), GPA shall be entitled to check the accuracy of the equipment associated with the Weather Data once in each Contract Year as agreed with Seller.

APPENDIX L

RESOLUTIONS OF CONSOLIDATED COMMITTEE ON UTILITIES

EAST\151029886.4

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

Issues for Decision

Resolution No. 2018-05:

AUTHORIZATION OF INCREASE OF ENGINEERING, PROCUREMENT, AND CONSTRUCTION MANAGEMENT CONTRACT AMOUNT

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

Stanley Consultants was contracted in March 2017 through GPA RFP-17-001 as the Engineering, Procurement and Construction Management (EPCM) Contractor for the New 120-180 MW Power Plant in March 2017. As the EPCM, Stanley is providing the technical and contractual support in the new IPP procurement development and will support procurement activities including contract negotiations. The increase in contract cost will cover services through September 2018.

Where is the location?

The new power plant proposed siting is adjacent to the Harmon Substation.

How much will it cost?

GPA is requesting a $650,000 increase for technical services to develop procurement documents and support procurement activities.

When will it be completed?

Additional costs are for services through September 2018. The contract has a term of 5 years from March 2017.

What is its funding source?

CIP Funds

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

RESOLUTION NO. 2018-05

RELATIVE TO AUTHORIZATION OF INCREASE FOR ENGINEERING, PROCUREMENT, AND CONSTRUCTION MANAGEMENT CONTRACT AMOUNT

WHEREAS, Stanley Consultants was selected through GPA RFP-17-001 as the Engineering, Procurement and Construction Management (EPCM) Contractor for the New 120-180 MW Power Plant in March 2017; and

WHEREAS, in October 2016 the PUC Docket 17-06 approved the initial funding of $750,000 for the procurement development of the new power plant from 2014 Bond Funds – LNG Startup Bond Project; and

WHEREAS, Stanley and its subcontractors have completed several tasks which include

- an initial kick off meeting on site to discuss new plant scope and contract options,
- draft bid documents and contracts including the Request for Qualifications and Technical Bid documents,
- continued technical discussions for IPP scope and support for current land rezoning efforts,
- scope development for geotechnical services; and

WHEREAS, additional funds are required to complete the bid documents to incorporate

- final land details including upcoming preliminary geotechnical studies and environmental and archaeological studies,
- incorporate additional LNG details to support secondary fuel infrastructure requirements for the fuel supply line and at the power generating facility,
- address regulatory requirements and conditions,
- support procurement activities including responses to bidder questions; and

RESOLUTION NO: 2018-05

WHEREAS, GPA estimate funding requirements through September 30, 2018 is an additional $650,000.

WHEREAS, GPA has an approved FY'2018 CIP budget of $800K for IPP Procurement/Construction Management (EPCM Scope); and

WHEREAS, GPA continues to work with Stanley to develop the additional funding requirements through contract award and for services as Owner's Engineer and construction management support activities during construction which will require PUC approval; and

WHEREAS, the increase contract cost exceeds the GPA General Manager's approval authority.

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, the GOVERNING BODY of the GUAM POWER AUTHORITY as FOLLOWS:

1. The CCU authorizes GPA to increase the Stanley EPCM contract by $650K for a contract total of $1.4M for consulting and technical services through September 2018.
2. The CCU authorizes the GPA General Manager to petition the PUC for approval to increase the Stanley EPCM contract by an additional $650K for a contract total of $1.4M for consulting and technical services through September 2018.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 27th DAY OF FEBRUARY 2018.

Certified by:

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

Attested by:

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

RESOLUTION NO: 2018-05

I, J. George Bamba, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows:

The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting of the members of 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: _____

GPA EPCM Budget Forecast R1

6-Feb-18

Actual Spend per Month	March	April	May	June	July	August	September	October	November	December	Total
SCI	$ 32,198	$ 49,812	$ 71,096	$ 33,341	$ 19,380	$ 24,995	$ 10,081	$ 21,988	$ 21,353	$ 19,867	**$ 304,111**
K&M	$ 42,495	$ 29,865	$ 23,730	$ 48,330	$ 12,375	$ 1,350	$ -	$ 2,445	$ 1,500	$ 1,350	**$ 163,440**
Pond	$ 8,093	$ 1,268	$ 6,820	$ 5,893	$ -	$ -	$ -	$ 1,950	$ -	$ 4,532	**$ 28,556**
EA	$ -	$ -	$ -	$ -	$ 380	$ -	$ -	$ -	$ 847	$ -	**$ 1,227**
RIM	$ -	$ -	$ 1,054	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 1,054**
GRT	$ 4,113	$ 3,372	$ 4,278	$ 3,648	$ 1,339	$ 1,098	$ 420	$ 1,099	$ 987	$ 1,073	**$ 21,427**
Expenses	$ 15,947	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 15,947**
Totals	**$ 102,846**	**$ 84,317**	**$ 106,978**	**$ 91,212**	**$ 33,473**	**$ 27,443**	**$ 10,501**	**$ 27,482**	**$ 24,688**	**$ 26,822**	**$ 535,761**

Average Spend Per month		Rate (avg.)	1 FTE	1.5 FTE	2 FTE
SCI	$ 30,411	$ 181.67	173	259.5	346
K&M	$ 16,344	$ 270.00			
Pond	$ 2,856	$ 258.97			
EA	$ 123				
RIM	$ 105				
GRT	$ 2,143				
Expenses	$ 1,595				
Totals	**$ 53,576**				

	2018												2019	
Forecast Spending	January	February	March	April	May	June	July	August	September	October	November	December	January	TOTALS
SCI	$ 30,411	$ 30,411	$ 31,428	$ 31,428	$ 30,411	$ 30,411	$ 30,411	$ 30,411	$ 62,857	$ 62,857	$ 62,857	$ 15,714	$ 15,714	**$ 465,323**
K&M	$ 1,750	$ 1,750	$ 46,710	$ 46,710	$ 16,344	$ 16,344	$ 16,344	$ 16,344	$ 46,710	$ 46,710	$ 46,710	$ 46,710	$ -	**$ 349,136**
Pond	$ -	$ 15,250	$ 9,333	$ 9,333	$ 2,856	$ 2,856	$ 2,856	$ 2,856	$ 22,400	$ 22,400	$ 22,400	$ -	$ -	**$ 112,540**
EA	$ -	$ -	$ 41,904	$ 53,588	$ 39,787	$ 39,787	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 175,067**
RIM	$ 1,000	$ 3,500	$ 3,500	$ 1,000	$ 105	$ 105	$ 105	$ 105	$ 105	$ 105	$ 1,000	$ 105	$ 105	**$ 10,843**
Expenses	$ -	$ -	$ 250	$ 9,000	$ -	$ -	$ -	$ -	$ -	$ 7,500	$ 7,500	$ 7,500	$ -	**$ 31,750**
GRT (4.166%)	$ 1,381	$ 2,121	$ 5,546	$ 6,293	$ 3,729	$ 3,729	$ 2,071	$ 2,071	$ 5,502	$ 5,815	$ 5,852	$ 2,917	$ 659	**$ 47,686**
Totals	**$ 34,543**	**$ 53,032**	**$ 138,672**	**$ 157,353**	**$ 93,232**	**$ 93,232**	**$ 51,787**	**$ 51,787**	**$ 137,575**	**$ 145,387**	**$ 146,319**	**$ 72,947**	**$ 16,479**	**$ 1,192,345**
Cumulative Totals			**$750K**					**$1.2M**						
SCI	$ 334,522	$ 364,933	$ 396,362	$ 427,790	$ 458,201	$ 488,612	$ 519,023	$ 549,434	$ 612,291	$ 675,148	$ 738,005	$ 753,719	$ 769,434	**$ 769,434**
K&M	$ 165,190	$ 166,940	$ 213,650	$ 260,360	$ 276,704	$ 293,048	$ 309,392	$ 325,736	$ 372,446	$ 419,156	$ 465,866	$ 512,576	$ 512,576	**$ 512,576**
Pond	$ 28,556	$ 43,806	$ 53,139	$ 62,472	$ 65,328	$ 68,183	$ 71,039	$ 73,894	$ 96,295	$ 118,695	$ 141,096	$ 141,096	$ 141,096	**$ 141,096**
EA	$ 1,227	$ 1,227	$ 43,131	$ 96,719	$ 136,507	$ 176,294	$ 176,294	$ 176,294	$ 176,294	$ 176,294	$ 176,294	$ 176,294	$ 176,294	**$ 176,294**
RIM	$ 2,054	$ 5,554	$ 9,054	$ 10,054	$ 10,159	$ 10,265	$ 10,370	$ 10,475	$ 10,581	$ 10,686	$ 11,686	$ 11,791	$ 11,897	**$ 11,897**
Expenses	$ 15,947	$ 15,947	$ 16,197	$ 25,197	$ 25,197	$ 25,197	$ 25,197	$ 25,197	$ 25,197	$ 32,697	$ 40,197	$ 47,697	$ 47,697	**$ 47,697**
GRT	$ 22,808	$ 24,929	$ 30,475	$ 36,768	$ 40,497	$ 44,226	$ 46,297	$ 48,368	$ 53,870	$ 59,685	$ 65,537	$ 68,454	$ 69,113	**$ 69,113**
Project Cumulative Totals	**$ 570,304**	**$ 623,336**	**$ 762,007**	**$ 919,361**	**$ 1,012,593**	**$ 1,105,825**	**$ 1,157,612**	**$ 1,209,399**	**$ 1,346,974**	**$ 1,492,361**	**$ 1,638,681**	**$ 1,711,628**	**$ 1,728,106**	**$ 1,728,106**

GRAND TOTAL
(current spend thru 12/17 + forecast)
$ 1,728,106

STANLEYCONSULTANTS, Inc
8000 South Chester Street ❯ Suite 500 ❯ Centennial, CO 80112
303.799.6806 ❯ stanleyconsultants.com

February 7, 2018

This scope of work is the basis for the budget forecast submitted to GPA on February 2, 2018.

Tranche 1 to $750,000

- **Support Land rezoning – schedule item MI3-1901**. This scope includes work by RiMS and Stanley in support of the property rezoning legislature effort and work by EA Engineering, Science and Technology to perform environmental property surveys and Archeology Inventory survey. January 1 through March 31.

- **Project Management activity PM000**. This scope of work includes support conference calls, coordinate response to GPA questions and requests, prepare meeting minutes, periodic reports, monthly reports and invoices, manage the internal team and subcontractors. Ongoing through March 31.

- **Incorporate comments for Integrated Power Producer (IPP) Issue for Bid (IFB) documents Package – schedule item MI3-1030**. Pond, Stanley Consultants and K&M Advisors will incorporate GPA comments and discussed changes into documents in preparation for CCU and PUC review and comments. CCU comments will be incorporated prior to submittal to PUC. February 5 through March 31.

- **Evaluate RFQ responses – schedule item MI3-1009**. Stanley Consultants and K&M Advisors personnel will support GPA in the evaluations of the submitted RFQ proposals and recommend the selection of the most qualified IPP proponents and document the reasons for disqualifications. This is planned to be a large effort as many responses are expected; several that may be outside the RFQ requirements. Evaluations to take place at GPA offices. March 23 to April 6.

Tranche 2 to $1,500,000

- **Support Land rezoning – schedule item MI3-1901**. This scope includes work by RiMS and Stanley in support of the property rezoning legislature effort. This also includes the remaining environmental survey work by EA Engineering, Science and Technology to perform property surveys and Archeology Inventory survey. April 1 through June 1.

- **Project Management activity PM000**. Support conference calls, coordinate response to GPA questions and requests, prepare meeting minutes, periodic reports, monthly reports and invoices, manage the internal team and subcontractors. Ongoing through January 31, 2019.



- **Respond to PUC questions about the IFB documents and process. Schedule item MI3-1036**. April 3 to April 23,

- **Incorporate Land information and PUC comments into the IFB documents. Schedule items MI3-1040 and MI31902**. Pond, Stanley Consultants and K&M Advisors will incorporate PUC comments and discussed changes into IFB documents in preparation for issuing for bid by GPA procurement. April 13 through May 18.

- **Support IPP IFB questions during bid process – Schedule item MI3-1052**. Stanley Consultants, Pond and K&M Advisors will support GPA in the response to bidder questions during the IFB proposal development period. Support GPA with preparation of addendums added during the proposal development period. May 15 to September 6.

- **Develop IPP IFB proposal review, evaluation, and recommendations. Schedule item MI3-1060**. Stanley Consultants, K&M Advisors and Pond will support GPA procurement and personnel in the review and evaluation of submitted IPP IFB proposals. This will include rankings and a recommendation for selection. Review and evaluation of proposals to take place at GPA offices. September 6 to November 1.

- **Provide procurement – negotiations support to GPA with the selected proponent to reach contractual agreement. Schedule item MI3-1070**. November 1 through January 31, 2019.

- **Respond to requests for information and questions from the CCU during the contract approval. Schedule item MI3-107**1. December 18 to January 3, 2019.

- **Respond to requests for information and questions from the PUC during the contract approval. Schedule item MI3-1073**. January 3 to January 31, 2019.

- **Support GPA in responding to questions and comments during the protest period.** December 18 to January 9, 2019

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

TO: **Consolidated Commission on Utilities**

FROM: **General Manager**

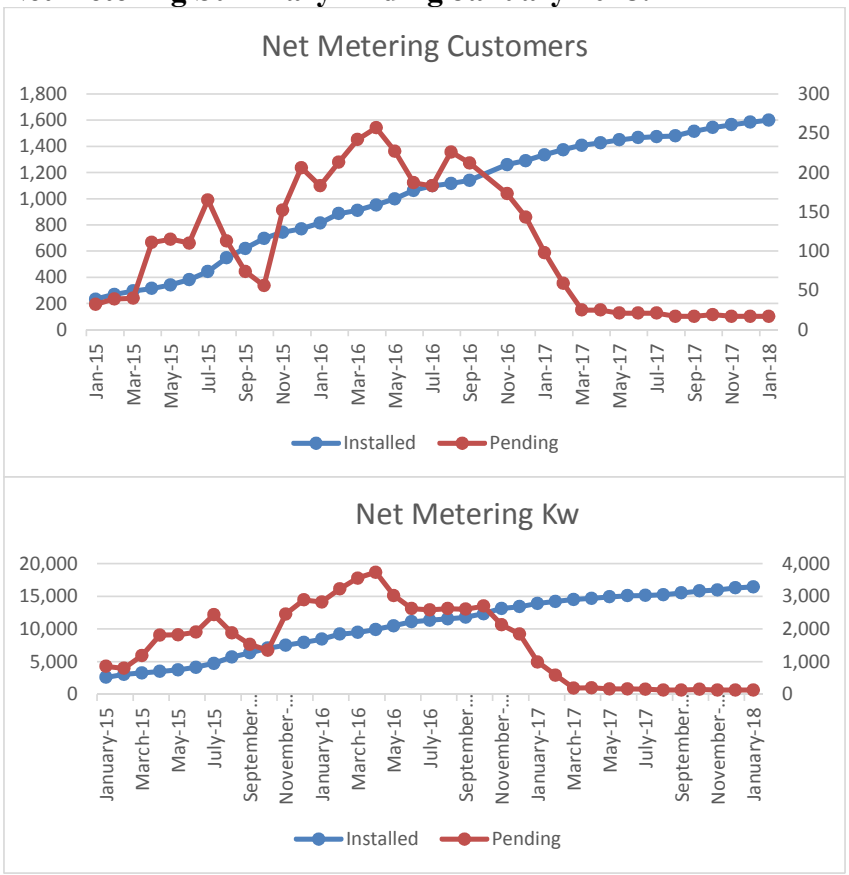
DATE: **February 22, 2018**

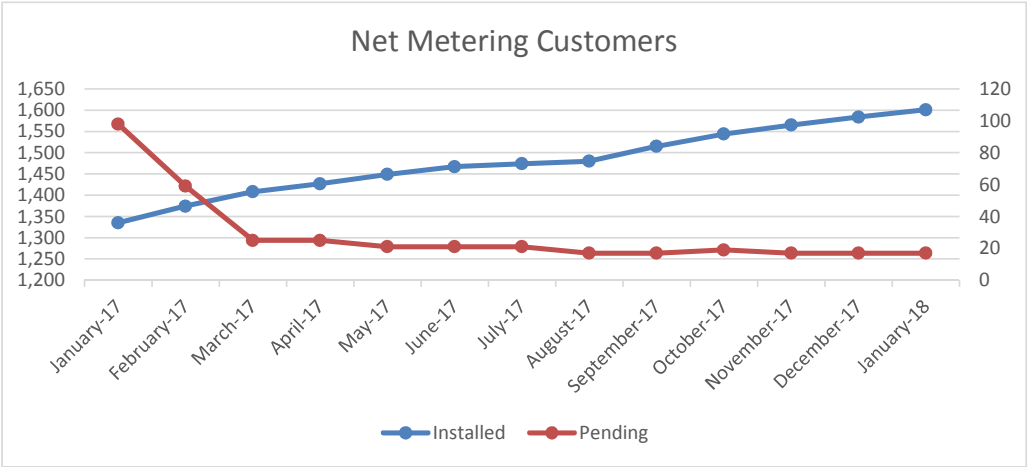
SUBJECT: **General Manager's Report**

1. **Generation System Update:** The following summarizes the expected generation capacity situation for March 2018. The peak demand for March is estimated at 248 MW. GPA plans to do chemical cleaning of both Cabras 1 & 2 steam units in March thru early April. The cleaning is necessary in order to improve plant availability and reliability.

March 2018 Capacity Available:	**332 MW**
March 2018 Projected Demand	**248 MW**
Available Reserve Margin	**84 M**

2. Net metering Summary Ending January 2018:





Description: Net Metering Ending January 2018	**Count**	**Kw**	
Active	**1,601**	**16,430**	
Pending	17	129	
Totals:	1,618	16,559	
Service:	**Count**	**KW**	**Kw/Customer**
Residential	1,519	13,689	9.0
Others	82	2,741	33.4
Total:	1,601	16,430	10.3
% Residential	**94.9%**	**83.3%**	
Estimated 12 Months Revenue Impact:	**$3,056,023**		

3. Renewable Energy Production Summary Thru January 2018:

Energy Production Source:	Kwh	Oil Barrels Avoided	Fuel Cost Avoided
NRG Total Production beginning Oct 2015	111,336,380	186,156	$10,238,598
Net Metering Estimated Production beginning Jan 2015	53,077,366	88,746	$4,881,045
Wind Power Production beginning Jan 2016	828,109	1,385	$76,154
Renewables Total:	**165,241,855**	**276,287**	**$15,195,797**

4. Demand Side Management (DSM) Program Expenses Thru January 2018:

All Expenses – Fiscal Year

Description	FY16	FY17	FY18 as of January '18	Total to Date
Regular/OT Pay	$11,348.80	$22,256.00	$4,690.09	$38,294.89
Other Contractual	$28,278.50	$73,010.05	$2,885.00	$104,173.55
Paid Rebates–Split AC	$154,700.00	$557,275.00	$367,200.00	$1,079,175.00
Paid Rebates–Central AC	$3,400.00	$8,200.00	$800.00	$12,400.00
Paid Rebates–Washer/Dryer	$2,800.00	$7,425.00	$1,800.00	$12,025.00
Total Expenses	200,527.30	$668,166.05	$377,375.09	$1,246,068.44

5. **Phase II Renewables:** The PUC is expected to deliberate the approval of the KEPCO-LG 60 MW Power Purchase Agreement at its February 22nd Meeting. The HANWHA 60 MW PPA contract is before the CCU for approval this month. If CCU approves, the PUC may approve the project in their March 2018 meeting.

6. **Phase III Renewables Bid**: The bid has been issued. The bid request is for about 40MW of solar PV renewables to be constructed on Navy leased land. The energy produced would be stored in batteries during the day and released at nighttime to meet peak time load. The bid price opening date for acceptable proposals is set for April 17, 2018.

7. **PUC Agenda for February 22, 2018:**
    - **GPA Docket 18-06, Petition to Approve Phase II Renewable Award to KEPCO-LG CNS Consortium**
    - **GPA Docket 18-07, Petition to Approve Piti Substation GIS Maintenance Award to AYM International**

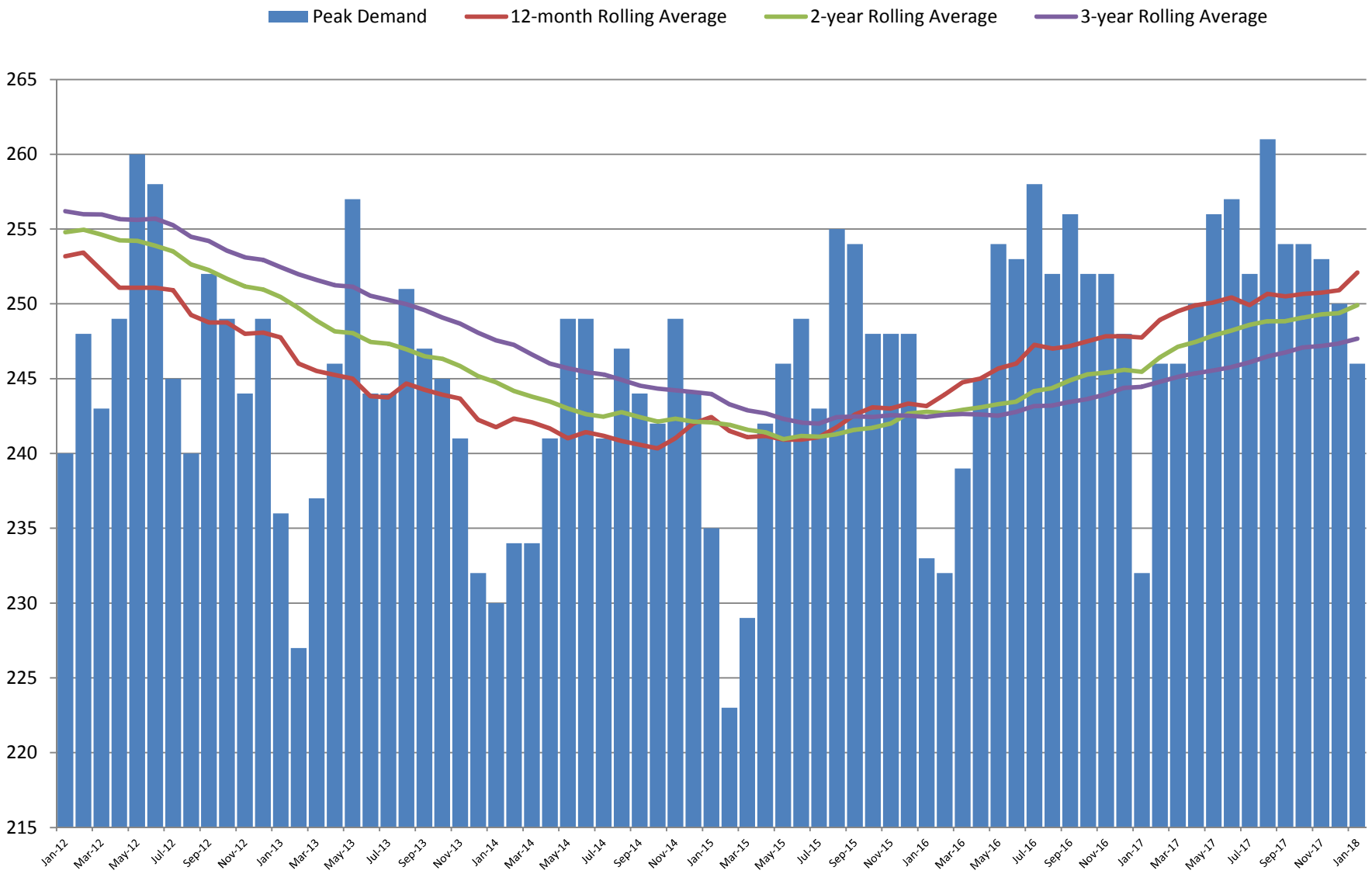
8. **New Power Plant Procurement:**
    - The rezoning effort for the land for the new power plant continues. Senator Ada held a public hearing on Bill-223-34 on February 9th. He has noted he will introduce the bill to be deliberated in the Legislature's February session.

9. **Employees Briefings:** We conducted employee briefings on February 19th and 20th. Twice a year we update our employees/team on the progress of the utility and where we are heading.

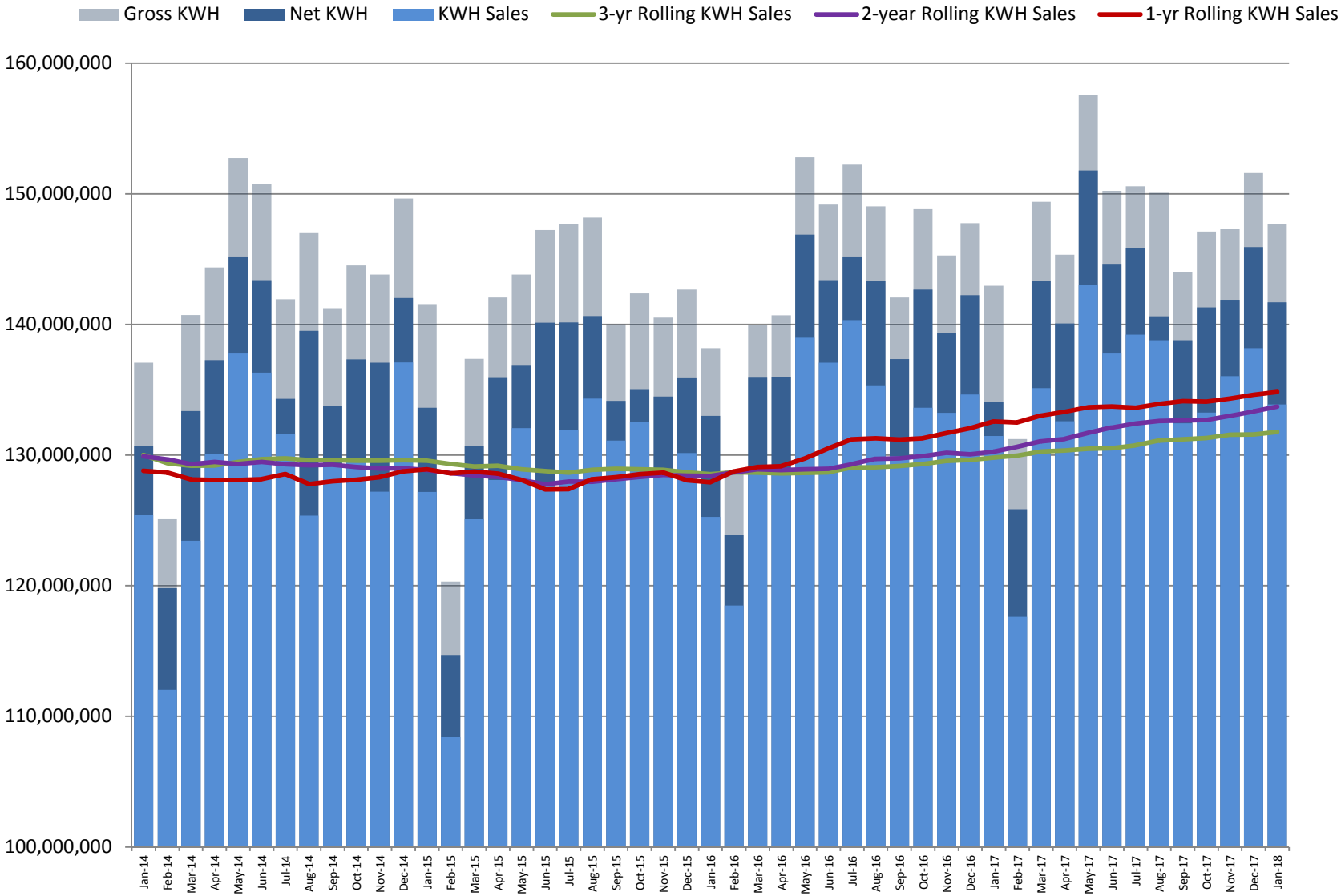
10. **Key Performance Indicators:** The following pages provide updated information thru January 2018.

John M. Benavente, P.E.

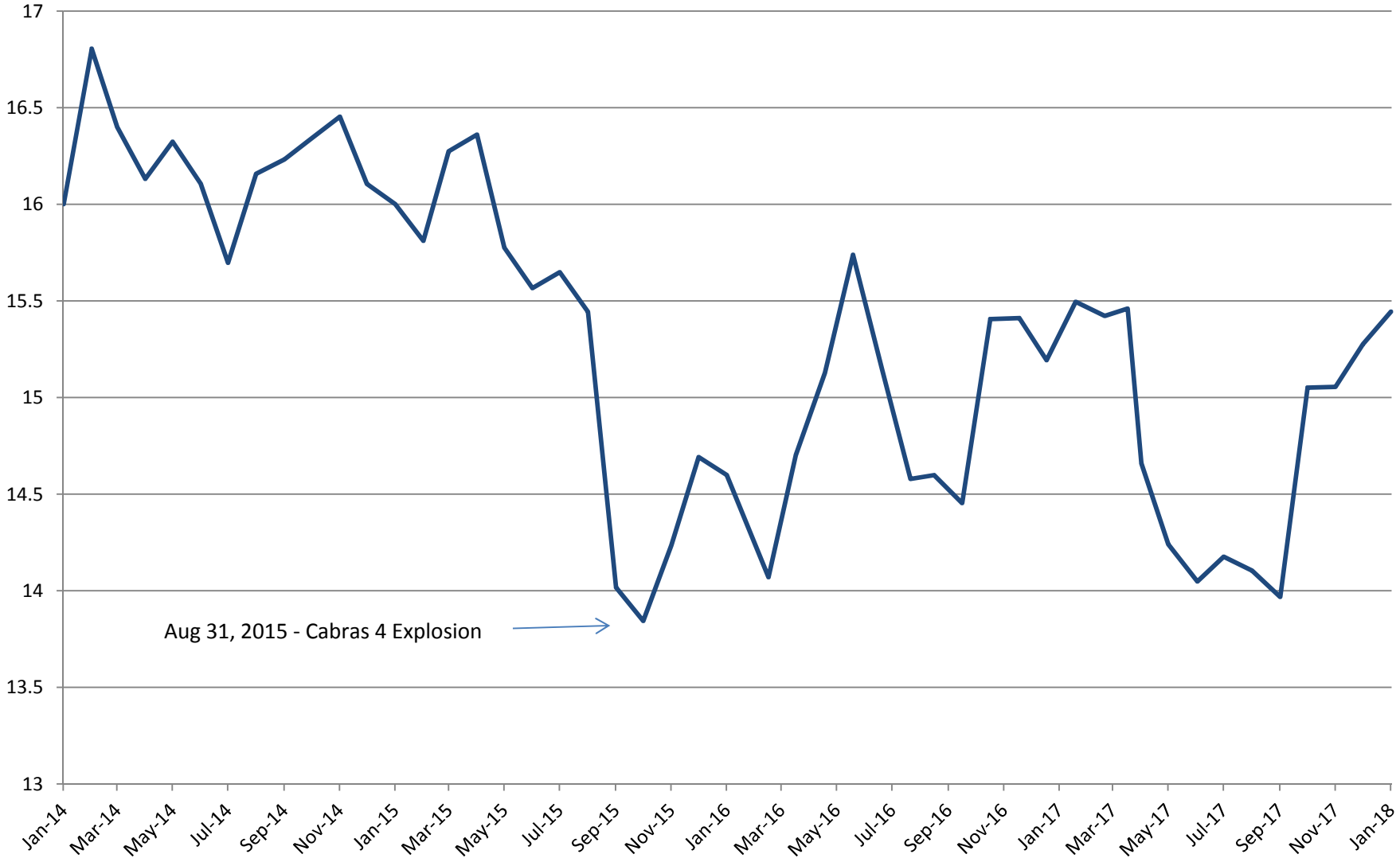
Historical Monthly Peak Demand
January 2012 - January 2018



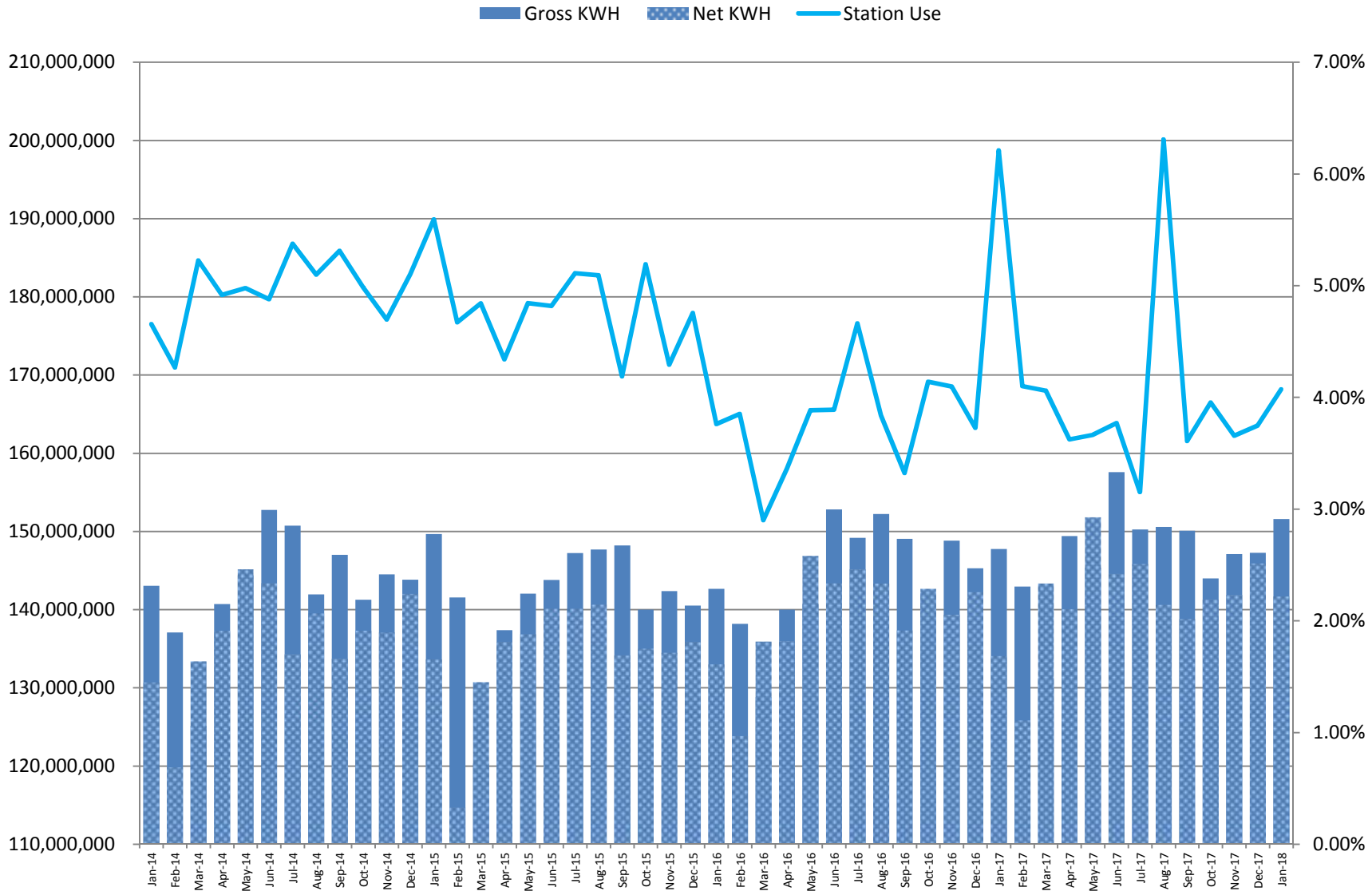
Historical KWH Sales
January 2014 - January 2018



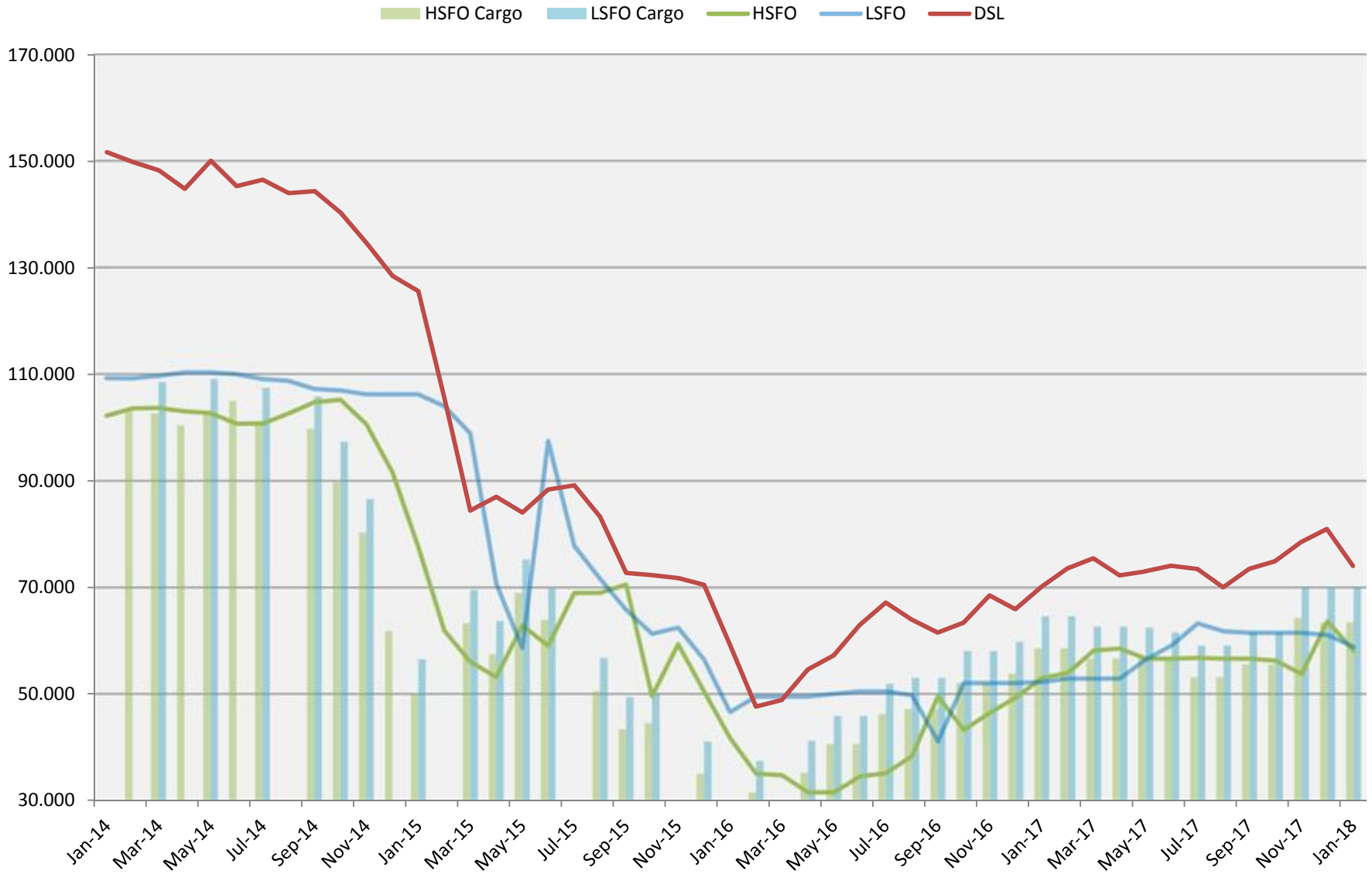
SYSTEM GROSS HEAT RATE
(KWH/Gal)
January 2014 - January 2017



Gross and Net Generation (KWH)
January 2014- January 2018



Fuel Cargo and Fuel Consumption Costs ($/bbl)
January 2014 - January 2018



Guam Power Authority

50th Anniversary

~Celebrating 50 Years Powering Our Island Community~

May 15, 2018

Communications-Public Information Office

Why Celebrate 50 Years?

- GPA should be eager to mark the accomplishments of the Authority and share the momentous occasion across our island community.

- GPA's anniversary campaign is planned to recognize all GPA operations, honor & thank current & past employees and leadership; show appreciation to employee's families, retirees; and thank leaders & the community.

- Goal: *To reflect on the history of GPA and its positive impact on the community; continue to promote GPA's mission and build goodwill.*

50th Anniversary Planning Committee

- **Planning Committee with Chair and Co-Chair**
- **Art Perez - Advisor**
- **Patti Diego - Advisor**

Suggested Events

1. Proclamation Signing
2. GPA Employee Breakfast Briefing(s)
3. '50 Days of GPA' – March 26 to May 15 **= 50 days**
4. GPA TimeLine Wall - featuring 50 Years/5 decades of GPA operations on Guam
5. Promotional items
6. Produce an air historical-testimonial video montage – to incorporate past (retired) and present employees, GPA leadership, GPA governance (board/CCU) members
7. GPA Time Capsule Event – to be opened in 2043 (25 years) or 2068 (50 Years)
8. Guam Museum – connection – (eg. Brass Plate from Tanguisson)
9. Family Picnic and/or Evening Banquet Event
10. GPA Executive Management/CCU Members – factual, inspirational quotes; color photos and text mounted on walls
11. Media Rounds
12. UOG/CIS Conference

Communications Objective and Logo





- Only adding an anniversary "element" to an existing GPA logo
- Draft a statement that summarizes the purpose behind the 50th anniversary celebration, which serve as its theme.

- A theme can be as simple as "50 Years of Innovation" or "50 Years of Powering Guam"

(Other/Relatable)

Suggested Events:

1. GPA can build its 2018 Liberation Day parade float to commemorate the 50th anniversary. Parts or segments can be preserved and re-used at the GovGuam Labor Day Picnic in September

2. For 2018 GovGuam Labor Day - on the GPA-side, re-purpose parts from Liberation Day Float in decorations

3. 2018 GPA/PPW – October – overlay GPA 50th anniversary history to call attention to GPA's 50-year celebration.

4. December 2018 – send 'thanks' for sharing in the celebration by producing a year-end greeting card with design sourced from 50-Year TimeLine Wall

5. GPA Semi-Centennial Garden of Fruit Trees at Fadian –to commemorate the GPA 50th Anniversary for years to come. This decoration will beautify the organization's headquarters while reminding visitors that the organization has a long, trusted history; incorporate Semi-Centennial Logo

Example: GPA TimeLine Wall

1. Showcase employees and events from over the 50 years GPA has existed

2. Share photos and stories from the past.

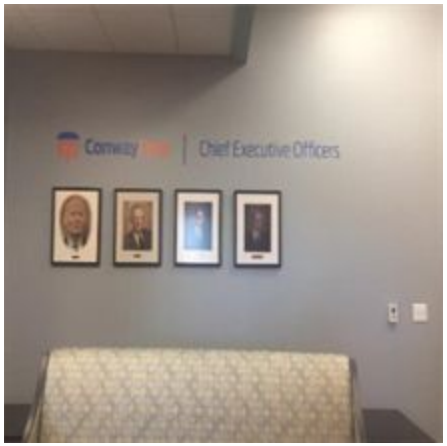
3. Constructed in panels / or phases – unveiling event(s) opportunities



Events: Inspirational Quotes

1. Design to match TimeLine Wall
2. Features: GPA Executive Management/CCU Members
3. Factual, inspirational quotes mounted on wall
4. Color photos
5. Text





‘Free’ Advertising/Publicity Opportunities:

1. Incorporate use of GPA ’50 Year’ logo on all official correspondence ‘tags’ in 2018
2. Celebrate 50 Years in monthly GPA Ratepayer newsletter
3. Celebrate 50 Years in internal GPA Employee newsletter
4. Additional ‘text’ on GPA Energy Statement
5. Visit to Radio Talk Show
6. Visit to Television Talk Show
7. Posting activities on all social media
8. GPA Employee Tshirts

Net Metering Stakeholder Discussions

Public Meeting Dates

- 2016 August 11
- 2016 September 7
- 2016 October 27
- 2017 February 28
- 2017 May 9
- 2018 February 1

2016 August 11

- GPA presented Black & Veatch's Report regarding NEM:
  - NEM Cross-subsidies by Non-NEM Customers
  - Proposed NEM Rates for NEM Energy into the Grid
  - Proposed NEM Rates for Grid Services
- CCU addressed Stakeholders for feedback and input
  - B&V Report is not CCU policy
  - CCU wishes to shape policy on thorough discussions with Stakeholders including GPA, Consultant, NEM System Customers and the Solar PV Industry inputs

2016 September 7

- GPA solicited inputs from the Stakeholder Community regarding B&V's NEM Report and B&V recommendations.
- Chairman Duenas remarked that all stakeholder and customer comments are well taken. The CCU welcomes feedback from the stakeholder community including data and comments about the B&V NEM Report. GPA has not decided on B&V's recommendations. Only after meaningful dialog with the Stakeholder community will the CCU decide on its recommendations regarding Net Metering Policy.
- Commissioner Bamba expressed his position as a renewable energy proponent and his personal research regarding what other markets are doing. Bamba stated that Guam is not only market struggling with ramifications of net metering. Furthermore, Bamba pointed out that when the sun goes down NEM customers still need to access GPA system unless they have their own battery storage units.
- Commissioner Sanchez declared that GPA is currently the largest supplier of renewable energy and the CCU/GPA are committed to renewable energy. Renewable energy stakeholders should hold these types of discussions on how to increase economically viable renewable energy while ensuring energy resiliency and power supply. The sun does not always shine, but customers demand that power be available when they want it and as much as they want it. The PUC envisioned that at the 1000 customer mark there would be enough information to start having meaningful conversations. Sanchez called for the renewables industry to help and provide feedback on costs and capabilities. Sanchez challenged the group to do what 36 other communities are doing – review the NEM policy as applied, see what we like, what we don't like and see if we can agree what changes we can agree to that benefit everyone.
- About 50-60 stakeholders and customers submitted written and oral testimony regarding potential changes to NEM program.

2016 September 7

- Stakeholder oral and written testimony largely expressed the following ideas on the Value of Solar (VOS). (Value of Solar) Excess Net Metered Energy saves the Authority on the following (NEM bears these costs):
  - Maintenance costs for generations, labor costs, poles, hardware e.g. lines, substations, transformers. No down time for generators (excess power reduces need to run generators);
  - Line loss reduction (serves nearby customers instead of through transmission lines, substations, transformers etc.);
  - Insurances costs;
  - Costs associated with fuel and fuel shipments; costs is levelized and constant;
  - Helps GPA reach its energy portfolio; reduces need for additional renewable projects;
  - Savings to environment; reduces carbon footprint, savings through efficiency.
- Bill Hagen's (Pacific Solar) submitted written testimony referring to the Minnesota Value of Solar breakdown:
  - Avoided Fuel Costs (purchase of fuel from polluting sources);
  - Avoided Plant O&M;
  - Avoided Plant Fixed;
  - Avoided Generations Capacity Costs (additional generation);
  - Avoided Reserve Capacity Costs;
  - Avoided Transmission/Distribution Costs;
  - Avoided Environment Costs.

2016 September 7

- MRE stated that less than 1% grid penetration was too early to modify GPA's NEM policy. Hawaii stopped NEM - and now, it is being revived – making modifications only after 20% penetration. Stakeholders stated that GPA should follow other jurisdictions and allow for between five to 21 percent penetration rate to gather more information on benefits and true costs.
- Stakeholders remarked that the B&V report was skewed to GPA. Various Stakeholders called for an industry report considering the Value of Solar (VOS). MRE's JV suggested that his company review the B&V report and perform their own VOS Study.
- Stakeholders remarked that NEM customers bear the following costs:
  - Investments in PV technology;
  - Finance costs;
  - Insurance costs;
  - Maintenance costs;
  - NEM customers do not get full retail; GPA charges full retail for NEM energy to other customers.
- Stakeholders posited that the NEM program promotes economic benefits:
  - Employment through PV companies
  - Direct Tax Revenues through jobs, fees, licenses, insurance, financing, services, sales etc.
  - Indirect benefits through purchase of goods and services, mortgages and investments into local communities.

2016 September 7

- Stakeholders suggested that GPA consider subsidies/incentives for home storage systems to help during peak hours.
- In aggregate, NEM customers cited that the B&V recommendations do not allow them to recoup their investment that they made in good faith. Stakeholder requested that a grandfather provision be made part of any future NEM policy. Customers also agreed that we should be fair to each of the constituencies represented at the roundtable discussion.

2016 October 27

- The emphasis at this meeting was focused, at the direction of Stakeholders, with interpretations on Guam Public Laws 27-132 and 30-141 regarding net metering:
  - PUC policy call relative to analysis of rate impact to GPA and non-NEM customers when the NEM program reaches 1000 NEM customers
  - A move to review the data and determine the lay of the land
- CCU committed to extending this discussion to continue as CCU and Stakeholders get better acquainted with the issues.
- A Stakeholder raised the issue of compensation being applicable to third-party solar lease providers to GPA customers. *(Graham was to research this issue as per CCU Chair)*

2017 February 28

- CCU continued the dialog between NEM stakeholders, CCU, and GPA. CCU invited Stakeholders to present at the next NEM Stakeholder Meeting.
- Stakeholders requested that existing NEM customers be grandfathered at the full-retail credit until they pay off their investments. Additionally, any reduction in the NEM credit should be phased in.
- Jeff Voacolo (JV) from MRE volunteered to present on Value of Solar at the next NEM Stakeholder Meeting.

2017 May 9

- At this meeting Jeff Voacolo (MRE) and Ben Norris (Clean Power Research) presented on MRE paying for and conducting a Guam-Specific Study for the Value of Solar. Jeff Voacolo (MRE) stated:
  - MRE paying for the study
  - This is a Guam-specific study for the value of solar
  - Hired Ben Norris (Clean Power Research)
  - Should take 60-90 days for report.
- Norris presented elements of the intent and methodology of his VOS study:
  - Value must distinguish between utility-avoided costs and societal benefits
  - Clean Power Research is neutral vis-à-vis net metering
  - Considers solar+energy storage
  - Input Data Request
    - Financial Data (WACC)
    - Hourly Loads
    - Hourly Marginal Costs
    - Heat Rates (Diesel Units Displaced by Solar)
    - Fuel Price Forecast
    - Hourly Solar Generation from Utility-Scale Plant
    - Hourly Solar Generation from “Many” Small, Distributed Resources (With No Net Metering)

2018 February 1

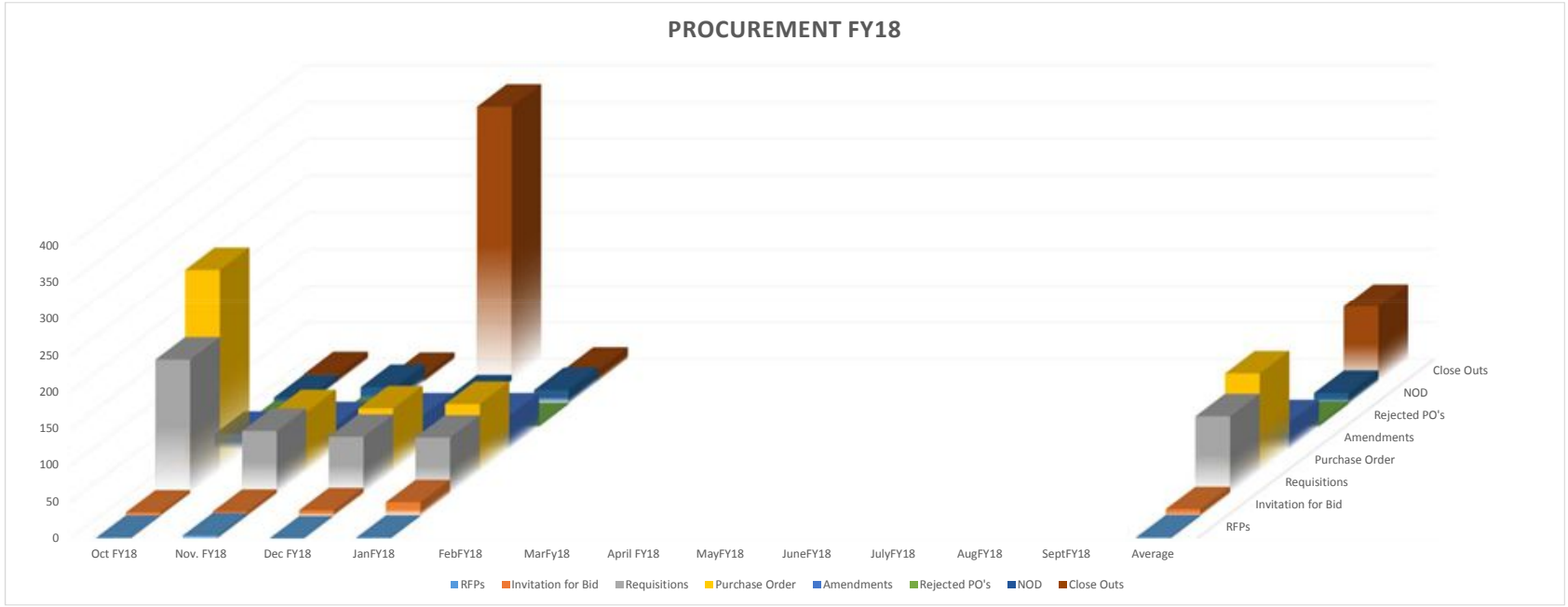
- At this meeting no Stakeholders showed up.
- The CCU Chairman related that MRE's JV could not provide his Value of Solar Study. Although JV had requested additional time, the CCU has provided more than adequate time.
- The Chairman reported: in the May 9, 2017 meeting, JV stated that it should take 60 to 90 days for his report to be completed. After some time, JV requested information from GPA.
  - GPA provided MRE's JV with the information requested initially and subsequently.
  - Both SPORD Manager and AGMETS had asked JV via email whether he had all the information he needed.
  - JV's response was that he had.
- Therefore, the CCU considers the matter closed. CCU required GPA to make recommendations regarding VOS and modifications to the NEM program.

NEM Stakeholder Meeting Attendance

Stakeholder	Organization	2016 August 11	2016 September 7	2016 October 27	2017 February 28	2017 May 9	2018 February 1
Mark Qunga	1st Green Protection Solutions						
Larry Ko	Ace Realty CO.	✓					
Selma Blas	Administrative Officer	✓			✓		✓
Angelica Perez	AM Insurance						
Tina Mafnas	Bureau of Statistics and. Plans		✓				
Patrick Keeler	Bureau of Statistics and. Plans		✓				
Simon A. Sanchez, II	CCU Board Member	✓	✓	✓	✓	✓	✓
Joey Duenas	CCU Chairman	✓	✓	✓	✓	✓	✓
George Bamba	CCU Secretary	✓	✓	✓	✓	✓	✓
Gary Leischner	Enable Energy, LLC	✓	✓		✓		
Kelon Jones	Enable Energy, LLC	✓					
Michael Diamond	Enable Energy, LLC	✓	✓	✓	✓	✓	
Morgan Hefler	Enable Energy, LLC	✓	✓	✓	✓	✓	
Princess Miranda	Enable Energy, LLC	✓			✓	✓	
John Cruz, Jr.	GPA AGMETS	✓	✓	✓	✓	✓	✓
Cora Montellano	GPA Assistant CFO	✓	✓	✓	✓	✓	✓
John J.E. Kim	GPA CFO	✓	✓	✓	✓	✓	✓
John M. Benavente, P.E.	GPA General Manager	✓	✓	✓	✓	✓	✓
D. Graham Botha	GPA Legal Counsel	✓	✓	✓	✓	✓	✓
Artemio S. Perez	GPA PIO - Communication Manager	✓	✓	✓	✓	✓	
Patti Diego	GPA PIO Program Coordinator III				✓		✓
Lynn Scott	Green Energy Solutions Inc. (GESI)	✓	✓				
Carl Leon Guerro	GTA Teleguam	✓					
John O'Connor	Guam Daily Post	✓					
Neil Pang	Guam Daily Post		✓				
Lorilee Crisostomo	Guam Energy Office				✓	✓	
James Thomas	Guam Energy Task Force		✓				
Debbie Staley	Harvest Christian Academy, NEM System Owner	✓					
Tricee Limtiaco	Initially Office of the Governor/ Now GPA AGMA	✓	✓		✓		✓

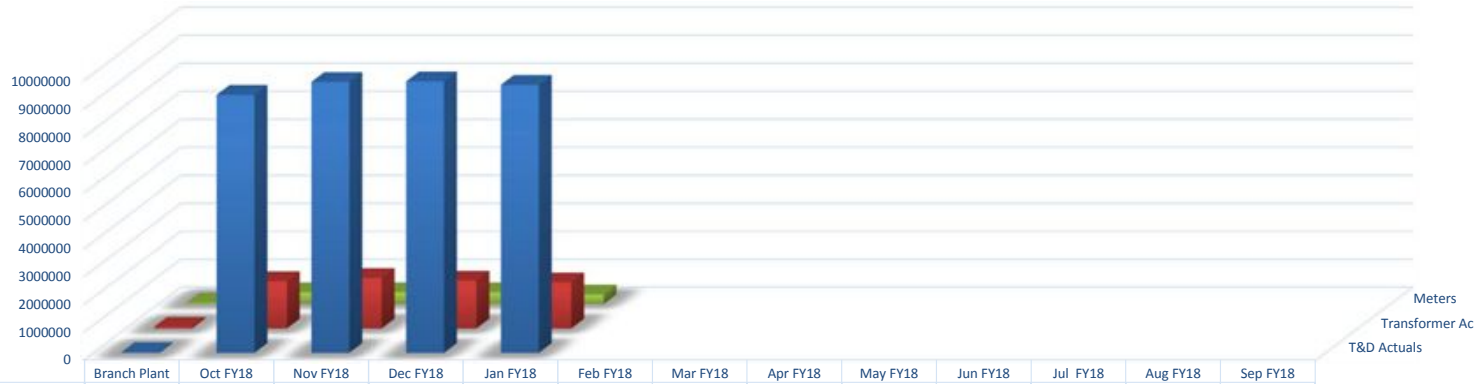
Stakeholder	Organization	2016 August 11	2016 September 7	2016 October 27	2017 February 28	2017 May 9	2018 February 1
Nestor Licanto	KUAM		✓				
Frank Pangelinan	Latte Stone Properties, LLC	✓					
Joe Rosario	Marianas Renewable Energy, Inc	✓	✓			✓	
Tracy Voacolo	Marianas Renewable Energy, Inc	✓				✓	
Chris Babasa	Marianas Renewable Energy, Inc		✓				
Dorothy Shultice	Marianas Renewable Energy, Inc					✓	
Camilo Lorenzo	Matson Navigation	✓					
Victoria Zialcita	NAVFAC Marianas	✓					
Amy Morgan	NEM System Owner	✓					
Anna Cepeda	NEM System Owner	✓					
David Cepeda	NEM System Owner	✓					
Enriko Horta	NEM System Owner	✓					
John Scott	NEM System Owner		✓	✓	✓		
Margaret Greenwood	NEM System Owner	✓					
Matt Lewis	NEM System Owner	✓					
Patricia Scott	NEM System Owner		✓	✓	✓		
Patricio Cortado	NEM System Owner	✓					
Patrick Finona	NEM System Owner	✓					
Paul Tobiason	NEM System Owner	✓	✓		✓	✓	
Roy G.Adkerson	NEM System Owner	✓					
Rudy San Agustin	NEM System Owner		✓	✓	✓		
Tony and Bernie Blas	NEM System Owner		✓				
Victor Huncho	NEM System Owner	✓					
Wayne Pritchard	NEM System Owner	✓					
William Weare	NEM System Owner	✓	✓				
William Clark	NEM System Owner	✓					
Grant Lewis	Pacific Renewable Energy Solutions		✓				
Molly Mack	Pacific Renewable Energy Solutions		✓				
Nestor Nimis	Pacific Renewable Energy Solutions		✓		✓		
Ram Tuazon	Pacific Renewable Energy Solutions		✓		✓		

NEM Stakeholder Meeting Attendance



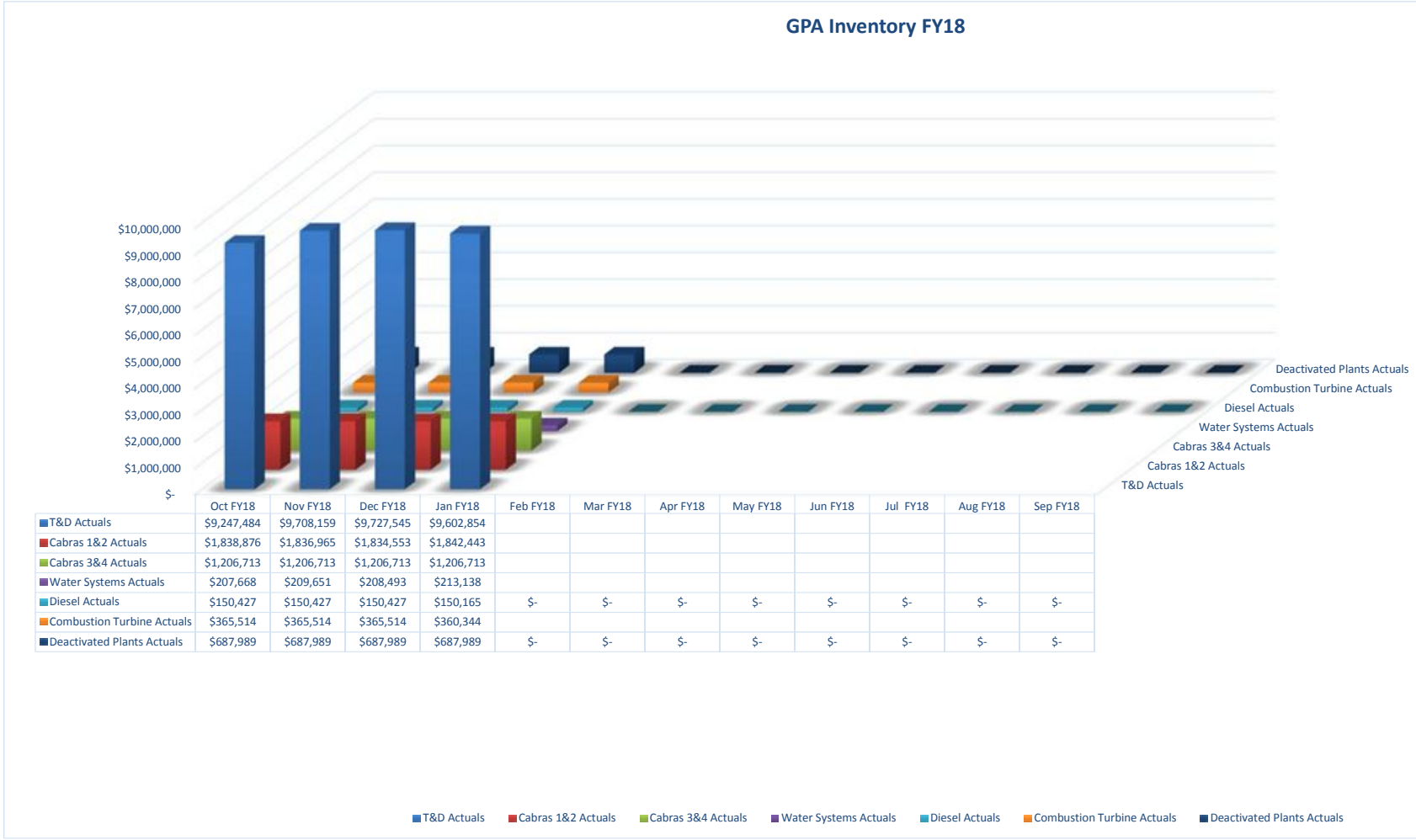
	Oct FY18	Nov. FY18	Dec FY18	JanFY18	FebFY18	MarFy18	April FY18	MayFY18	JuneFY18	JulyFY18	AugFY18	SeptFY18	Average
RFPs	1	4	0	1									1.5
Invitation for Bid	5	6	8	19									9.5
Requisitions	183	86	78	77									106
Purchase Order	275	81	86	92									133.5
Amendments	**21**	**34**	**46**	**46**									36.75
Rejected PO's	4	9	0	2									3.75
NOD	9	23	9	19									15
Close Outs	10	9	374	16									102.25

T&D Inventory Actuals FY18



	Branch Plant	Oct FY18	Nov FY18	Dec FY18	Jan FY18	Feb FY18	Mar FY18	Apr FY18	May FY18	Jun FY18	Jul FY18	Aug FY18	Sep FY18
T&D Actuals	32100	$9,247,484	$9,708,159	$9,727,545	$9,602,854								
Transformer Actuals	59900	$1,701,456	$1,817,711	$1,724,028	$1,664,121								
Meters	59100	$431,024	$431,024	$431,024	$345,888								

T&D Actuals Transformer Actuals Meters



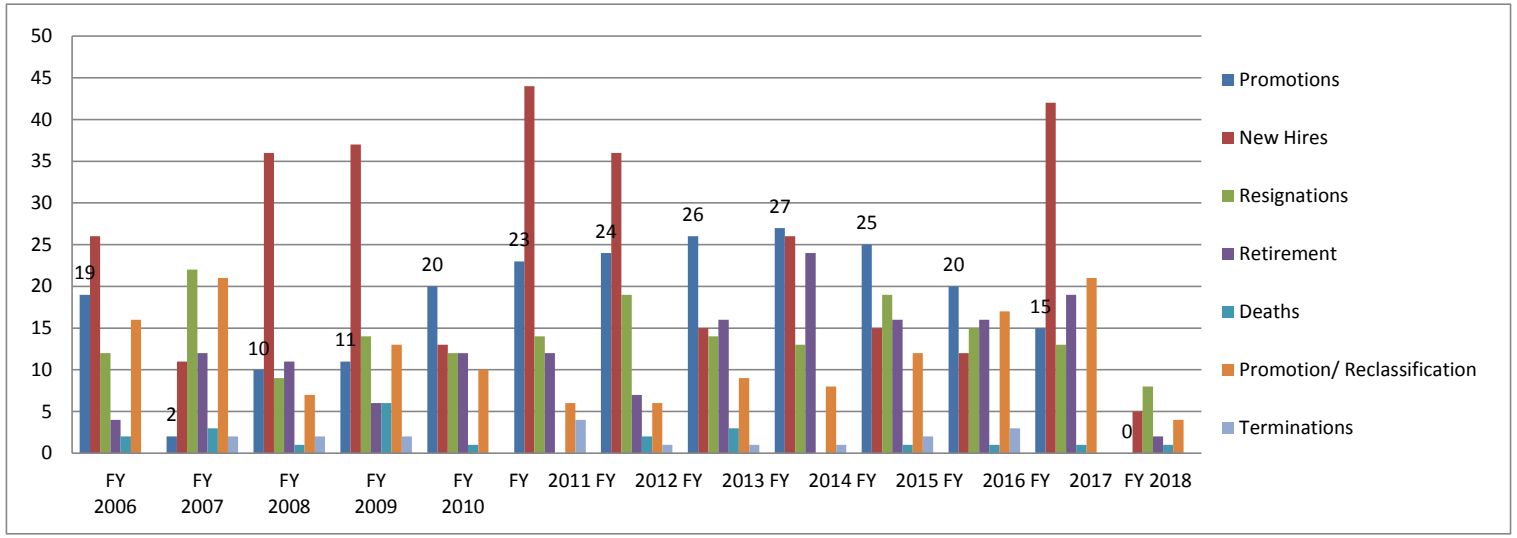
	Oct FY18	Nov FY18	Dec FY18	Jan FY18	Feb FY18	Mar FY18	Apr FY18	May FY18	Jun FY18	Jul FY18	Aug FY18	Sep FY18
T&D Actuals	$9,247,484	$9,708,159	$9,727,545	$9,602,854								
Cabras 1&2 Actuals	$1,838,876	$1,836,965	$1,834,553	$1,842,443								
Cabras 3&4 Actuals	$1,206,713	$1,206,713	$1,206,713	$1,206,713								
Water Systems Actuals	$207,668	$209,651	$208,493	$213,138								
Diesel Actuals	$150,427	$150,427	$150,427	$150,165	$-	$-	$-	$-	$-	$-	$-	$-
Combustion Turbine Actuals	$365,514	$365,514	$365,514	$360,344								
Deactivated Plants Actuals	$687,989	$687,989	$687,989	$687,989	$-	$-	$-	$-	$-	$-	$-	$-

RECRUITMENT ANALYSIS

Fiscal Year	Promotions	New Hires	Resignations	Retirement	Deaths	Promotion/ Reclassifi-cation	Termina-tions	Total Author-ized FTE	Attrition Rate	Total Filled FTE at end of Fiscal Year	Percentage of Filled FTE at end of Fiscal Year
2006	19	26	12	4	2	16	0	584	3.3%	536	91.8%
2007	2	11	22	12	3	21	2	584	7.2%	510	87.3%
2008	10	36	9	11	1	7	2	592	4.5%	525	88.7%
2009	11	37	14	6	6	13	2	592	5.3%	534	90.2%
2010	20	13	12	12	1	10	0	592	4.7%	522	88.2%
2011	23	44	14	12	0	6	4	592	5.7%	536	90.5%
2012	24	36	19	7	2	6	1	568	5.4%	543	95.6%
2013	26	15	14	16	3	9	1	568	6.3%	524	92.3%
2014	27	26	13	24	0	8	1	568	7.3%	512	90.1%
2015	25	15	19	16	1	12	2	539	7.4%	489	90.7%
2016	20	12	15	16	1	17	3	510	7.2%	466	91.4%
2017	15	42	13	19	1	21	0	510	7.1%	476	93.3%
2018	0	5	8	2	1	4	0	510	2.3%	470	92.2%

Recruitment Analysis (FY 2018) ..1 of 2

as of 01/31/18



	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Promotions	19	2	10	11	20	23	24	26	27	25	20	15	0
New Hires	26	11	36	37	13	44	36	15	26	15	12	42	5
Resignations	12	22	9	14	12	14	19	14	13	19	15	13	8
Retirement	4	12	11	6	12	12	7	16	24	16	16	19	2
Deaths	2	3	1	6	1	0	2	3	0	1	1	1	1
Promotion/ Reclassification	16	21	7	13	10	6	6	9	8	12	17	21	4
Terminations	0	2	2	2	0	4	1	1	1	2	3	0	0

TOTAL NO. OF EMPLOYEES	**536**	**510**	**525**	**534**	**522**	**536**	**543**	**524**	**512**	**489**	**466**	**476**	**470**

Recruitment Analysis (FY 2018) .. 2 of 2

as of 01/31/18

GUAM POWER AUTHORITY
HUMAN RESOURCES DIVISION
STAFFING REPORT (FY 2018)
AS OF January 31, 2018

DIVISION	B1 ACTIVE EMP	B2 LAST EMP	C PROMOTE /TRANS	D PROM. RECLASS	E NEW HIRES	F RESIGN/ TERM	G RETIRE	H CURR VAC	I LAST VAC	(B1+H=K) TOTAL STAFFING
INTERNAL AUDIT/REVENUE PROTECTION	2	3	0	0	0	1	0	2	1	4
BOARD(10200)	2	2	0	0	0	0	0	0	0	2
GENERAL MANAGER (CUS) [10100]	0	0	0	0	0	0	0	0	0	0
GENERAL MANAGER (20500)	4	4	0	0	0	0	0	0	0	4
PUBLIC INFORMATION OFFICE	2	2	0	0	0	0	0	0	0	2
ASSIST GM-ENG/TECH SVCS (30500)	1	1	0	0	0	0	0	0	0	1
ASSISTANT GENERAL MGR (30800)	1	1	0	0	0	0	0	1	1	2
ASSISTANT GENERAL MGR (AGMO) 50900	2	2	0	0	0	0	0	0	0	2
STRAT PLANN & OPTNS RESEARCH DIV	9	10	0	0	0	1	0	2	1	11
FACILITIES	9	9	0	0	0	0	0	0	0	9
HUMAN RESOURCES	10	10	0	0	0	0	0	0	0	10
CUSTOMER SERVICES	34	34	0	0	0	0	0	3	3	37
INFORMATION TECHNOLOGY	16	16	0	0	0	0	0	0	0	16
FINANCE	42	42	0	0	0	0	0	4	4	46
PROCUREMENT	21	21	0	0	0	0	0	1	1	22
TRANSPORTATION	9	9	0	0	0	0	0	2	2	11
SAFETY	6	6	0	0	0	0	0	1	1	7
PLANNING & REG	8	8	0	0	0	0	0	0	0	8
ENGINEERING	37	38	0	0	0	1	0	2	1	39
GENERATION	136	137	0	0	0	1	0	9	8	145
TRANSMISSION/DISTRIBUTION	97	97	0	0	0	0	0	10	10	107
POWER SYSTEM CONTROL CENTER	22	22	0	0	0	0	0	3	3	25
	470	474	0	0	0	4	0	40	36	510
JOBS/SCSEP/GETP PARTICIPANTS	1	1								1
WORK EXPERIENCE PROGRAM	1	0								
APPRENTICESHIP PROGRAM	0	0								0
SUMMER ENGINEERING INTERNS	0	0								0
TEMPORARY (P.L. 34-32)	1	1								1
GRAND TOTAL WORKFORCE:	473	476	0	0	0	4	0	40	36	512

FTE Count per FY18 FMP: 510

Current vacancies adjusted to reflect FTE of 510

** JOBS = Job Opportunities and Basic Skills (individuals under the Public Health assistance program)

** GETP = Guam Employment & Training Program (individuals under the Public Health assistance program)

** SCSEP = Senior Community Service Employment Program

** APPRENTICESHIP TRAINING PROGRAM - Generation, PSCC and T&D combined total

** JOBS/SCSEP/GETP and Apprentice program participants are not included in the total annual budgeted FTE (Full-Time Employee) count.

** P.L. 34-32 -Temporary employee(s)

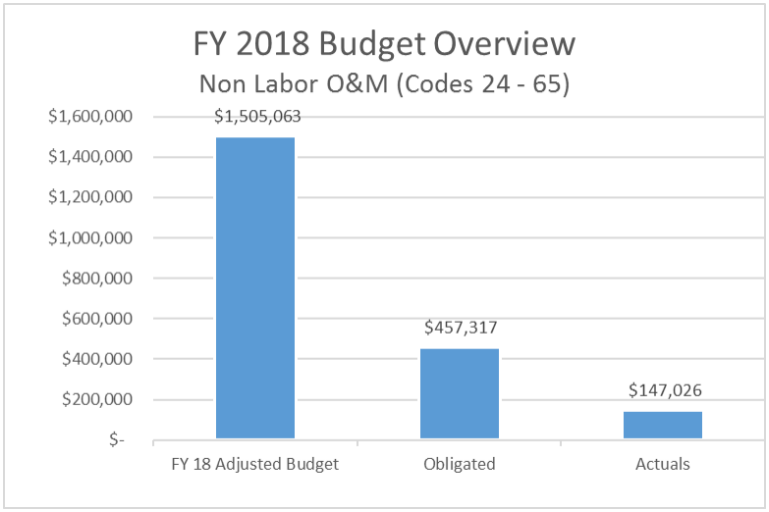
Staffing Report as of January 31, 2018 - PREPARED BY: J.Aguigui

SPORD CCU Report

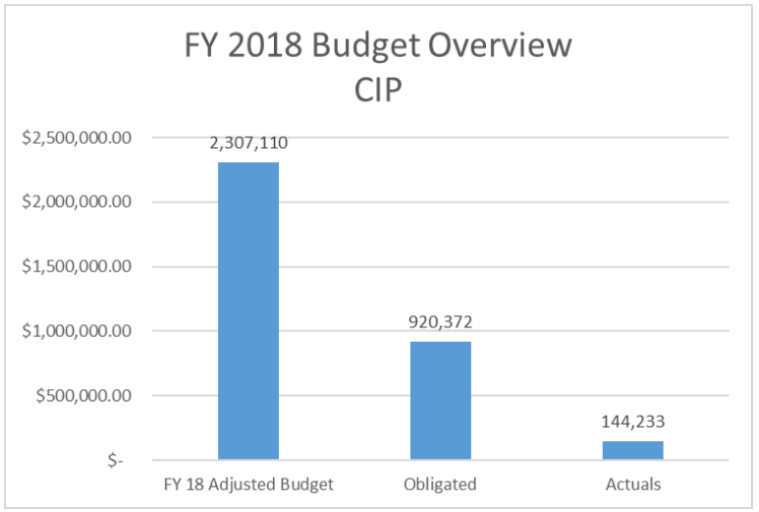
January 2018

SPORD FY 2018 Budget Status

- SPORD O&M:

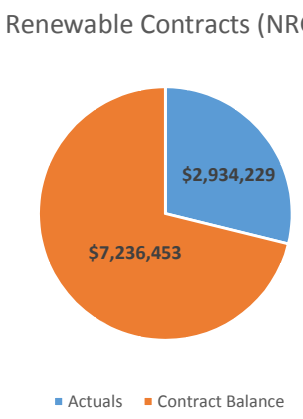


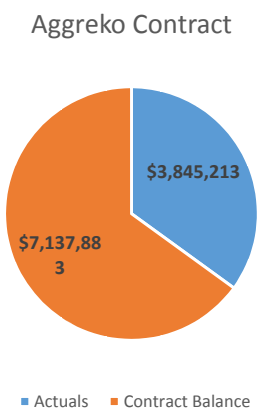
- CIP

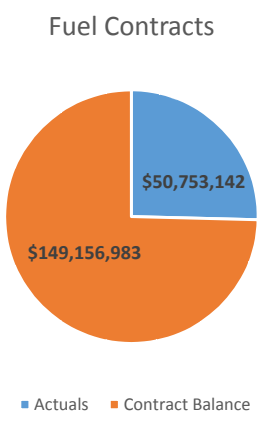


SPORD FY 2018 Budget Status

- Major Contracts (Non-O&M)



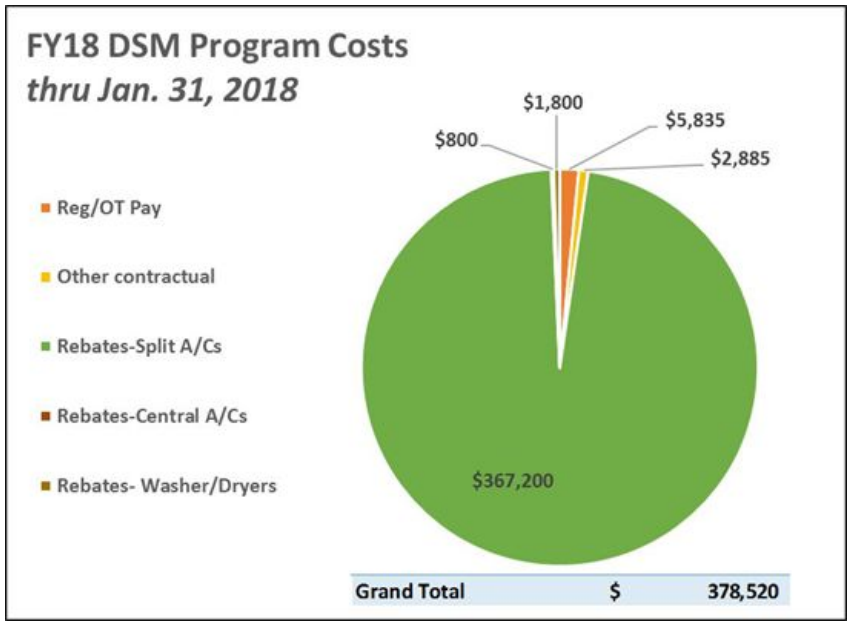


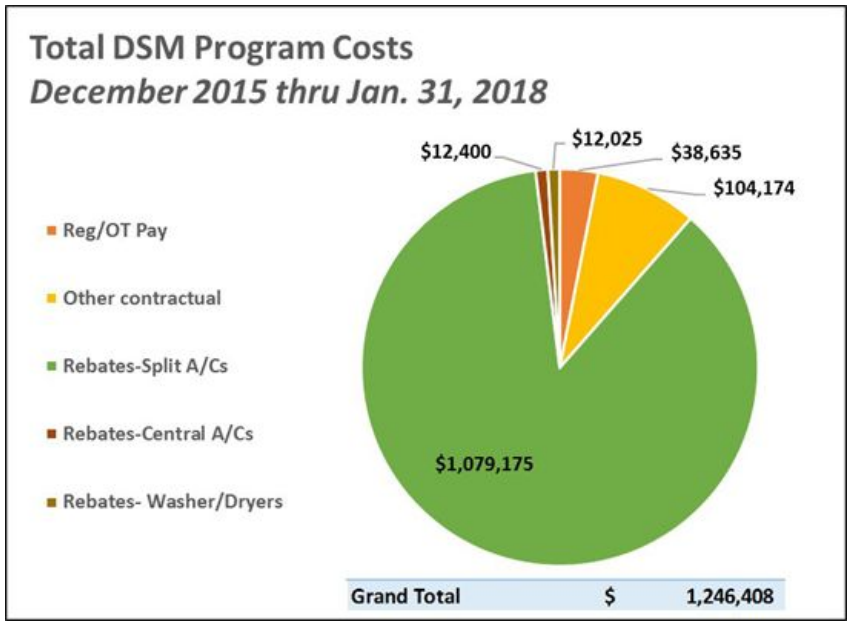


SPORD Manages $221,063,903 in Non-O&M Fuel and PPA Contracts

SPORD FY 2018 Budget Status

- DSM Expenses





DSM Requires a New Funding Source

FY16	FY17	Q1 FY18	FY18 Forecast	
			Low	High
$ 200,527.30	$ 668,166.05	$ 343,315.09	$ 1,373,260.36	$ 1,923,855.29

- DSM Running Total Estimates: $480,000 remaining balance
- Requesting $750,000 Additional Funding for FY 2018

- Low Forecast based on 4 X Q1 Expenses
- High Forecast assumes FY17 Quarter over Quarter Growth holds for FY 2018.

Ongoing Activities

- Contract Performance Management (IPP, PMC, Agrekko)
- Generation Fuel Supply & Fuel Farm Management
- DSM Rebate Processing
- Renewables (Wind Turbine Maint & DOAg MOA, NRG Invoicing, NRG ramping and technical issues)
- Smart Grid/Network Support
- Project Management (*See January Project Activities*)

Project Activities

No.	Project Description	January 2018 Activities	Status / Est. Completion
1	Energy Storage System (Phase I)	GPA reviewing 100% design. Clearing and Grading work commenced in November 2017 and is on-going. Construction is 17% completed.	August 2018
2	Renewable Energy Resource Phase II	KEPCO PPA approved by CCU(. GPA finalizing negotations with Hanwha.	~ Dec 2019 2 years after contract signing (Commerical Operation)
3	New Power Plant Bid (EPCM)	Request for Qualification announced on January 16, 2018. Proposals due on March 22, 2018. Technical specification are being reviewed and updated based on discussions on the	Jan 2018 (Issue RFP Step 1 Solicitation)
4	DSM Marketing	DSM Marketing continues. Initiated work with Adztech/Jay Merril on DSM Survey, scheduling initial survey activities in February.	Continuous
5	DSM Rebate Program	Processed over 140 equipment in applications for rebates totaling ~ $31K	Continuous
6	Wireless Network Expansion	Commenced Southern Expansion in collaboration with GWA: 30% Assessment of GWA Well Locations: Completed Assessment of Existing Tropos Units: 20%	To be Updated Completed Continuous
7	Performance Metrics Automation Project	Presentation on iDashboard provided to GM. GPA contiues to work with consultant on automating reports and formating.	Mar-18
8	Electric Grid Analysis Software	Additional training for users	Mar 2018
9	Services to Develop Business Performance Indices using iDashboards	Dashboard builds 95%	Dec 2017
10	Supervisory Control and Data Acquisition (SCADA) System	Change Order Approved for October 2018 Completion and hardware costs	Oct 2018

Project Activities

No.	Project Description	January 2018 Activities	Status / Est. Completion
11	Mobile Workforce Management System	Bid Evaluation Ongoing	Feb 2018 (Bid Award)
12	Consulting Services for Smart Grid Analytics Enabled Distribution System Planning, Technical, and Economic Feasibility Studies	RFP evaluation completed for sole bidder. Bidder did not qualifiy. Committee recommendation to rebid.	Feb 2018 (Rebid)
13	TEMES Piti # 7 ECA Expiration & Transition to GPA	Transition completed. Pending Technical Assessment report from LEIDOS.	Transisition Completion Date: Nov 2017
14	MEC Piti &8 and #9 - ECA Expiration	ESA & Technical Assessment pending completion of discussions with LEIDOS/BWSC. Bid Document Preparation for New IPP Procurement. Data Compilation in Progress.	Jan 2018 (Bid Docs) Mar/Apr 2018 (ESA &Tech Assessment Report)
15	Planning Software Upgrades & Training (Capacity Expansion/ Portfolio Optimization / Stochastics)	Training of 2 SPORD Engineers for PO use commenced 10/3/2017. Upcoming task: Configuration and management of database, training for - SPORD - PSCC	Start Date: Oct 2017 Completion Date: Sept 2018
16	Generation Software (GADS open software)	Installation at Generation Division completed. Database configuration in progress. Training completed on Nov. 15, 2017.	Nov 2017
17	IFB for ULSD Supply for Baseloads and Peaking Units	Solicitation in progress	Start Date: Nov 2017 Est. completion: FY2018
18	Contract for Lease of Bulk ULSD Storage	196KB continues ongoing repairs for availability in Feb 2018. GPA is leasing alternate tanks in the interim.	Early 2018 (Tank Available)
19	EV Infrastructure	Developing fast charge station scope for Mangilao offices.	Sept 2018

Project Activities

No.	Project Description	January 2018 Activities	Status / Est. Completion
20	Consulting Support, new procurements for Piti 7,8,9	Data compilation and bid document preparation (GPA side) in progress. Awaiting LEIDOS recommendations and draft.	Start: October 2017, Announce in Jan/Feb 2018 Completion: August 2018
21	Fuel Conversion Plan	Initial discussion commenced, detailed discussions in November after submission of Assessment Report. Data Requests being addressed.	Start: October 2017 Completion: June 2018
22	Fuel Bulk Storage Facility Assessment	Consultant Site Visits for ESA and Technical Inspeciton completed. Reports due January 2018.	Start: Sept 2017 End: January 2018
23	Design and Engineering Consulting for Remote Start of GPA Plants	Engineering Project Management team reviewed scope. Dratt of assessment and implementation plan completed.	August 2018
24	Renewable Energy Resource Phase III	Completed pre-bid conference and site visits January 23-24 2018.	(Mar 2018) Tech Proposal Due
25	Utility Energy Services Contract (UESC)	Kicked off discussions with UOG, Guam Energy Office, Dept. of Navy, and GPA team on project development and opportunities. Discusssed DSM Model House. UOG Campus Assessment, Discussion on Solar Rooftop on DOE campuses.	
26	IFB for ULSD Supply & Delivery Services for GPA Plants	Restructuring of Bid Package for Re-Solicitation in progress	Start: Feb 2018 Completion: FY2019 Contract Start: Jan 01, 2019
27	IFB for RFO Supply to Baseload Plants	Solicitation in progress	Start: November 2017 Est. Completion: FY2018 Contract Start: TBD
28	IFB for Petroleum Inspection Services	Solicitation in progress	Start: November 2017 Est. Completion: FY2018 Contract Start: Jun 01, 2018
29	RFO Storage Lease	Lease extension approved by CCU. For PUC review and approval	Start: November 2017 Est. Completion: Mar 2018 Contract Start: Aug 1, 2018

Planned Procurements

- Piti #7 Additional Procurements
  - Pending Technical Assessment of plant potential procurements may include Maintenance Services Contract or a Re-capitalization Contract.
- Piti #8 and #9
  - Developing solicitation for re-capitalization contract after expiration of ECA in Jan 2019.
- IPP Contracts for up to 180 MW Generation Resources
  - Technical Documents being drafted..
- ULSD Supply & Delivery to Baseload and Peaking Units
  - Solicitation in progress

Planned Procurements

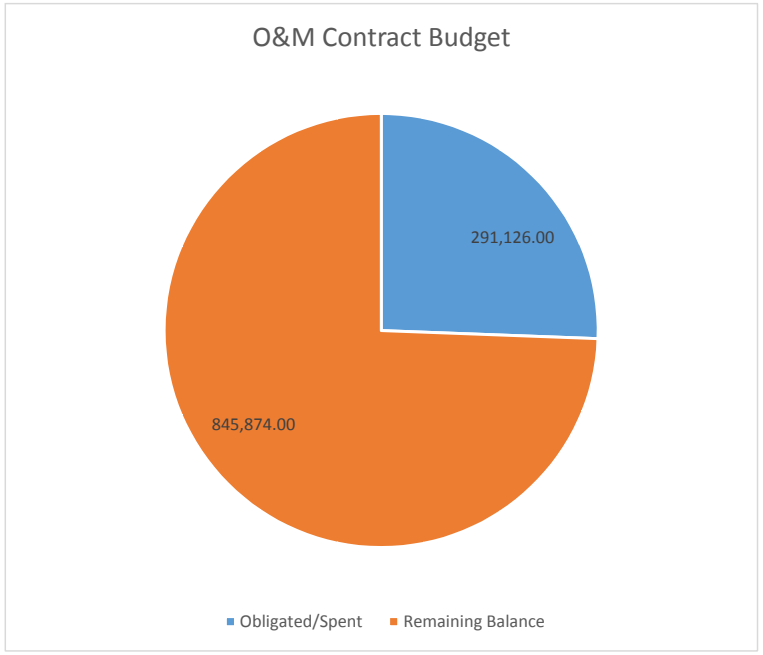
- MV90 Integration and Training Services
  - Bid announced January 2018
- Engineering Analysis Trainings Services
  - Processing Documents through PMM to be solicited in February 2018

Planning & Regulatory CCU Report

January 31, 2018

Planning & Regulatory O&M Contract Budget

- Revenue Funded
- Target
  - 7.41% O&M Obligated by November 16, 2017
  - 19.28 O&M Obligated as of Nov. 30, 2017 (actual)
  - 19.36 O&M Obligated as of Dec. 31, 2017 (actual)
  - 25.60 O&M Obligated as of Jan. 31, 2018 (actual)
  - 30.09% O&M Obligation by February 28, 2018



2

P&R Weekly & Monthly Inspection Reports

- Best Management Practices (BMP) Report Summary [Weekly]
- Generation Spill Prevention, Control, and Countermeasures (SPCC) Report Summary [Monthly]
- T&D Spill Prevention, Control, and Countermeasures (SPCC) Report Summary [Monthly]

- GPA is responsible to employees, the island environment, and the community to take all reasonable steps necessary to prevent spills from its facilities in order to protect human health and the environment

P&R Inspection Report Purpose

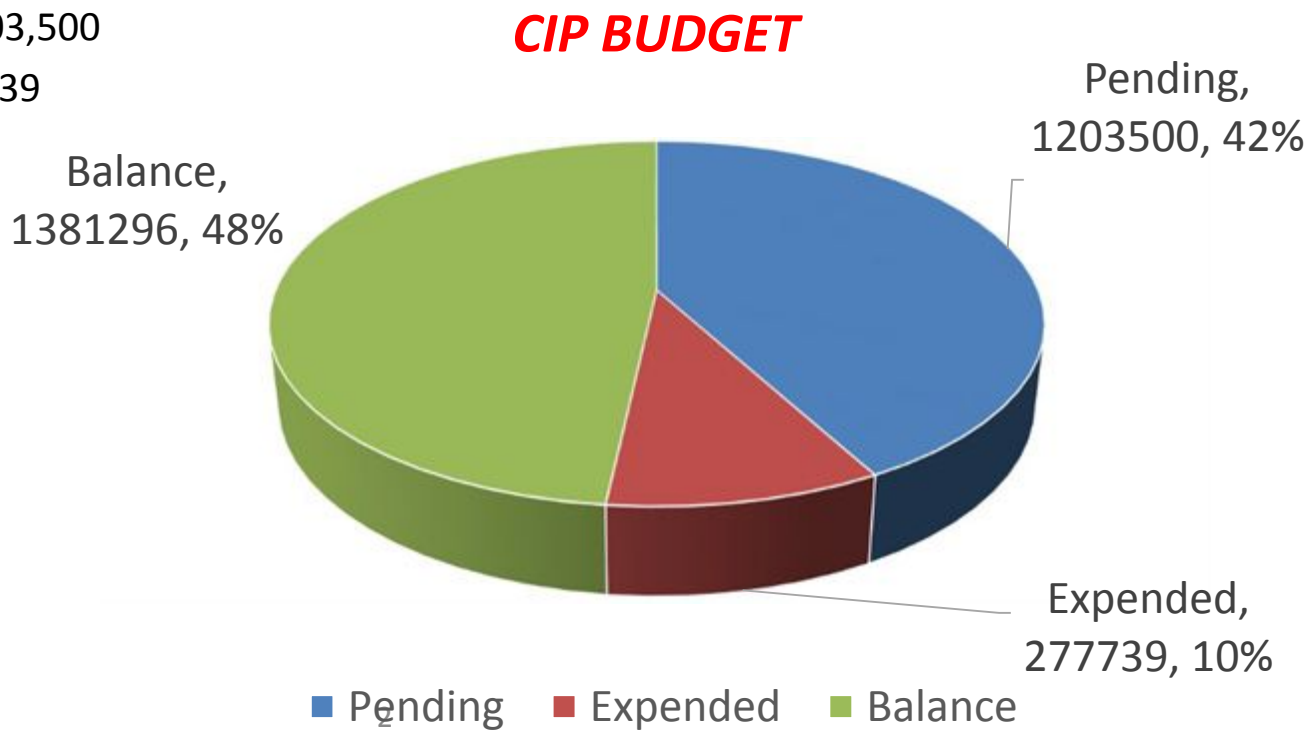
- The purpose of these inspections is to catch discrepancies and violations internally and correct them before inspections by Guam EPA and US EPA
- Regulatory Agencies can conduct scheduled or un-scheduled (surprise) inspections any time
- Any major discrepancies or violations cited can lead to issuance of a Notice of Violation (NOV), possible fines, and/or other enforcement action
- P&R conducts routine SPCC inspections in compliance with the requirements of 40CFR 112.7(a)(3)(ii), Discharge Prevention Measures

IT Budget
Execution Performance

January 31, 2018

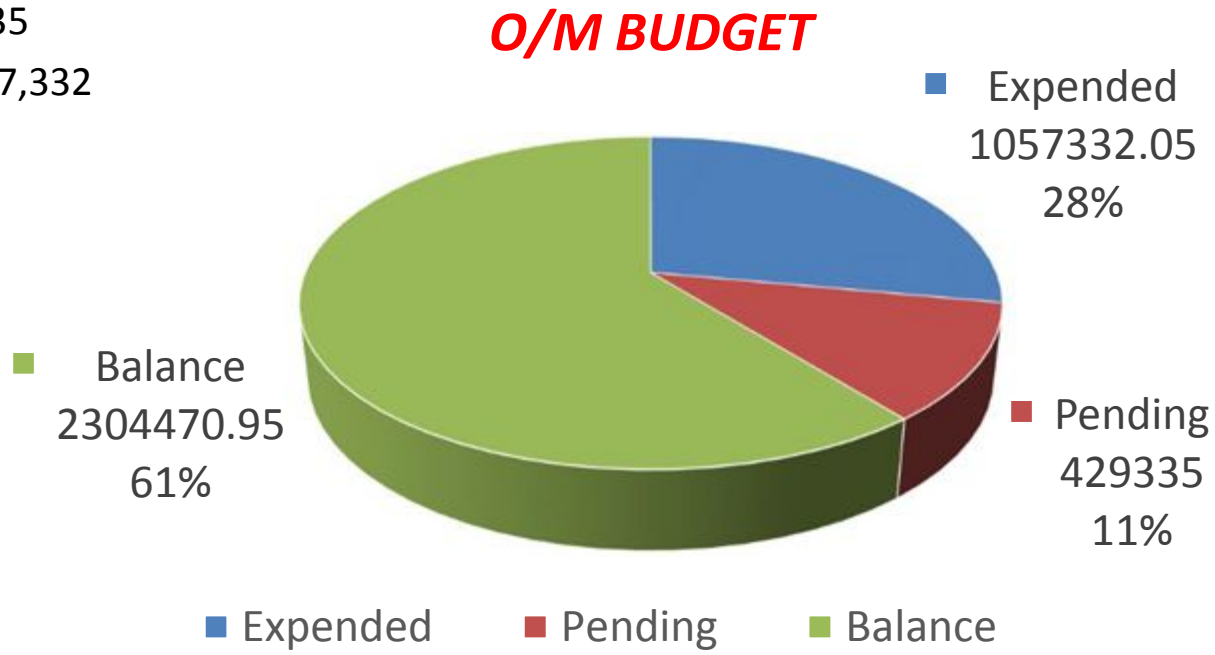
IT Revenue CIP Budget

- Revenue Funded
- Current State
  - Balance $1,381,296
  - Pending PO $1,203,500
  - Expended $277,739



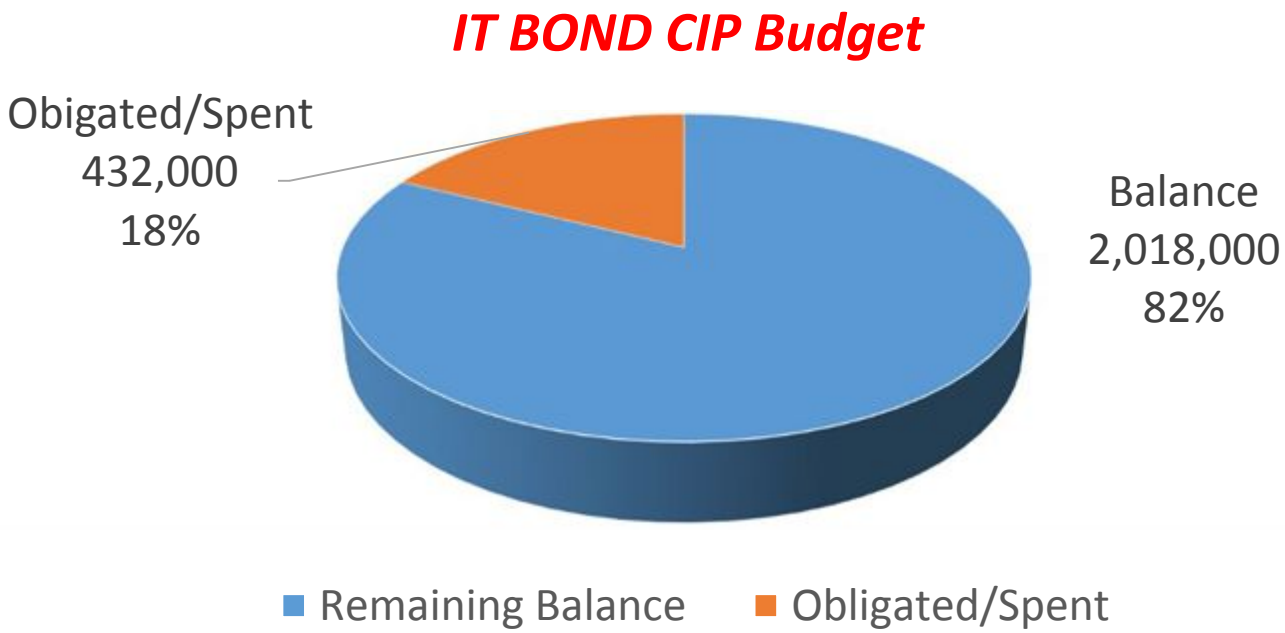
IT O&M Contract Budget

- Revenue Funded
- Current State
  - Balance $230,4470
  - Pending $429,335
  - Expended $1,057,332



IT 2014 Bond Series CIP Budget

- Bond Funded
- Current State
  - Obligated/Spent - $432,000
  - Balance - $2,018,000



GPA INFORMATION TECHNOLOGY
JANUARY 2017

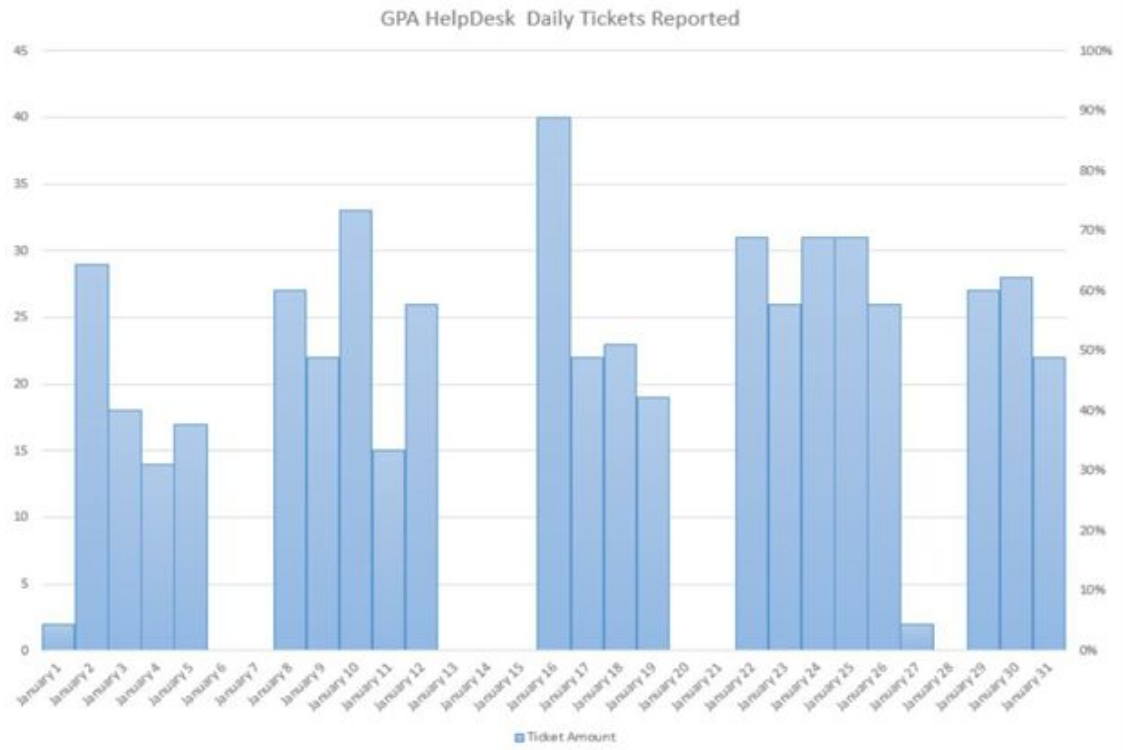
SUMMARY:

The Information Technology Department continues to improve services, monitoring processes and system infrastructure utilization as guided by Cyber-Security initiatives and regulatory compliance. We strive and continue to improve all areas. Computer Services continues to seek new technology with networking, system access and utilization. We also strive to meet target levels of uptime, to include the IBM i-Series AS400, Virtual Machine environment, (VMware V-Sphere), (Blade Servers and Disk Array Storage), and Physical Servers, (non-Virtual Machines).

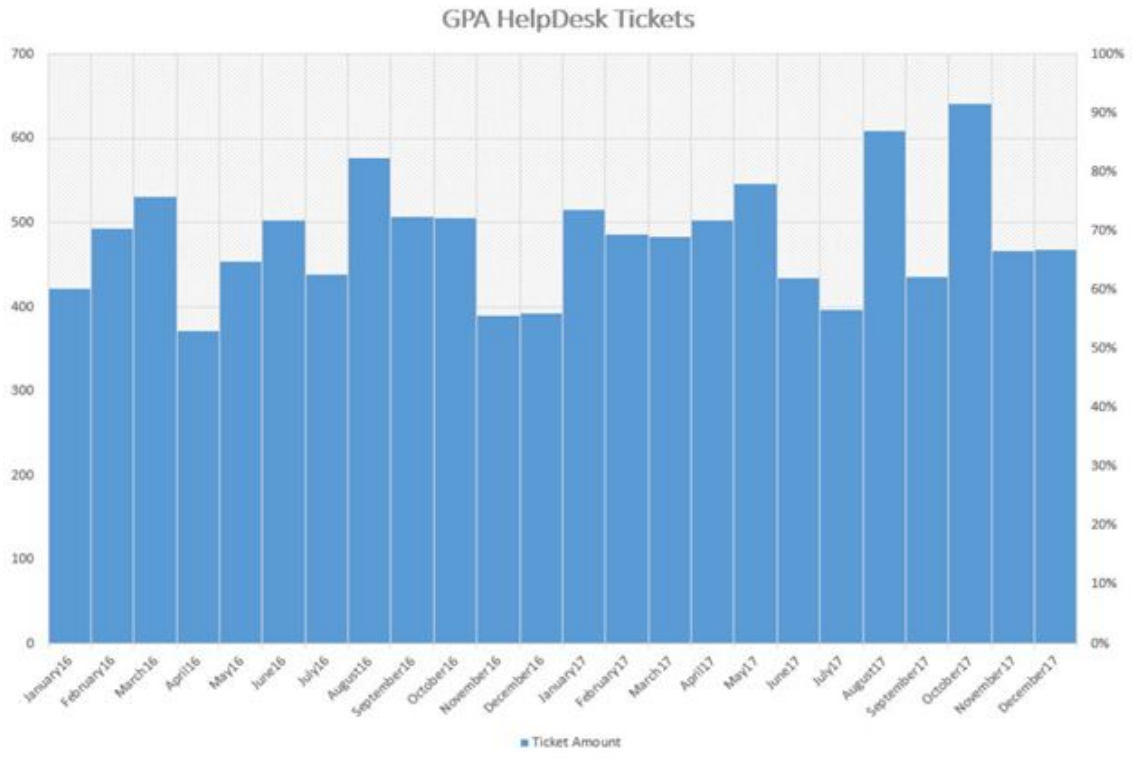
INCIDENT CALL SUMMARY:

The significance to record and utilize the Helpdesk Incident Handling Tool (ChangeGear) is to manage, track and measure workloads and assignments of customer reported IT incidents. The tracking of incidents is paramount. Measurements will be used for IT Customer Feedback survey in the future.

JANUARY 2018 TICKETS



22 MONTH COMPARATIVE



For January 2018, Computer Services responded to 531 help desk calls from GPA internal and external customers. Breakdown as follows:

CLOSED TICKETS

Low	Medium	High	Critical
200	124	178	9

TICKET TYPES

End User	Hardware	Software	Network
393	31	48	39

OPEN TICKETS

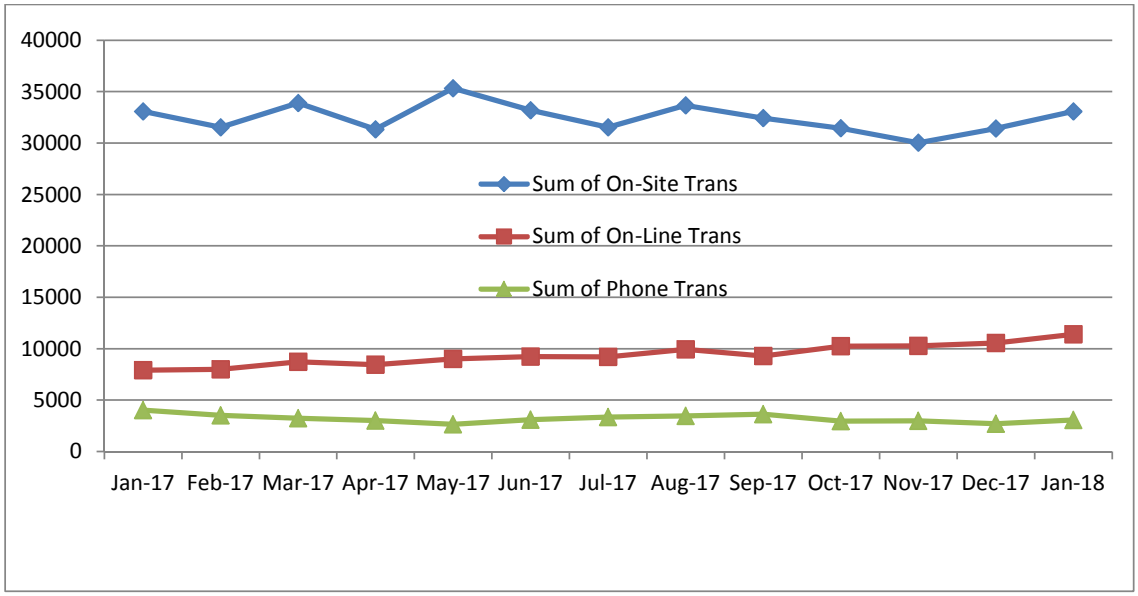
Low	Medium	High	Critical
8	17	21	1

TICKET TYPES

End User	Hardware	Software	Network
25	6	16	0

CC&B PAYMENT SUMMARY TRANSACTIONS:

Payment Transactions by On Site/On Line/By Phone



Row Labels	Sum of On-Site Trans	Sum of On-Line Trans	Sum of Phone Trans
Jan-17	33075	7924	4031
Feb-17	31516	8002	3513
Mar-17	33886	8722	3241
Apr-17	31315	8452	3025
May-17	35331	8999	2635
Jun-17	33180	9244	3113
Jul-17	31532	9217	3364
Aug-17	33646	9934	3451
Sep-17	32416	9302	3630
Oct-17	31435	10234	2959
Nov-17	30027	10278	2991
Dec-17	31406	10556	2717
Jan-18	33076	11398	3078
Grand Total	**421841**	**122262**	**41748**

MAJOR APPLICATION ISSUES FOR January 2018

1. ORACLE CUSTOMER CARE & BILLING
   No system issue reported.

2. LANDIS & GYR AMI METERS (SMART METERS)
   No system issue reported.

3. ORACLE JDE
   No system issue reported.

4. METER DATA MANAGEMENT SYSTEM (MDMS)
   No system issue reported.

5. SHORETEL VOIP PHONE SYSTEM
   No system issue reported.

6. EMAIL EXCHANGE SERVER
   No system issue reported.

7. ONLINE PAYMENT SYSTEM (PAYGPA.COM)
   No system issue reported.

ONGOING PROJECT UPDATES:

Network Penetration Testing and Vulnerability Assessment: Project to provide network testing and vulnerability assessment to benchmark GPA and GWA's network and host systems. This will also include IT Controls Systems testing and Business Impact Analysis for GPA and GWA critical IT systems. PO has been issued and work has been started. Expected completion by April 2018.

SMS Emergency Outage Notification: Project to provide SMS text alerts for Emergency Outages notification for customers and emergency response agencies. Awaiting next steps from operations. In testing process at the moment with PSCC.

Pay by Phone Project: Working with vendor for Pay by Phone system to allow customers to call after hours and make automated payments to their GPA account. Ongoing testing.

Mobile APP Project: Project to create a mobile payment APP for ANDROID and APPLE IOS smartphones. This will allow customers to review their accounts and make payments from their Smartphones. Both Android and iOS versions have been released and are live.

Oracle Business Intelligence (BI) Project: Project to install Oracle's BI tool to allow for reporting from CC&B and JDE. Expected completion by December 2017. Currently ongoing.

Customer Care & Billing (CC&B) Upgrade: Upgrade of the current Oracle CC&B program from version 2.4 to version 2.5. The current version of CC&B 2.4 will be end of life by Sept. 30, 2017 and support thereafter will be limited. Expected completion by September 2018.

Disaster Recovery Site: Project to procure a Disaster Recovery (DR) site to provide redundancy for critical GPA applications and databases in case of disruption of the primary Fadian Data Center. Expected completion by March 2018.

Physical Security: Project to provide additional surveillance monitoring for Fadian, T&D, Dededo CT and Transportation Warehouse. RFP has been issued with closing date of March 7, 2018.

GPWA Website Upgrades: Project to revamp GPA and GWA websites for GUAMPOWERAUTHORITY.COM, PAYGPA.COM, GUAMWETERWORKS.ORG and PAYGWA.COM. RFP is pending release. Expected to be completed in 160 days.

Submitted by:

Melvyn Kwek
Chief Information Technology Officer

Guam GPA & GWA EMS/SCADA System

SIEMENS



GUAM POWER AUTHORITY
Bringing Energy Solutions to You

GUAM WATERWORKS AUTHORITY

Monthly Project Report

January 2018

Grow together and WIN

Unrestricted

Project Progression Summary

The last reporting period captured for Project No. GPA-066-16 was September 2017. Issues with TAA, equipment TPM certification, Taiwan customs, shipping has been the center of all discussions since.

Collaboratively, GPWA, Benson Guam and Siemens have arrived to a solution. Leveraging Dell Federal and in coordination with their local representative Data Management Resources (DMR), we have come to terms. In summary, Benson/Siemens will purchase the equipment from Dell Federal, who in turn will ship the equipment directly to Taiwan. Siemens Taiwan will receive the equipment for configuration, test and factory acceptance test purposes only. Upon completion, GPWA will conduct FAT acceptance in Taiwan. Upon completion and acceptance of the FAT, Siemens will ship the equipment to GPWA for Phase II – Site Installation and Integration.

Project Continuation

October 10, 2017 – GPA-SCADA-RFI-11 – Response to GPWA Transmittal No. 29 – Updated Proposed Schedule

October 12, 2017 – GPWA Transmittal No. 31 – Updated Project Schedule

October 25, 2017 – GPWA Transmittal No. 32 – SCADA RFI No. 1

October 31, 2017 – GPWA Transmittal No. 33 – Response to GPA-SCADA-D-001-1

November 1, 2017 – GPWA Transmittal No. 34 – Government of Guam Holidays

December 6, 2017 – GPA-SCADA-RFI-12 – Official Submission of SCADA Architecture

December 13, 2017 – GPA-SCADA-RFI-13 – Final Quote – Cisco Equipment

December 13, 2017 – GPA-SCADA-RFI-14 – Request for Approval of Hardware Specifications

December 14, 2017 – GPWA Transmittal No. 35 – Response to GPA-SCADA-RFI-12

December 22, 2017 – GPA-SCADA-E-005-1 – Consolidated Hardware List

Requires immediate attention (R)
Near-term corrective action required (Y)
No corrective action required (G)

GPWA SCADA EMS Project Bid No. GPA 066-16

Project Director: Charles Wu
Project Manager: Jonathan Chargualaf
Contract Administrator: Monito Co

Overall Status	G

Resources

1. Benson/Siemens
2. GPWA

Risks & Issues	G	Schedule	G	Scope	G	Financial	G

Resource	Upcoming Tasks / Open Items	TCD/ECD
1. Siemens 2. GPWA 3. Siemens 4. Benson/ Siemens	FAT Agenda and Procedures Cisco Equipment IP Addressing List Visa requirement for FAT attendees as brought up by Roel Cahinhinan Non-Disclosure agreement submissions for all Benson/Siemens personnel accessing the system	

Updates & Accomplishments for the Month of: January 2018

1. 01/12/18 - GPWA Transmittal No. 37 – Approval of all Hardware / Disapproval of Monitor due to resolution requirement
2. 01/12/18 – GPA-SCADA-E-005-2 – New Proposed Monitor to meet bid specifications
3. 01/12/18 – GPWA Transmittal No. 38 – Approval of all Hardware including new monitor
4. 01/10/18 – GPA-SCADA-RFI-15 – Request to purchase equipment pending official processing of GPA Change Order No.3 and GWA Change Order No. 4 to align with project schedule
5. 01/12/18 – GPWA Transmittal No. 39 – Approval to Purchase Equipment
6. 01/17/18 - GPA-SCADA-E-005-3 – Clarification of Dell 18.5” LED KMM and approval request
7. 01/18/18 – GPWA Transmittal No. 40 – Approval of Dell 18.5” LED KMM
8. 01/18/18 – GPWA Transmittal No. 41 – Revision of Anigua Analog and Status Points
9. 01/18/18 – GPWA Transmittal No. 42 – Request for Factory Acceptance Test Agenda and Procedures
10. **01/30/18 - DATA MANAGEMENT RESOURCES (DMR) Reports Equipment Order has been processed.**

Legend:

Risks and Issues	DATE IDENTIFIED	Resolution	RESOLUTION DEADLINE

2/20/2018

GPWA SCADA EMS Project
Bid No. GPA 066-16

Project Director: Charles Wu
Project Manager: Jonathan Chargualaf
Contract Administrator: Monito Co

Overall Status

Burn Rate	This Month	Last Month	Incremental
Scope (%)			
Budget (%)	13.2%		
Milestones Achieved	1, 3-7 of 18		

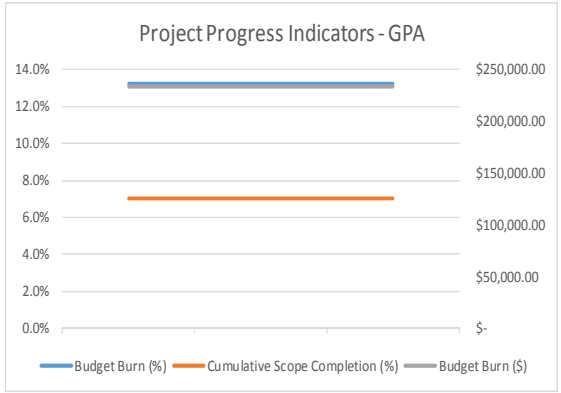
G

Resources

1. Benson/Siemens
2. GPWA

Risks & Issues	Schedule	Scope	Financial
G	G	G	G

Project Progress Indicators



Project Phase	Original Contract Budget	Increase	Current Budget	# Change Orders
Phase I	$ 1,518,769.00		$ 1,518,769.00	4
Phase I	$ 1,518,769.00	$ 250,537.38	$ 1,769,306.38	4

Project Schedule & Budget Performance Indicators

Project Milestone	Planned Completion Date	Actual Completion Date	Performance (Days Over/Under)	Color Performance Indicator
Contract Start Date	14-Dec-16	14-Dec-16	0	
GPWA SCADA/EMS Project	1-Oct-18		224	
Factory Activities (In Taiwan / Germany)	9-Jul-18		140	
Approval of revised documentation	4-Dec-17		77	
Preliminary Factory Acceptance Test (Pre-FAT) in Taiwan	2-May-18			
- Base Applications	27-Apr-18			
- Advanced Applications	2-May-18			
Factory Acceptance Test (FAT) in Taiwan	7-May-18			
- Advanced Applications	7-May-18			
- Hardware delivery to Site	31-May-18			
Site Activities (In Guam)	1-Oct-18			
Site Commissioning (Point to point testing)	29-Aug-18			
Site Commissioning (GPA - Point to point testing)	28-Aug-18			
Issuance of Site Commissioning Completion Certificate	28-Aug-18			
Site Acceptance Test (SAT)	3-Sep-18			
- Advanced Applications	2-Sep-18			
Investigation of variance / bug (SAT if any - Advanced Applications)	3-Sep-18			
Issuance of Site Acceptance Certificate	3-Sep-18			
Availability Test (AVT) - 1000hrs （42 Calindar Day， 28 working day）	1-Oct-18			
Issuance of AVT Certificate	1-Oct-18			
Handover of System to end customer	1-Oct-18			
Commencement of warranty (12 months)	1-Oct-19			
Issuance of Final Acceptance Certificates (FAC)	1-Oct-19			

Legend:

G No corrective action required

Y Near-term corrective action required

R Requires immediate attention

2/20/2018

4

GPWA SCADA EMS Project
Bid No. GPA 066-16

Project Director: Charles Wu
Project Manager: Jonathan Chargualaf
Contract Administrator: Monito Co

Overall Status	G

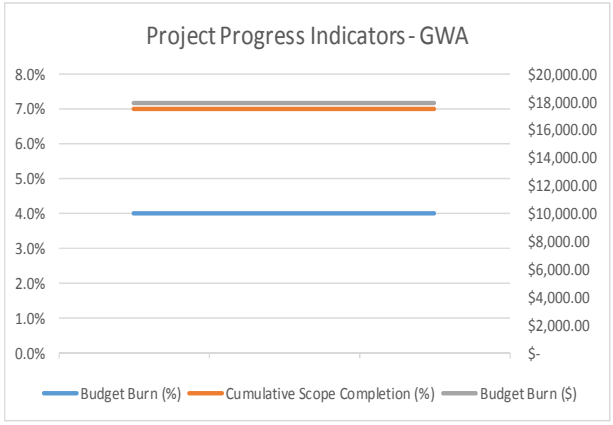
Burn Rate	This Month	Last Month	Incremental
Scope (%)			
Budget (%)	4.0%		
Milestones Achieved	1,3-7 of 18		

Resources

1. Benson/Siemens
2. GPWA

Risks & Issues	Schedule	Scope	Financial
G	G	G	G

Project Progress Indicators



Project Phase	Original Contract Budget	Increase	Current Budget	# Change Orders
Phase I	$ 432,705.00		$ 432,705.00	4
		$ 18,000.00	$ 450,705.00	4

Project Schedule & Budget Performance Indicators

Contract Start Date	14-Dec-16	14-Dec-16	0	
GPWA SCADA/EMS Project	1-Oct-18		224	
Factory Activities (In Taiwan / Germany)	9-Jul-18		140	
Approval of revised documentation	4-Dec-17		77	
Preliminary Factory Acceptance Test (Pre-FAT) in Taiwan	2-May-18			
- Base Applications	27-Apr-18			
- Advanced Applications	2-May-18			
Factory Acceptance Test (FAT) in Taiwan	7-May-18			
- Advanced Applications	7-May-18			
- Hardware delivery to Site	31-May-18			
Site Activities (In Guam)	1-Oct-18			
Site Commissioning (Point to point testing)	29-Aug-18			
Site Commissioning (GPA - Point to point testing)	28-Aug-18			
Issuance of Site Commissioning Completion Certificate	28-Aug-18			
Site Acceptance Test (SAT)	3-Sep-18			
- Advanced Applications	2-Sep-18			
Investigation of variance / bug (SAT if any - Advanced Applications)	3-Sep-18			
Issuance of Site Acceptance Certificate	3-Sep-18			
Availability Test (AVT) - 1000hrs (42 Calindar Day, 28 working day)	1-Oct-18			
Issuance of AVT Certificate	1-Oct-18			
Handover of System to end customer	1-Oct-18			
Commencement of warranty (12 months)	1-Oct-19			
Issuance of Final Acceptance Certificates (FAC)	1-Oct-19			

Legend:

G No corrective action required

Y Near-term corrective action required

R Requires immediate attention

2/20/2018

5

GPWA SCADA EMS Project
Bid No. GPA 066-16

Project Director: Charles Wu
Project Manager: Jonathan Chargualaf
Contract Administrator: Monito Co

Overall Status	G

Burn Rate	This Month	Last Month	Incremental
Scope (%)			
Budget (%)			
Milestones Achieved	1, 3-7 of 18		
1. Mobilization			
2. Project Management			
3. Permits, Bonds and Codes			
4. Project Installation Site Survey			
5. Interconnection and Integration Design			
6. Communications and Networking Design and Execution Plan			
7. Installation Design			
8. Software Cost, Procurement and Delivery			
9. Third Party Software Cost, Procurement and Delivery			
10. Software Installation			
11. Equipment Cost, Procurement and Delivery			
12. Construction, Equipment Installation and Interconnection			
13. Commissioning, Quality Assurance and Performance Testing			
14. Training			
15. Demobilization			
16. Warranty			
17. Documentation			
18. Annual Maintenance			

Legend:

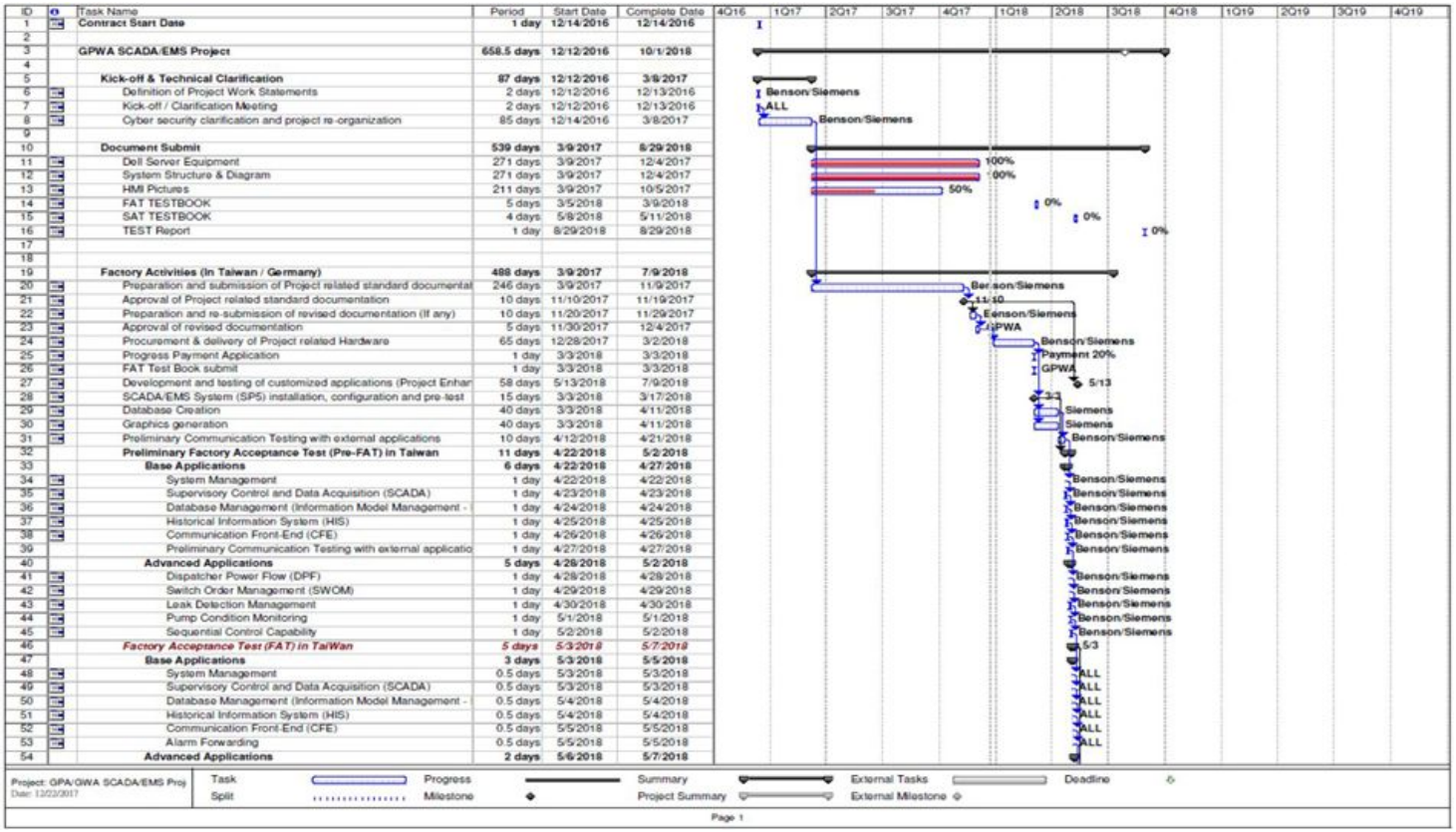
G — No corrective action required

Y — Near-term corrective action required

R — Requires immediate attention

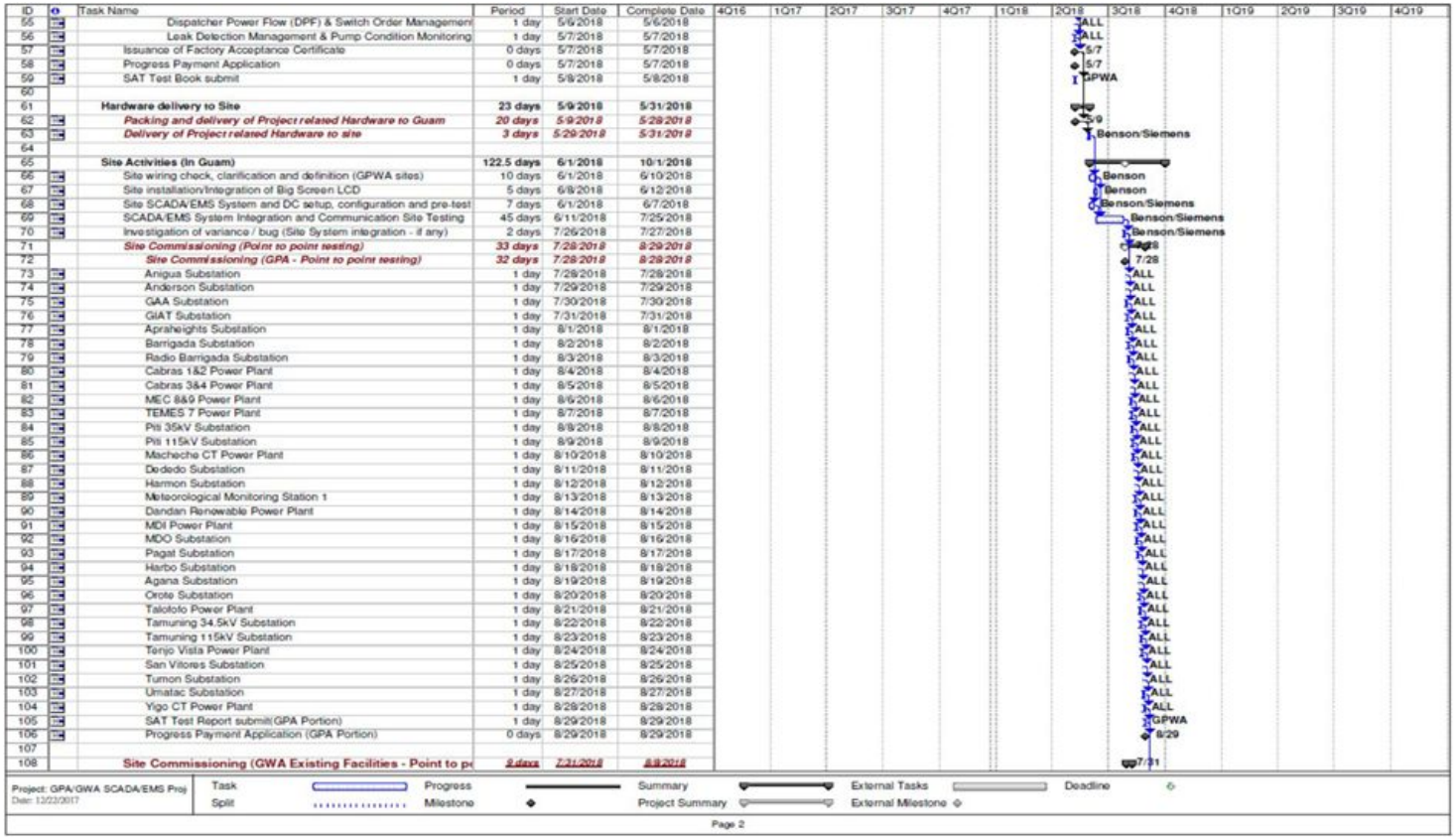
2/20/2018

Project Schedule 1/3



ID	Task Name	Period	Start Date	Complete Date
1	**Contract Start Date**	**1 day**	**12/14/2016**	**12/14/2016**
2				
3	**GPWA SCADA/EMS Project**	**658.5 days**	**12/12/2016**	**10/1/2018**
4				
5	**Kick-off & Technical Clarification**	**87 days**	**12/12/2016**	**3/9/2017**
6	Definition of Project Work Statements	2 days	12/12/2016	12/13/2016
7	Kick-off / Clarification Meeting	2 days	12/12/2016	12/13/2016
8	Cyber security clarification and project re-organization	85 days	12/14/2016	3/8/2017
9				
10	**Document Submit**	**539 days**	**3/9/2017**	**8/29/2018**
11	Dell Server Equipment	271 days	3/9/2017	12/4/2017
12	System Structure & Diagram	271 days	3/9/2017	12/4/2017
13	HMI Pictures	211 days	3/9/2017	10/5/2017
14	FAT TESTBOOK	5 days	3/5/2018	3/9/2018
15	SAT TESTBOOK	4 days	5/8/2018	5/11/2018
16	TEST Report	1 day	8/29/2018	8/29/2018
17				
18				
19	**Factory Activities (In Taiwan / Germany)**	**488 days**	**3/9/2017**	**7/9/2018**
20	Preparation and submission of Project related standard documentat	246 days	3/9/2017	11/9/2017
21	Approval of Project related standard documentation	10 days	11/10/2017	11/19/2017
22	Preparation and re-submission of revised documentation (If any)	10 days	11/20/2017	11/29/2017
23	Approval of revised documentation	5 days	11/30/2017	12/4/2017
24	Procurement & delivery of Project related Hardware	65 days	12/28/2017	3/2/2018
25	Progress Payment Application	1 day	3/3/2018	3/3/2018
26	FAT Test Book submit	1 day	3/3/2018	3/3/2018
27	Development and testing of customized applications (Project Enhar	58 days	5/13/2018	7/9/2018
28	SCADA/EMS System (SPS) installation, configuration and pre-test	15 days	3/3/2018	3/17/2018
29	Database Creation	40 days	3/3/2018	4/11/2018
30	Graphics generation	40 days	3/3/2018	4/11/2018
31	Preliminary Communication Testing with external applications	10 days	4/12/2018	4/21/2018
32	**Preliminary Factory Acceptance Test (Pre-FAT) in Taiwan**	**11 days**	**4/22/2018**	**5/2/2018**
33	**Base Applications**	**6 days**	**4/22/2018**	**4/27/2018**
34	System Management	1 day	4/22/2018	4/22/2018
35	Supervisory Control and Data Acquisition (SCADA)	1 day	4/23/2018	4/23/2018
36	Database Management (Information Model Management -	1 day	4/24/2018	4/24/2018
37	Historical Information System (HIS)	1 day	4/25/2018	4/25/2018
38	Communication Front-End (CFE)	1 day	4/26/2018	4/26/2018
39	Preliminary Communication Testing with external applicatio	1 day	4/27/2018	4/27/2018
40	**Advanced Applications**	**5 days**	**4/26/2018**	**5/2/2018**
41	Dispatcher Power Flow (DPF)	1 day	4/28/2018	4/28/2018
42	Switch Order Management (SWOM)	1 day	4/29/2018	4/29/2018
43	Leak Detection Management	1 day	4/30/2018	4/30/2018
44	Pump Condition Monitoring	1 day	5/1/2018	5/1/2018
45	Sequential Control Capability	1 day	5/2/2018	5/2/2018
46	***Factory Acceptance Test (FAT) in TaiWan***	***5 days***	***5/3/2018***	***5/7/2018***
47	**Base Applications**	**3 days**	**5/3/2018**	**5/5/2018**
48	System Management	0.5 days	5/3/2018	5/3/2018
49	Supervisory Control and Data Acquisition (SCADA)	0.5 days	5/3/2018	5/3/2018
50	Database Management (Information Model Management -	0.5 days	5/4/2018	5/4/2018
51	Historical Information System (HIS)	0.5 days	5/4/2018	5/4/2018
52	Communication Front-End (CFE)	0.5 days	5/5/2018	5/5/2018
53	Alarm Forwarding	0.5 days	5/5/2018	5/5/2018
54	**Advanced Applications**	**2 days**	**5/6/2018**	**5/7/2018**

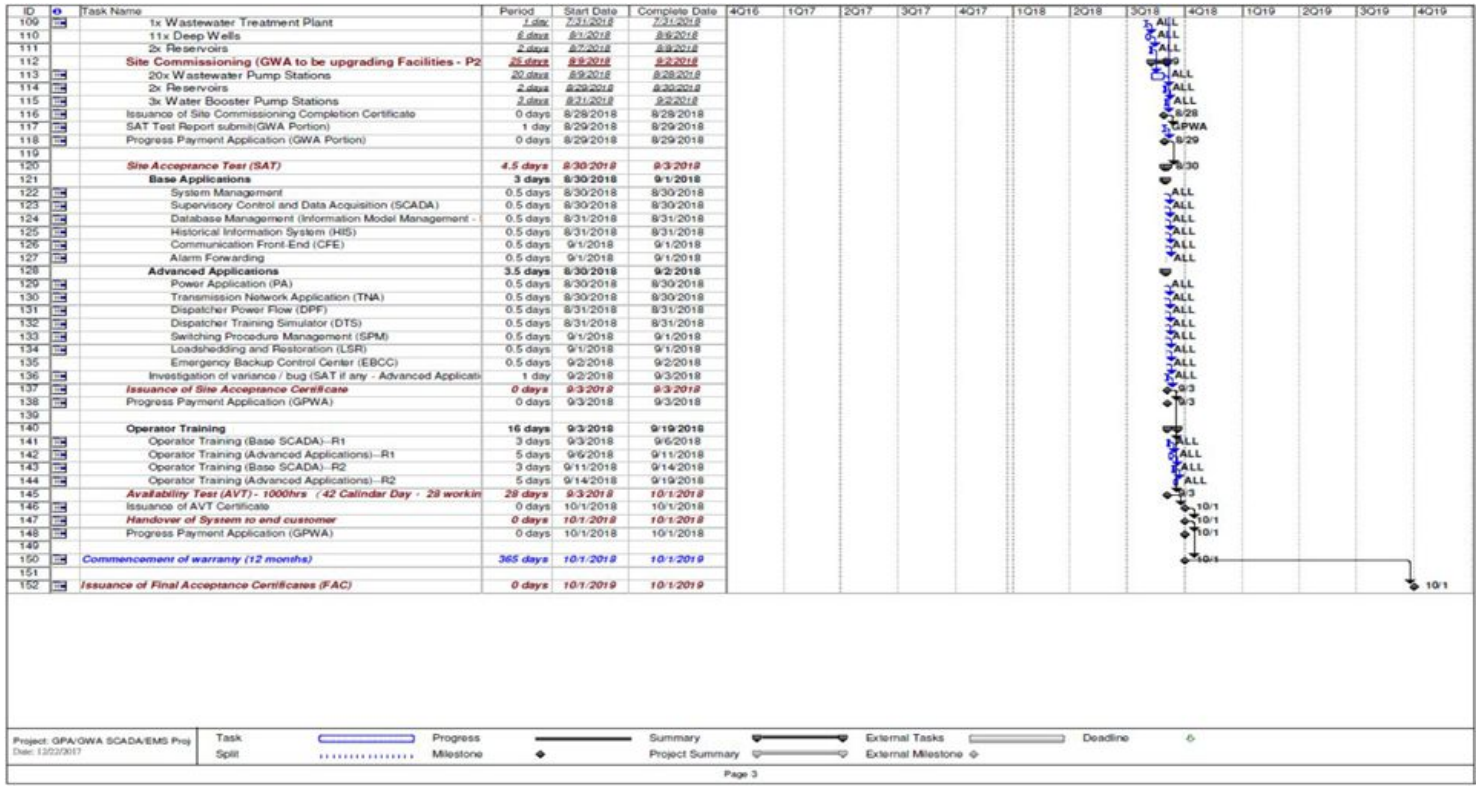
Project Schedule 2/3



ID	Task Name	Period	Start Date	Complete Date
55	Dispatcher Power Flow (DPF) & Switch Order Management	1 day	5/6/2018	5/6/2018
56	Leak Detection Management & Pump Condition Monitoring	1 day	5/7/2018	5/7/2018
57	Issuance of Factory Acceptance Certificate	0 days	5/7/2018	5/7/2018
58	Progress Payment Application	0 days	5/7/2018	5/7/2018
59	SAT Test Book submit	1 day	5/8/2018	5/8/2018
60				
61	**Hardware delivery to Site**	**23 days**	**5/9/2018**	**5/31/2018**
62	***Packing and delivery of Project related Hardware to Guam***	***20 days***	***5/9/2018***	***5/28/2018***
63	***Delivery of Project related Hardware to site***	***3 days***	***5/29/2018***	***5/31/2018***
64				
65	**Site Activities (In Guam)**	**122.5 days**	**6/1/2018**	**10/1/2018**
66	Site wiring check, clarification and definition (GPWA sites)	10 days	6/1/2018	6/10/2018
67	Site installation/Integration of Big Screen LCD	5 days	6/8/2018	6/12/2018
68	Site SCADA/EMS System and DC setup, configuration and pre-test	7 days	6/1/2018	6/7/2018
69	SCADA/EMS System Integration and Communication Site Testing	45 days	6/11/2018	7/25/2018
70	Investigation of variance / bug (Site System integration - if any)	2 days	7/26/2018	7/27/2018
71	***Site Commissioning (Point to point testing)***	***33 days***	***7/28/2018***	***8/29/2018***
72	***Site Commissioning (GPA - Point to point testing)***	***32 days***	***7/28/2018***	***8/28/2018***
73	Anigua Substation	1 day	7/28/2018	7/28/2018
74	Anderson Substation	1 day	7/29/2018	7/29/2018
75	GAA Substation	1 day	7/30/2018	7/30/2018
76	GIAT Substation	1 day	7/31/2018	7/31/2018
77	Apraheights Substation	1 day	8/1/2018	8/1/2018
78	Barrigada Substation	1 day	8/2/2018	8/2/2018
79	Radio Barrigada Substation	1 day	8/3/2018	8/3/2018
80	Cabras 1&2 Power Plant	1 day	8/4/2018	8/4/2018
81	Cabras 3&4 Power Plant	1 day	8/5/2018	8/5/2018
82	MEC 8&9 Power Plant	1 day	8/6/2018	8/6/2018
83	TEMES 7 Power Plant	1 day	8/7/2018	8/7/2018
84	Piti 35kV Substation	1 day	8/8/2018	8/8/2018
85	Piti 115kV Substation	1 day	8/9/2018	8/9/2018
86	Macheche CT Power Plant	1 day	8/10/2018	8/10/2018
87	Dededo Substation	1 day	8/11/2018	8/11/2018
88	Harmon Substation	1 day	8/12/2018	8/12/2018
89	Meteorological Monitoring Station 1	1 day	8/13/2018	8/13/2018
90	Dandan Renewable Power Plant	1 day	8/14/2018	8/14/2018
91	MDI Power Plant	1 day	8/15/2018	8/15/2018
92	MDO Substation	1 day	8/16/2018	8/16/2018
93	Pagat Substation	1 day	8/17/2018	8/17/2018
94	Harbo Substation	1 day	8/18/2018	8/18/2018
95	Agana Substation	1 day	8/19/2018	8/19/2018
96	Orote Substation	1 day	8/20/2018	8/20/2018
97	Talofofo Power Plant	1 day	8/21/2018	8/21/2018
98	Tamuning 34.5kV Substation	1 day	8/22/2018	8/22/2018
99	Tamuning 115kV Substation	1 day	8/23/2018	8/23/2018
100	Tenjo Vista Power Plant	1 day	8/24/2018	8/24/2018
101	San Vitores Substation	1 day	8/25/2018	8/25/2018
102	Tumon Substation	1 day	8/26/2018	8/26/2018
103	Umatac Substation	1 day	8/27/2018	8/27/2018
104	Yigo CT Power Plant	1 day	8/28/2018	8/28/2018
105	SAT Test Report submit(GPA Portion)	1 day	8/29/2018	8/29/2018
106	Progress Payment Application (GPA Portion)	0 days	8/29/2018	8/29/2018
107				
108	**Site Commissioning (GWA Existing Facilities - Point to p**	***9 days***	***7/31/2018***	***8/9/2018***

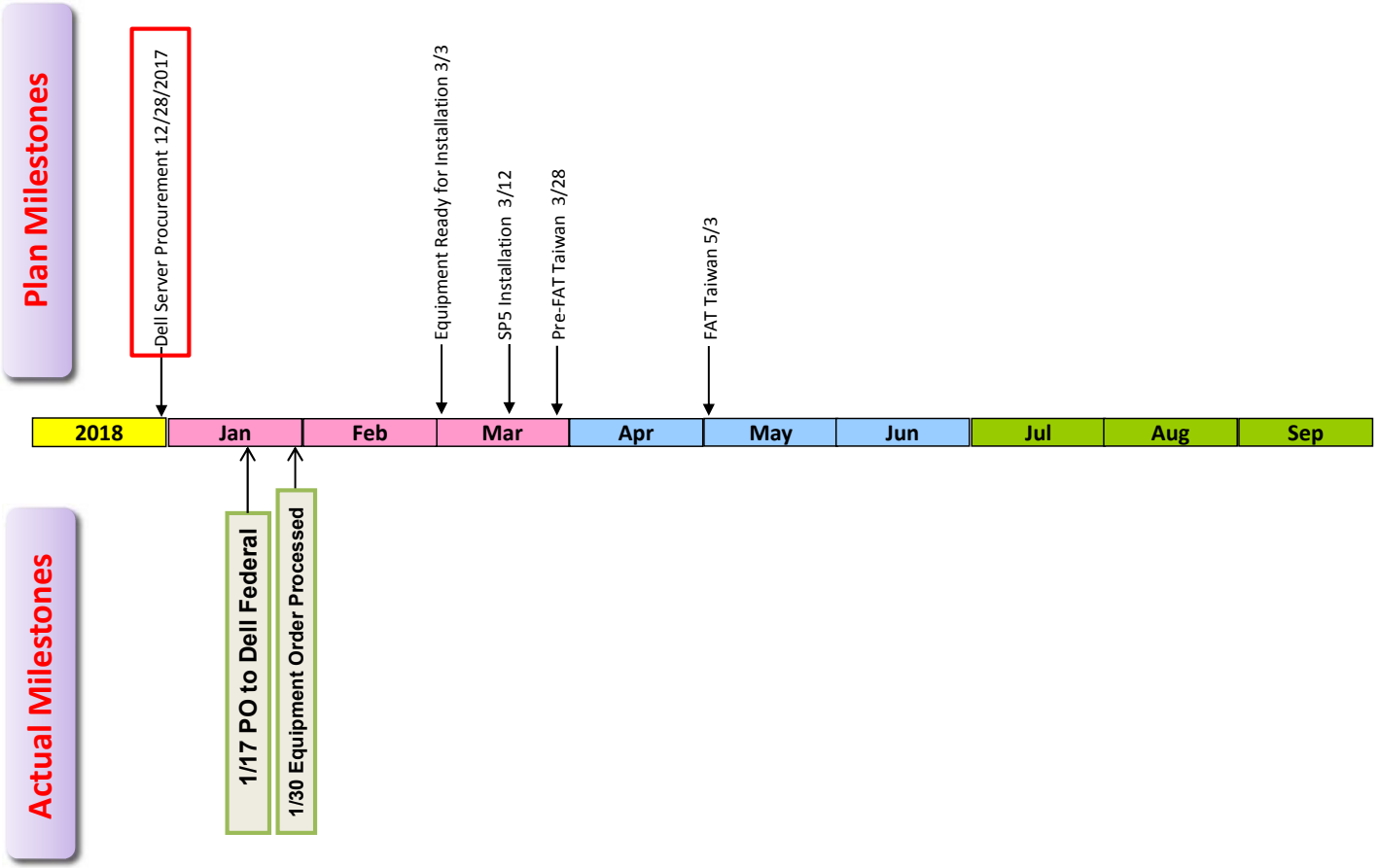
Benson

Project Schedule 3/3



ID	Task Name	Period	Start Date	Complete Date
109	1x Wastewater Treatment Plant	1 day	7/31/2018	7/31/2018
110	11x Deep Wells	6 days	8/1/2018	8/6/2018
111	2x Reservoirs	2 days	8/7/2018	8/8/2018
112	**Site Commissioning (GWA to be upgrading Facilities - P2**	25 days	8/8/2018	9/2/2018
113	20x Wastewater Pump Stations	20 days	8/9/2018	8/28/2018
114	2x Reservoirs	2 days	8/29/2018	8/30/2018
115	3x Water Booster Pump Stations	3 days	8/31/2018	9/2/2018
116	Issuance of Site Commissioning Completion Certificate	0 days	8/28/2018	8/28/2018
117	SAT Test Report submit(GWA Portion)	1 day	8/29/2018	8/29/2018
118	Progress Payment Application (GWA Portion)	0 days	8/29/2018	8/29/2018
119				
120	***Site Acceptance Test (SAT)***	**4.5 days**	**8/30/2018**	**9/3/2018**
121	**Base Applications**	**3 days**	**8/30/2018**	**9/1/2018**
122	System Management	0.5 days	8/30/2018	8/30/2018
123	Supervisory Control and Data Acquisition (SCADA)	0.5 days	8/30/2018	8/30/2018
124	Database Management (Information Model Management -	0.5 days	8/31/2018	8/31/2018
125	Historical Information System (HIS)	0.5 days	8/31/2018	8/31/2018
126	Communication Front-End (CFE)	0.5 days	9/1/2018	9/1/2018
127	Alarm Forwarding	0.5 days	9/1/2018	9/1/2018
128	**Advanced Applications**	**3.5 days**	**8/30/2018**	**9/2/2018**
129	Power Application (PA)	0.5 days	8/30/2018	8/30/2018
130	Transmission Network Application (TNA)	0.5 days	8/30/2018	8/30/2018
131	Dispatcher Power Flow (DPF)	0.5 days	8/31/2018	8/31/2018
132	Dispatcher Training Simulator (DTS)	0.5 days	8/31/2018	8/31/2018
133	Switching Procedure Management (SPM)	0.5 days	9/1/2018	9/1/2018
134	Loadshedding and Restoration (LSR)	0.5 days	9/1/2018	9/1/2018
135	Emergency Backup Control Center (EBCC)	0.5 days	9/2/2018	9/2/2018
136	Investigation of variance / bug (SAT if any - Advanced Applicati	1 day	9/2/2018	9/3/2018
137	***Issuance of Site Acceptance Certificate***	**0 days**	**9/3/2018**	**9/3/2018**
138	Progress Payment Application (GPWA)	0 days	9/3/2018	9/3/2018
139				
140	**Operator Training**	**16 days**	**9/3/2018**	**9/19/2018**
141	Operator Training (Base SCADA)--R1	3 days	9/3/2018	9/6/2018
142	Operator Training (Advanced Applications)--R1	5 days	9/6/2018	9/11/2018
143	Operator Training (Base SCADA)--R2	3 days	9/11/2018	9/14/2018
144	Operator Training (Advanced Applications)--R2	5 days	9/14/2018	9/19/2018
145	***Availability Test (AVT) - 1000hrs (42 Calindar Day - 28 workin***	**28 days**	**9/3/2018**	**10/1/2018**
146	Issuance of AVT Certificate	0 days	10/1/2018	10/1/2018
147	***Handover of System to end customer***	**0 days**	**10/1/2018**	**10/1/2018**
148	Progress Payment Application (GPWA)	0 days	10/1/2018	10/1/2018
149				
150	***Commencement of warranty (12 months)***	**365 days**	**10/1/2018**	**10/1/2019**
151				
152	***Issuance of Final Acceptance Certificates (FAC)***	**0 days**	**10/1/2019**	**10/1/2019**

Project FAT Milestone



Production Data

31-Jan-18

SYSTEM												
YEAR	MONTH	# of DAYS	GROSS GENERATION	FUEL CONSUMPTION		GROSS FUEL EFFICIENCY (Target ≥ 15.99 kWh/gal)	COST per GROSS kWh	GROSS HEAT RATE (Baseloads) PUC Target less than 9,600	GROSS HEAT RATE (Peaking) PUC Target less than 13,600	Ave. MW	Peak MW
				(gal)	(bbl)						
2015	Oct	31	142,387,859	10,285,716	244,898	13.84	$ 0.1076	9,797.11	12,360.42	191	258
	Nov	30	140,522,664	9,871,651	235,039	14.23	$ 0.1185	9,731.04	12,945.82	195	248
	Dec	31	142,668,711	9,711,263	231,221	14.69	$ 0.0951	9,538.53	12,579.77	192	239
2016	Jan	31	138,191,484	9,446,289	224,912	14.63	$ 0.0676	9,662.86	13,413.90	186	233
	Feb	29	128,816,826	8,860,399	210,962	14.54	$ 0.0706	9,692.42	12,038.19	185	232
	Mar	31	139,991,832	9,522,573	226,728	14.70	$ 0.0732	9,172.99	11,597.00	188	239
	Apr	30	140,706,546	9,301,856	221,473	15.13	$ 0.0734	9,368.24	11,041.70	195	245
	May	31	152,815,417	9,751,521	232,179	15.67	$ 0.0681	9,459.10	11,388.57	205	254
	June	30	149,191,844	9,851,575	234,561	15.14	$ 0.0805	9,666.70	11,074.48	207	253
	July	31	151,248,202	10,443,028	248,644	14.48	$ 0.0920	9,477.71	12,208.87	203	258
	Aug	31	149,051,031	10,210,429	243,105	14.60	$ 0.0935	9,431.70	11,155.10	200	252
	Sept	30	142,069,206	9,829,773	234,042	14.45	$ 0.0956	9,509.75	11,393.73	197	256
	Oct	31	148,824,965	9,660,319	230,008	15.41	$ 0.0729	9,749.38	10,738.69	200	252
	Nov	30	145,293,562	9,427,636	224,468	15.41	$ 0.0901	9,714.47	10,786.30	202	252
	Dec	31	147,753,552	9,725,521	231,560	15.19	$ 0.0934	9,661.13	10,645.44	199	248
2017	Jan	31	142,960,618	9,226,278	219,673	15.49	$ 0.0913	9,620.29	10,965.71	192	234
	Feb	28	113,499,400	7,270,830	173,115	15.61	$ 0.0900	9,609.08	11,503.12	195	246
	Mar	31	149,402,182	9,664,440	230,106	15.46	$ 0.1014	9,719.35	11,440.45	201	246
	Apr	30	145,351,026	9,913,757	236,042	14.66	$ 0.1101	9,750.73	11,392.12	202	250
	May	31	157,573,506	11,065,930	263,475	14.24	$ 0.1170	10,067.14	11,323.20	212	256
	June	30	150,240,751	10,654,196	253,671	14.10	$ 0.1101	10,209.74	11,248.62	209	257
	July	31	150,580,050	10,622,458	252,916	14.18	$ 0.1169	9,544.54	11,837.62	202	252
	Aug	31	150,084,827	10,642,044	253,382	14.10	$ 0.1177	9,206.15	11,917.58	202	261
	Sept	30	143,990,208	10,309,304	245,460	13.97	$ 0.1152	9,541.20	13,107.05	200	254
	Oct	31	147,122,071	9,774,857	232,735	15.05	$ 0.1079	9,590.71	11,375.81	198	254
	Nov	30	147,284,781	9,783,352	232,937	15.05	$ 0.1061	9,563.85	11,257.17	205	253
	Dec	31	151,600,064	9,925,003	236,310	15.27	$ 0.1122	9,607.13	11,035.82	204	250
2018	Jan	31	147,704,057	9,563,641	227,706	15.44	$ 0.1078	9,755.40	11,029.21	199	246

NET METERING
January 2018

	Quantity	Connected kVA
Completed	1,601	16,430
Pending	17	129
Grand Total	1,618	16,560

Rate Class

Schedule	Count	Total kW
R - Residential	1,521	13,693.06
J - General Service Demand	31	1,546.51
K - Small Government Demand	7	157.80
L - Large Government	1	22.80
P - Large Power	3	240.70
G - General Service Non-Demand	31	690.62
S - Small Government Non-Demand	7	78.80
Grand Total	**1,601**	**16,430.29**

Rate Class and Technology

Technology	Schedule	Count	Total kW
Solar Energy	R - Residential	1,519	13,689.46
	J - Gen Service Dmd	31	1,546.51
	K - Small Gov Dmd	7	157.80
	L - Large Government	1	22.80
	P - Large Power	3	240.70
	G - Gen Serv Non-Dmd	31	690.62
	S - Sm Gov Non-Dmd	7	78.80
Wind Turbine	R - Residential	2	3.60
Grand Total		**1,601**	**16,430.29**

Projected FY 2017 Non-Fuel Revenue Loss

Customer Rate Class	Renewable Energy Capacity (kW)	Annual kWh Generated (@5.092 hours/day)*	Average Non-Fuel Yield $/kWh	Estimated Annual Revenue Loss
R	13,693.06	25,447,981.5	0.09293	$ 2,364,906.37
J	1,546.51	2,874,124.4	0.13112	$ 376,858.07
K	157.80	293,264.7	0.13932	$ 40,858.23
L	22.80	42,372.9	0.13525	$ 5,730.84
P	240.70	447,330.9	0.11539	$ 51,617.07
G	690.62	1,283,488.5	0.15084	$ 193,596.27
S	78.80	146,446.5	0.15334	$ 22,456.26
Grand Total	**16,430.29**	**30,535,009.4**		**$ 3,056,023.10**

*Estimated number of hours from NREL for Guam (13.4 degrees North and 144 degrees East).

Estimated Annual Revenue Loss

Description	Estimated kWh	*Total Estimated Cost
FY17	28,242,917	$ 2,828,834.71
FY16	21,867,383	$ 2,200,794.56
FY15	7,383,621	$ 856,921.27
FY14	3,137,212	$ 410,558.94
FY13	1,556,949	$ 178,996.00
FY12	494,672	$ 58,545.89
FY11	170,070	$ 18,177.13
FY10	98,830	$ 8,483.27
FY09	23,912	$ 1,656.87

*Source for effective yield rate from the Year End Revenue Reports (12 month Average Yield)

NET METERING

January 2018

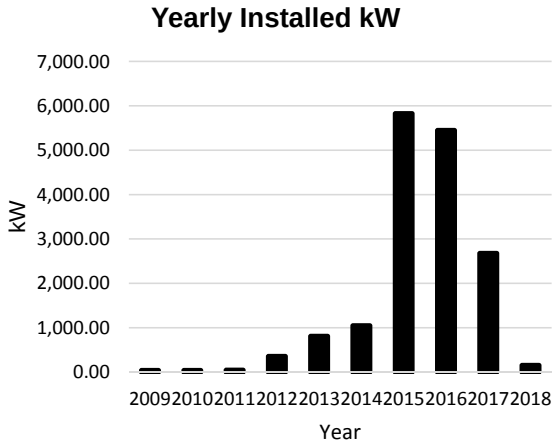
Customer Count and Connected kW by Feeder

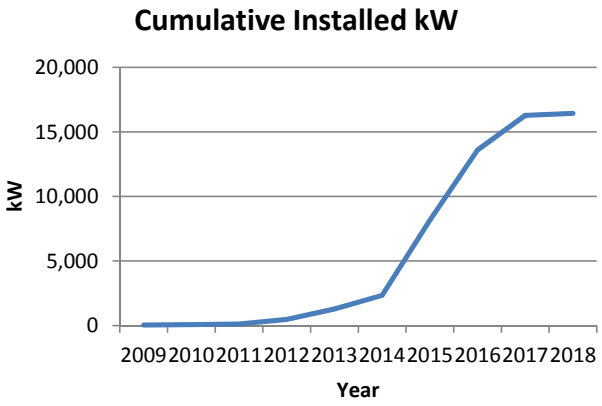
Status	Feeder	Net Metering Connected kW	Customer Count	% of Feeder Maximum kW	% of Feeder Minimum Daytime kW
Completed	P-005	210.27	21	12.2%	24.5%
	P-046	193.57	24	4.6%	7.0%
	P-088	603.78	67	10.0%	15.9%
	P-089	440.95	56	9.9%	23.7%
	P-111	60.00	1	1.1%	2.0%
	P-203	401.36	31	5.4%	15.2%
	P-204	118.08	15	2.5%	5.2%
	P-205	36.40	4	0.8%	1.3%
	P-210	486.79	50	9.5%	12.9%
	P-212	848.80	81	20.5%	53.1%
	P-213	295.33	11	11.3%	15.2%
	P-220	155.14	17	25.5%	80.0%
	P-221	467.59	49	10.6%	21.2%
	P-223	487.96	53	20.5%	29.3%
	P-240	58.55	2	0.9%	7.9%
	P-245	25.00	1	0.5%	1.1%
	P-250	878.19	90	13.5%	23.7%
	P-251	145.50	7	5.9%	9.0%
	P-253	466.61	50	10.4%	16.4%
	P-262	942.06	97	24.7%	59.3%
	P-270	313.67	26	6.2%	12.4%
	P-271	122.78	12	2.1%	4.4%
	P-272	221.03	16	8.6%	19.6%
	P-280	311.59	25	17.3%	32.2%
	P-281	129.70	3	4.6%	12.9%
	P-282	21.00	2	0.6%	1.7%
	P-283	485.05	46	13.4%	23.0%
	P-294	979.34	95	22.6%	44.8%
	P-301	199.26	22	14.1%	25.1%
	P-311	549.83	47	13.8%	23.6%
	P-322	803.14	86	10.6%	21.0%
	P-323	274.41	17	5.8%	18.0%
	P-330	535.37	67	9.8%	19.8%
	P-331	704.08	81	11.2%	18.1%
	P-332	384.46	46	6.8%	10.0%
	P-340	497.37	43	27.4%	60.4%
	P-087	1,032.25	112	26.3%	41.2%
	P-252	436.44	26	10.4%	21.1%
	P-321	246.63	24	4.4%	4.9%
	P-260	45.99	5	6.7%	23.0%
	P-067	68.25	10	0.8%	1.0%
	P-312	68.90	4	4.1%	4.8%
	P-206	18.33	2	1.9%	3.4%
	P-242	23.75	2	0.4%	1.1%
	P-310	181.57	8	6.6%	12.1%
	P-261	327.57	35	11.8%	20.3%
	P-201	40.00	5	1.1%	2.0%
	P-007	42.33	4	5.8%	12.5%
	P-244	18.00	1	1.0%	1.0%
	P-202	22.00	1	0.7%	1.6%
	P-341	4.30	1	0.4%	1.6%
Completed Total		**16,430.29**	**1,601**		
Pending	Pending	129.41	17	0.0%	0.0%
Pending Total		**129.41**	**17**	**0.0%**	**0.0%**
Grand Total		**16,559.70**	**1,618**		
	Feeders highlighted in red indicates renewable energy capacity has exceeded 25% of minimum daytime load.				
	Feeders highlighted in yellow indicates renewable energy capacity has reached 15% to 24% of minimum daytime load.				

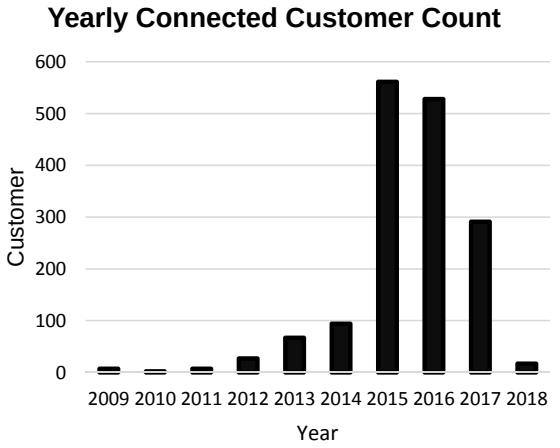
NET METERING
JANUARY 2018

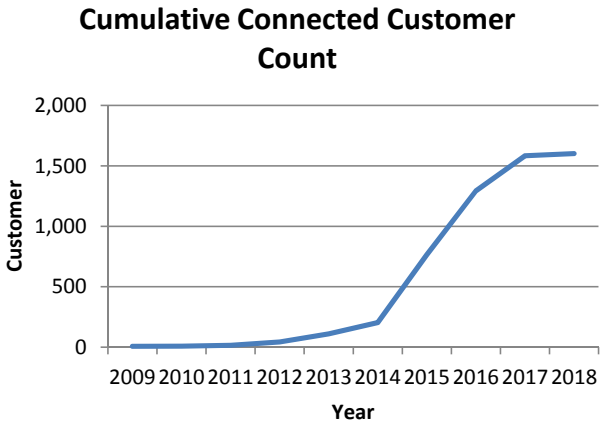
Installed kW by Year		
Year	Total	Cumulative
2009	39.46	39.46
2010	39.20	78.66
2011	43.61	122.27
2012	354.61	476.88
2013	808.45	1,285.33
2014	1,046.54	2,331.87
2015	5,824.70	8,156.57
2016	5,446.95	13,603.51
2017	2,674.45	16,277.96
2018	152.33	16,430.29
Grand Total	16,430.29	

Customer Count by Year		
Year	Total	Cumulative
2009	7	7
2010	2	9
2011	7	16
2012	27	43
2013	67	110
2014	94	204
2015	561	765
2016	528	1,293
2017	291	1,584
2018	17	1,601
Grand Total	1,601	







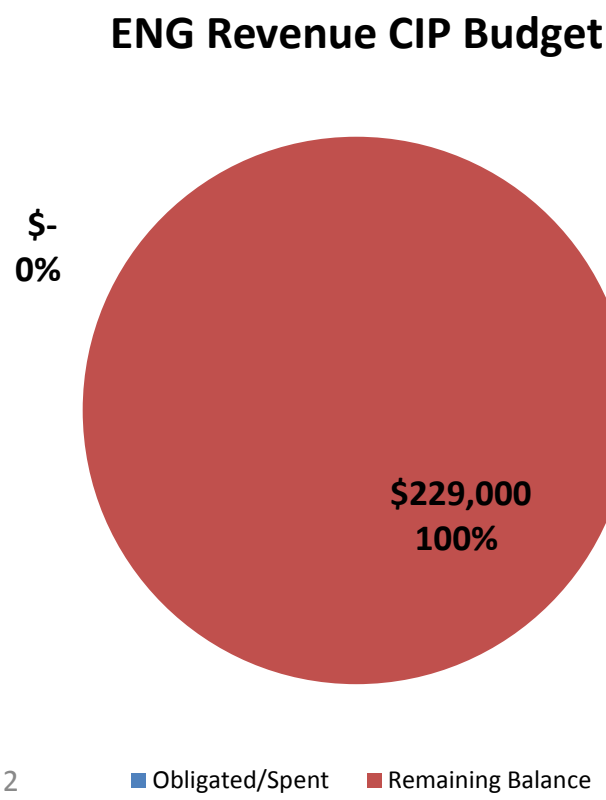


ENG Budget Execution Performance

January 31, 2018

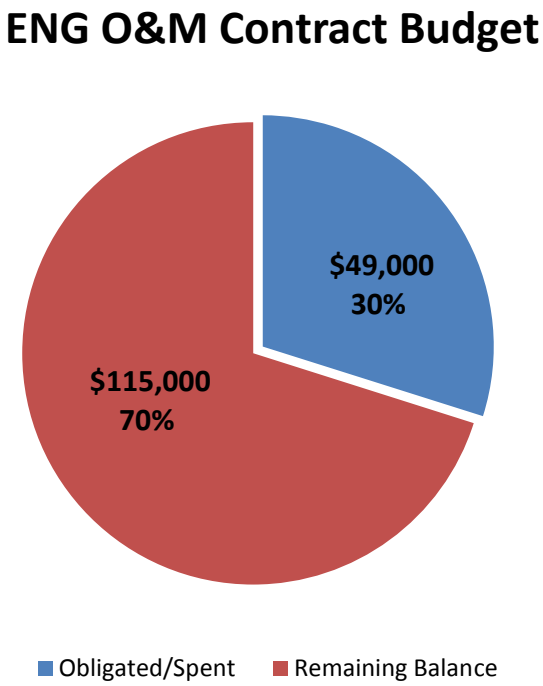
ENG Revenue CIP Budget

- Revenue Funded
- Target
  - 50% CIP Obligation by June 1, 2018
  - 100% CIP Spend by September 30, 2018



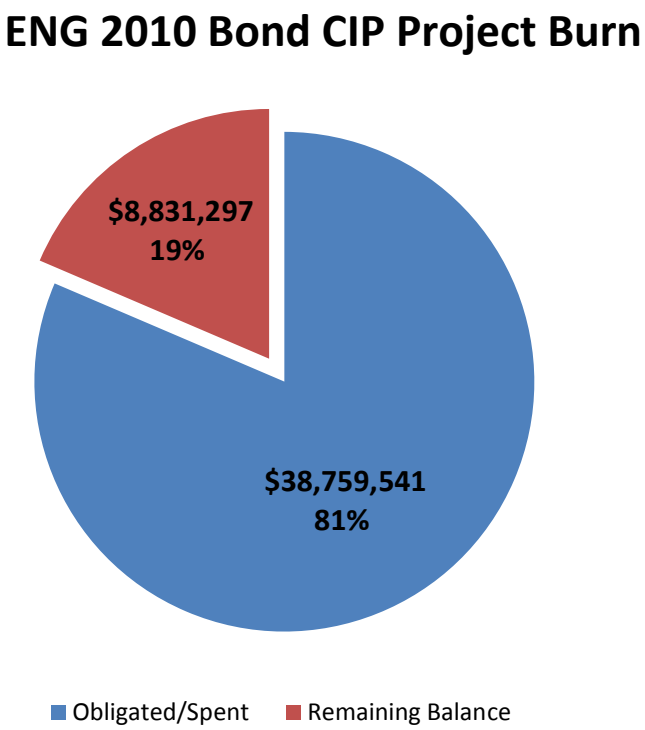
ENG O&M Contract Budget

- Revenue Funded
- Target
  - 25% CIP Obligated by April 30, 2018
  - 75% CIP Obligation by August 30, 2018
  - 100% CIP Spend by September 30, 2018



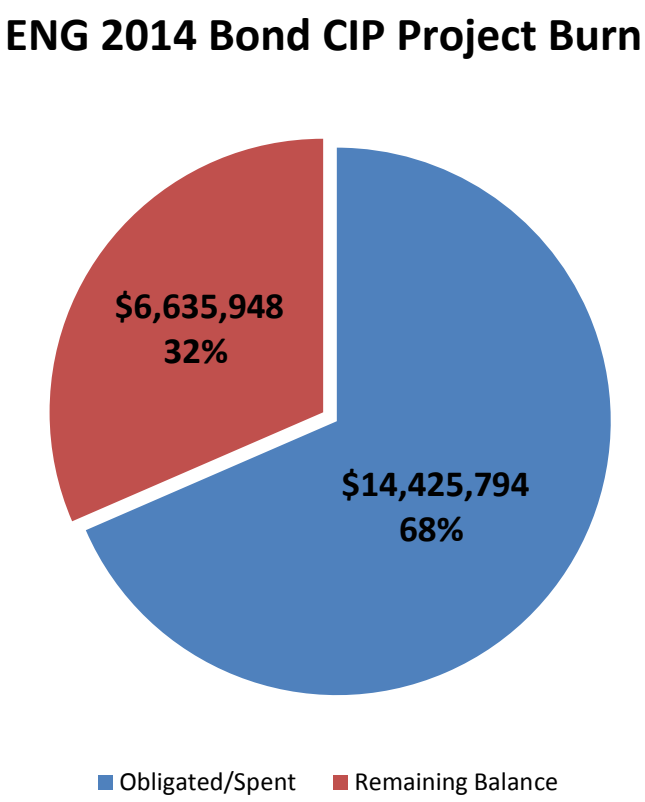
ENG 2010 Bond Series CIP Budget

- Bond Funded
- Target
  - Pending

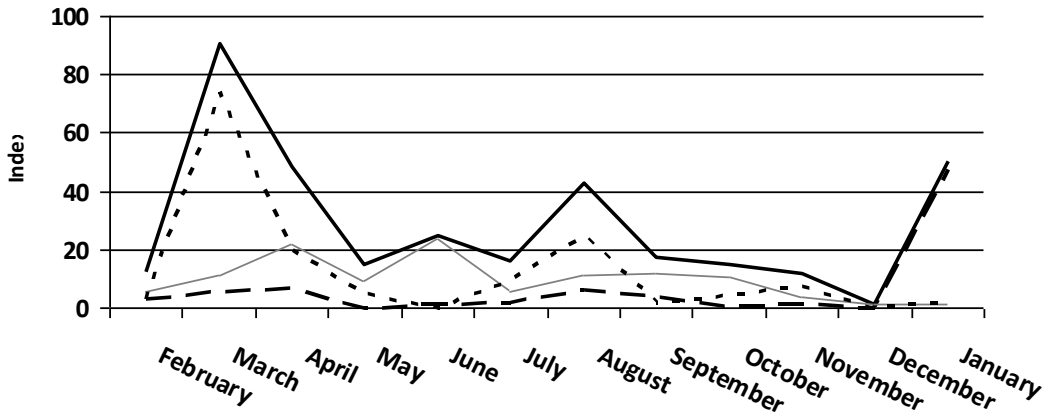


ENG 2014 Bond Series CIP Budget

- Bond Funded
- Target
  - Pending



(Item 1.1,1.2,1.5) January 2018 SAIDI = 346.17 ↑ (322.68)



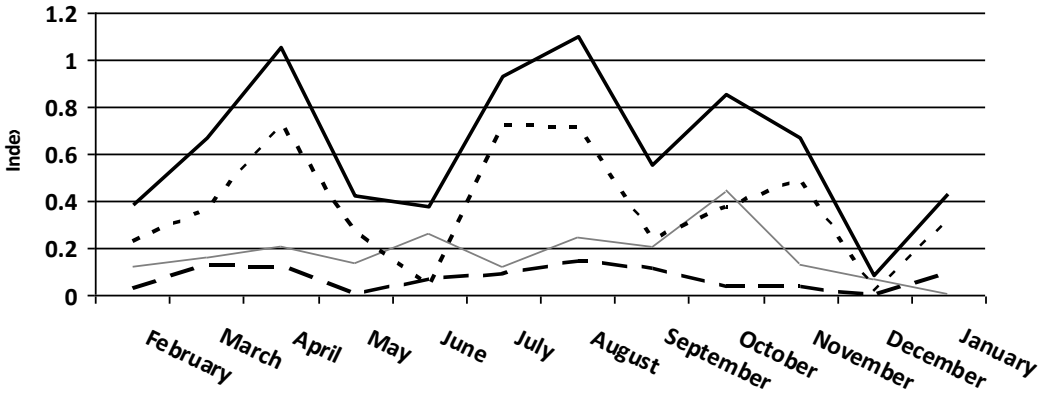
ALL

GEN=151.99 ↓ (158.60)

TRANS=77.14 ↑ (30.85)

DIST=117.04 ↓ (133.22)

(Item 1.1,1.2,1.5) January 2018 SAIFI = 7.52 ↓ (8.05)



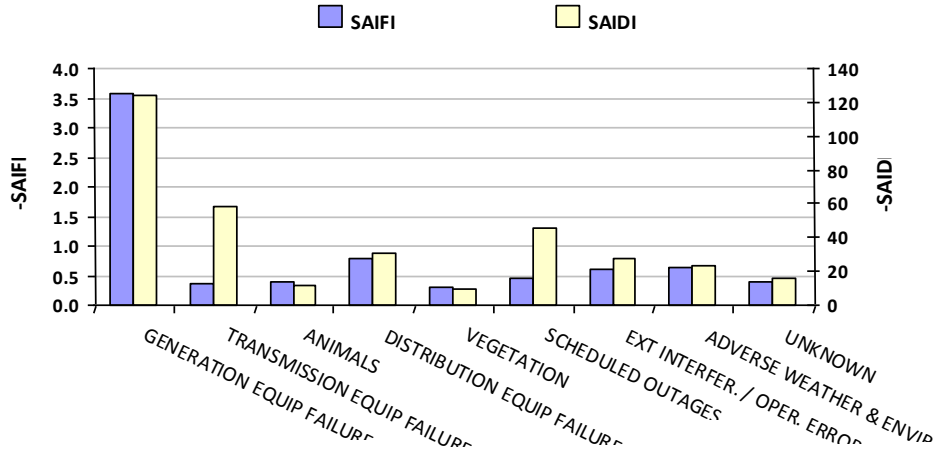
ALL

GEN=4.50 ↓ (4.97)

TRANS=0.89 ↑ (0.81)

DIST=2.13 ↓ (2.27)

(Item 1.9) 12 Month Cause Contributions to Reliability



GENERATION EQUIP FAILURE
F:44.9% D:35.9%

TRANSMISSION EQUIP FAILURE
F:7.0% D:16.7%

ANIMALS
F:5.2% D:3.4%

DISTRIBUTION EQUIP FAILURE
F:10.6% D:8.8%

VEGETATION
F:4.5% D:2.9%

SCHEDULED OUTAGES
F:9.4% D:13.1%

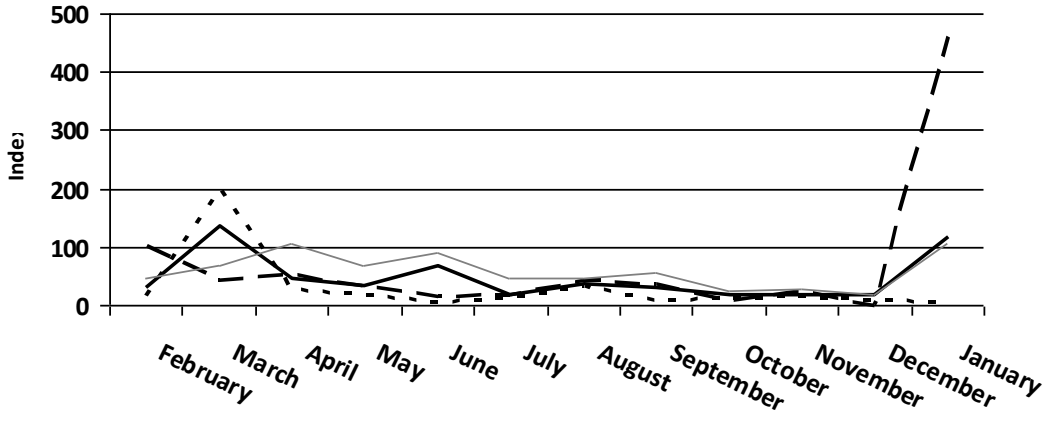
EXT INTERFER. / OPER. ERROR
F:7.0% D:7.9%

ADVERSE WEATHER & ENVIR.
F:6.3% D:6.7%

UNKNOWN
F:5.2% D:4.6%

As of January 31, 2018

(Item 1.1,1.2,1.5) January 2018 CAIDI = 46.01 ↑ (40.09)



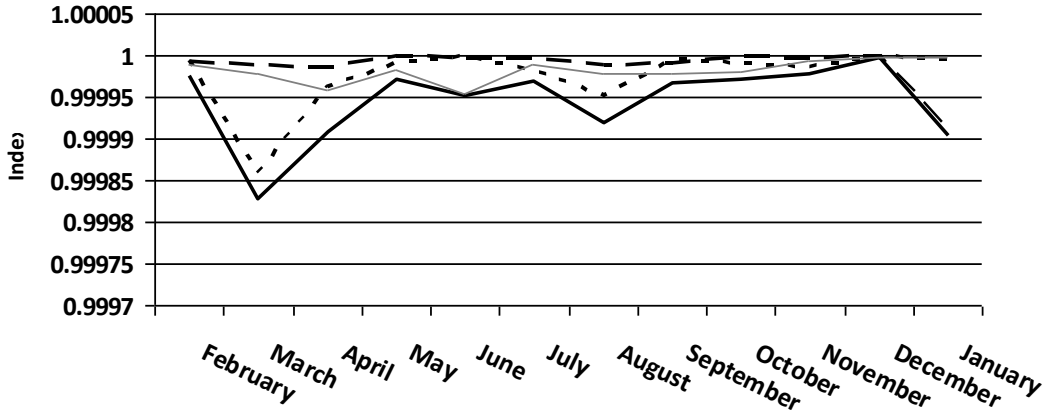
ALL

GEN=33.76 ↑ (31.9)

TRANS=86.42 ↑ (38.06)

DIST=54.97 ↓ (58.77)

(Item 1.1,1.2,1.5) January 2018 ASAI = 0.9993 ↓ (0.9994)



ALL

GEN=0.9997 ↑ (0.9997)

TRANS=0.9999 ↓ (0.9999)

DIST=0.9998 ↑ (0.9997)

(Item 1.4) Top 5 Worst Feeders Distribution Causes

#	Feeder	Outage Count
1	P340	10
2	P403	7
3	P261	7
4	P221	7
5	P332	5

(Item 1.4) Top 5 Distribution Outage Causes

#	Outage Cause	Count
1	Overhead Equipment	31
2	Underground Equipment	16
3	Vegetation	13
4	Vehicles	7
5	Snakes	6

(Item 1.3) Outage Count

TOTAL	UFLS	Non-UFLS
445	225	220

(Item 1.3) UFLS Contribution to Reliability

SAIDI	SAIFI	CAIDI
141.64	4.29	33.01

As of January 31, 2018

NAVFAC
Naval Facilities Engineering Command

U.S. DEPARTMENT OF THE NAVY
REPO
RESILIENT ENERGY PROGRAM OFFICE

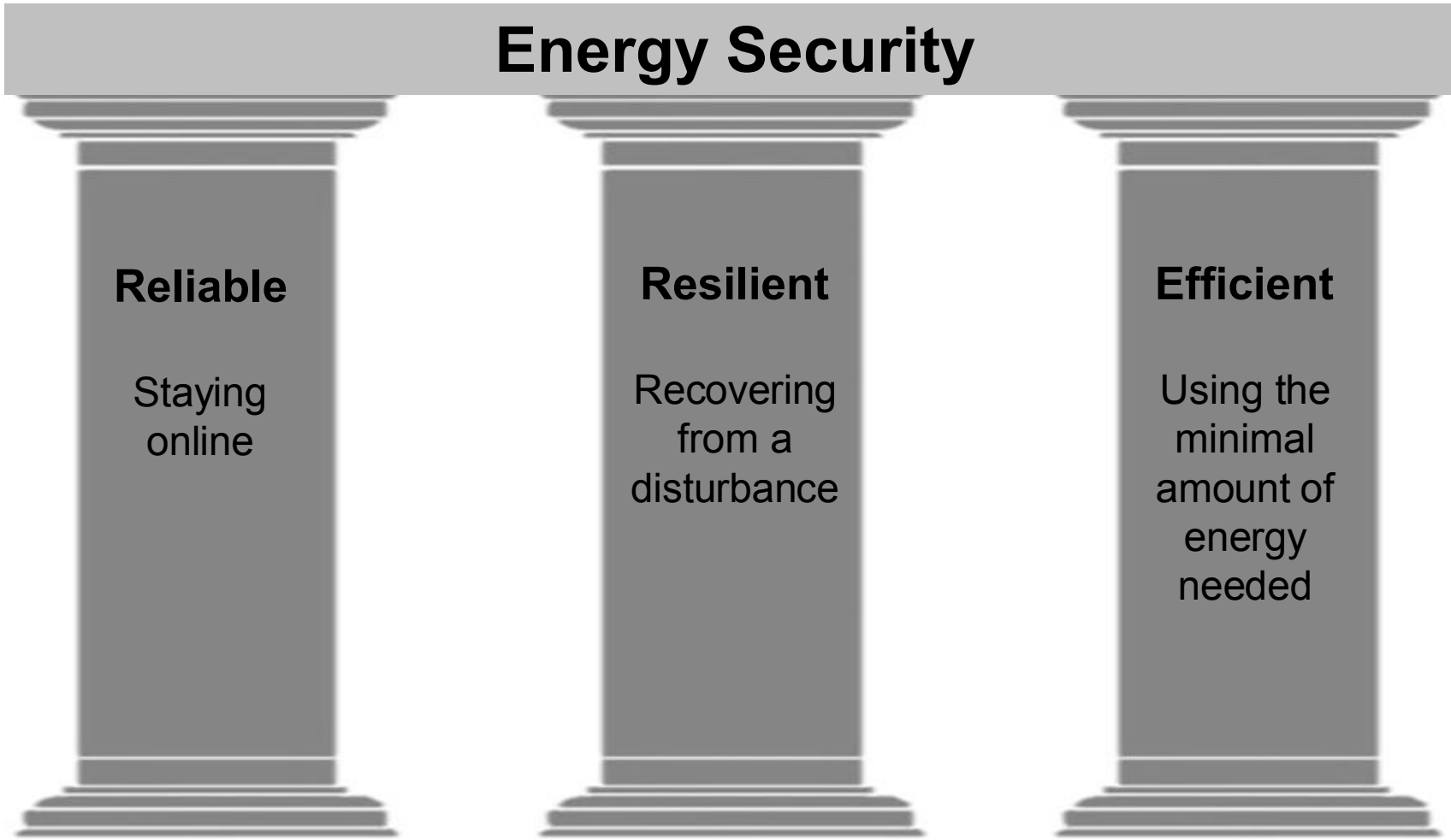
Energy Resiliency in Support of the Mission

GUAM Project Brief

14 February 2018

Overall Classification: UNCLAS

Energy Security Framework

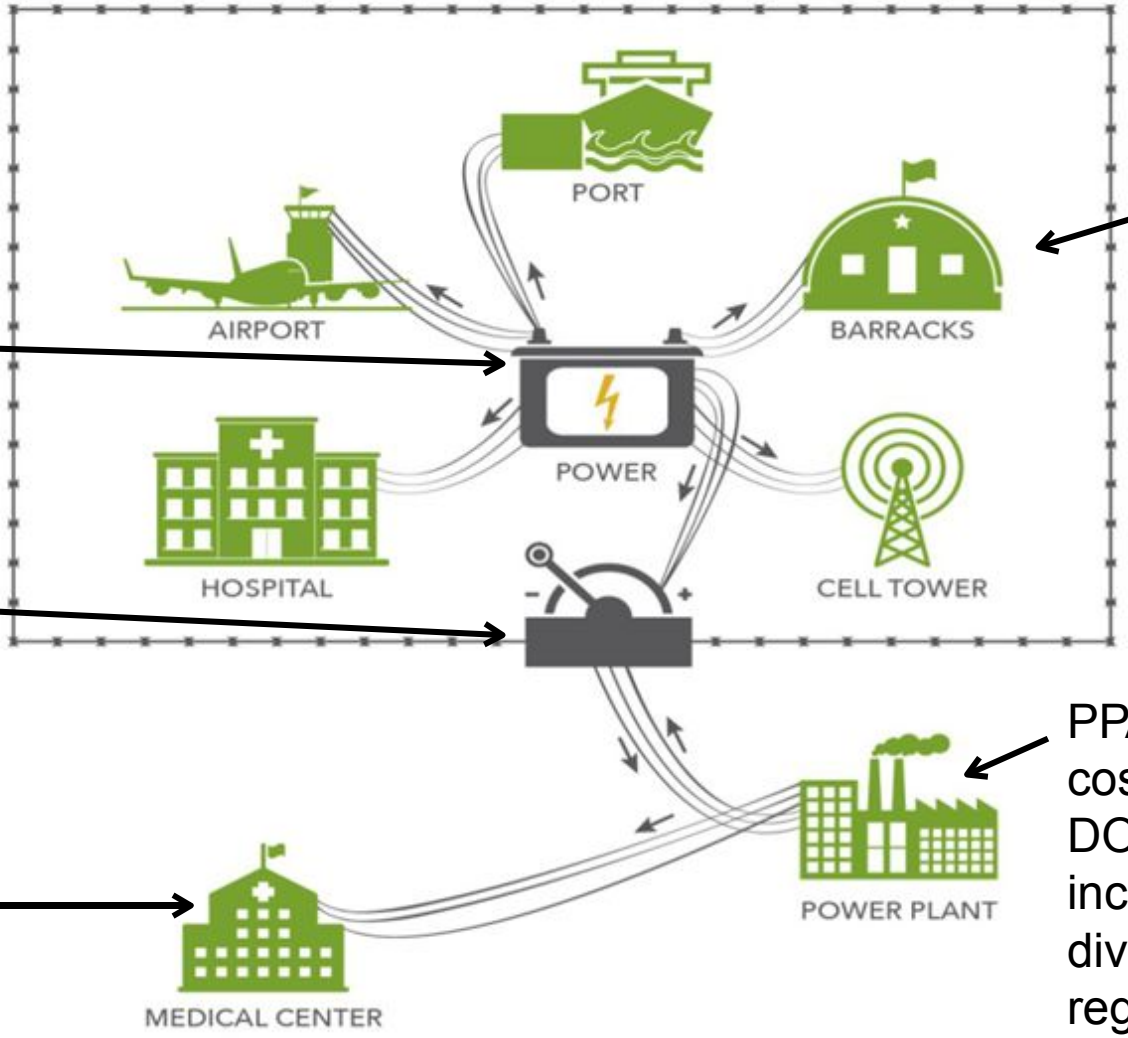


Holistic Approach to Energy Security

Critical assets powered by distributed energy resources and energy storage

Islanding microgrid capabilities

Potential community microgriding capabilities

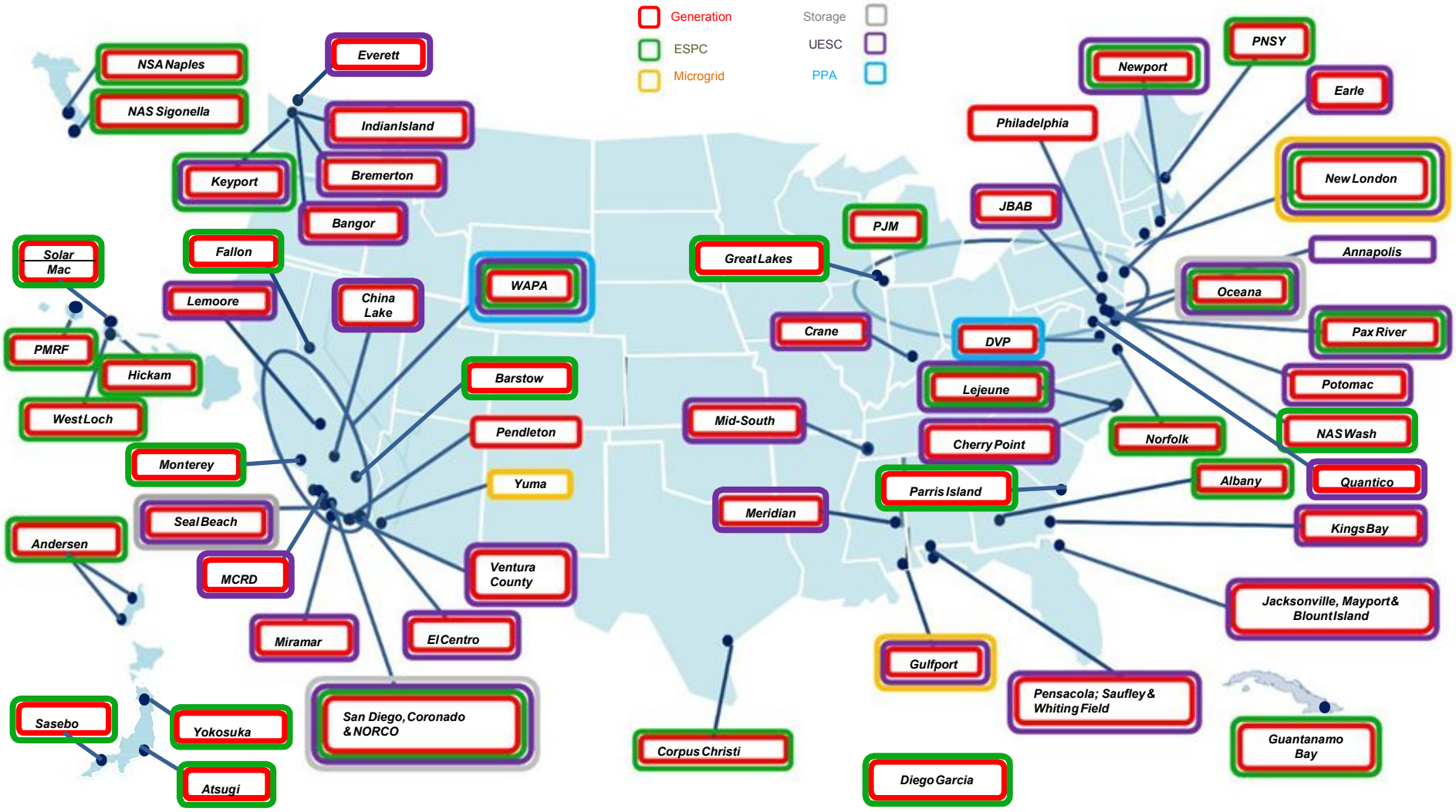


ESPCs / UESCs make buildings and utilities more efficient producing long-term cost savings

PPAs can provide cost stability for the DON and help to incentivize the diversification of regional energy sources

REPO Projects

(as of September 2017)



*Projects completed, in-progress and planned

Guam Project Description & Background

- **Location:** 5 project sites at Joint Region Marianas (JRM)
- **Technology:** Ground Mounted Photovoltaic Systems with Battery Energy Storage System (BESS)
- **Potential PV Power Capacity:** ~38 MW_{DC}
- **Potential BESS Capability:** ~160 MWh
- **Potential Land Availability:** ~164 acres
- **Acquisition Model:** 2 (On-base generation for Utility Offtake, GPA)
- **NEPA:** Performed Environmental Assessment (EA)

Win-Win

The project will benefit the DON and the broader Guam community.

The Base

In the event of a off-base grid outage, the energy system will feed electricity to the base without disruption to ensure mission operations are not compromised or threatened. Further, the system enables island mode operation with black start capabilities.

Guam

The energy system presents mutually benefiting opportunities through power quality improvement to the Guam community, NBG and AAFB. Under the “One Guam” initiative, the DON is committed to improving the quality of life for the people of Guam as well as the military who call Guam “home.” Implementing the PV and BESS energy system will positively impact and unite the community and protect the land, via energy security.

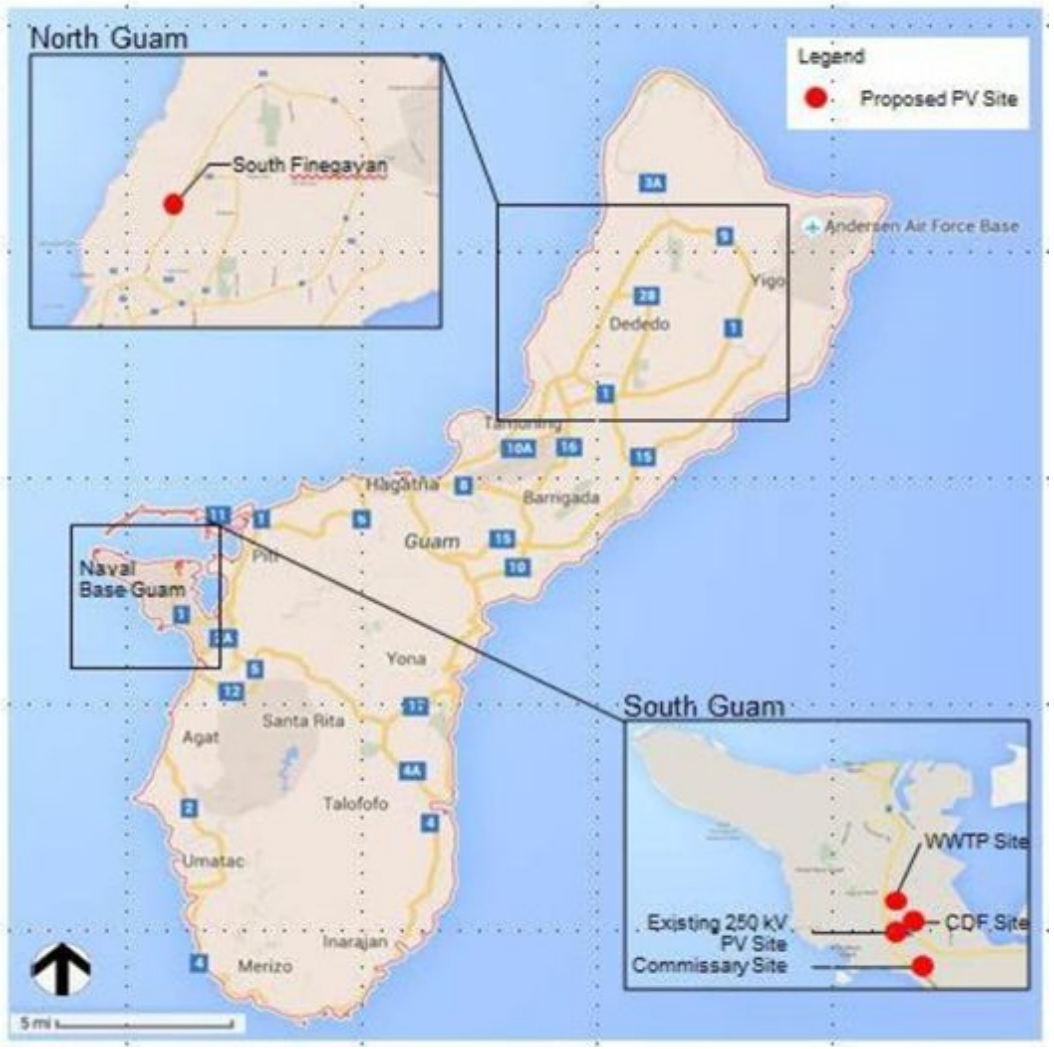
Site Plan

Northern Guam

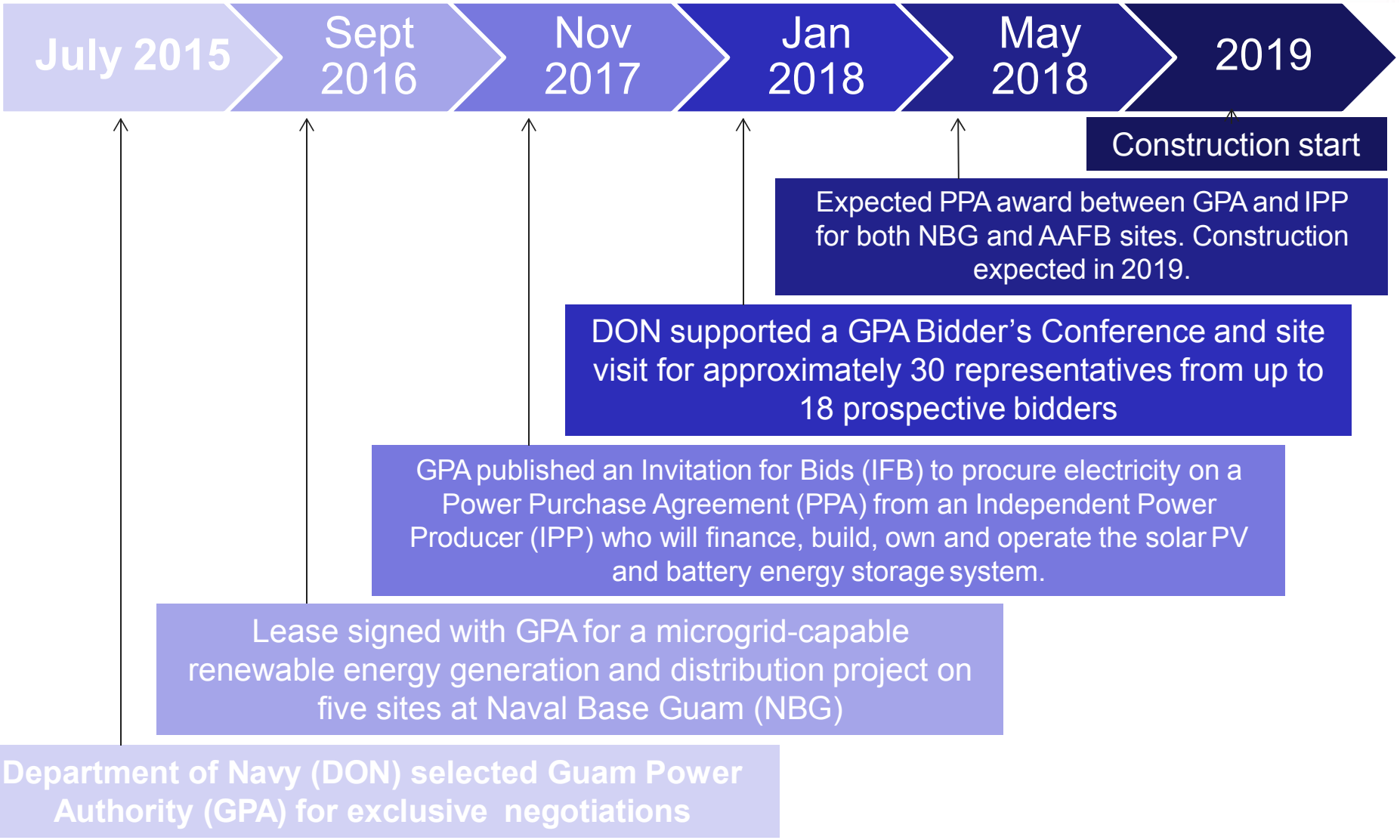
1. S. Finnegayan Housing Area

Southern Guam

1. Existing PV Site
2. WW Treatment Plant
3. CDF Area
4. Commissary Site



Project Timeline



In-Kind Considerations

- **Direct access to 38 MW solar PV and Battery Energy Storage system providing**
  - Power quality improvement
  - Black start capability
  - Island mode operation
  - Access to firm power for entire installation during grid outage via automated switching
  - Redundant feeders
  - Switching station and isolation devices
  - Altered length and operating voltages of underground subtransmission lines to match installation loads
  - Protective and Control relays
  - New switchgear and fiber optic telemetry

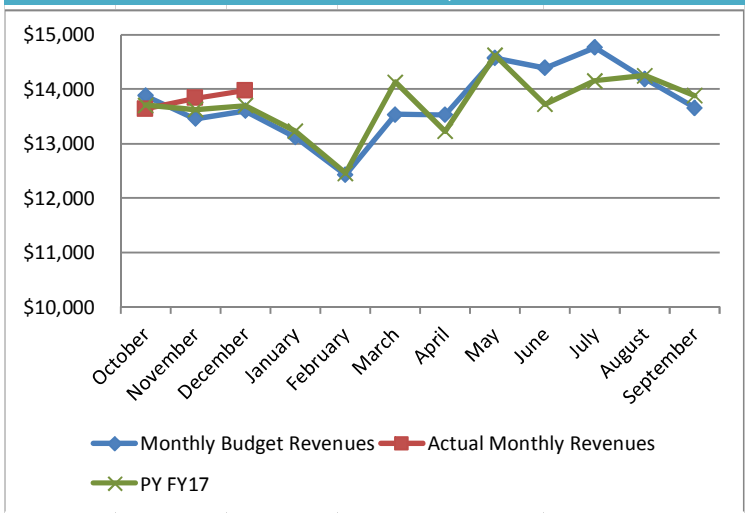
Questions?

December 2017 Monthly Financial Highlight

Base Revenue Through December 31, 2017

$000	Monthly Budget Revenues	Actual Monthly Revenues	Variance		PY FY17	CY vs PY Variance	
October	$ 13,873	$ 13,625	$ (248)	↓	$ 13,702	$ (77)	↓
November	13,451	13,827	$ 376	↑	13,622	$ 205	↑
December	13,599	13,968	$ 369	↑	13,695	$ 273	↑
January	13,114				13,220		
February	12,422				12,454		
March	13,534				14,123		
April	13,525				13,224		
May	14,568				14,617		
June	14,386				13,722		
July	14,759				14,151		
August	14,183				14,244		
September	13,651				13,874		
Total	**$ 165,064**	**$ 41,420**	**$ 497**		**$ 164,649**	**$ 401**	

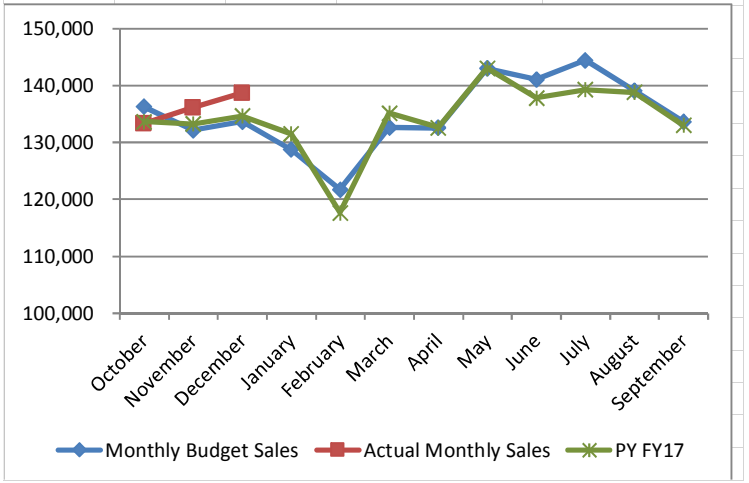
Base Rate Revenue $000



MWH Sales Through December 31, 2017

mwh	Monthly Budget Sales	Actual Monthly Sales	Variance		PY FY17	CY vs PY Variance	
October	136,219	133,262	(2,957)	↓	133,620	(358)	↓
November	132,132	136,044	3,912	↑	133,235	2,809	↑
December	133,625	138,587	4,962	↑	134,634	3,953	↑
January	128,711				131,461		
February	121,668				117,617		
March	132,587				135,131		
April	132,532				132,587		
May	142,956				143,013		
June	141,064				137,777		
July	144,404				139,227		
August	139,093				138,797		
September	133,658				132,993		
Total	**1,618,650**	**407,893**	**5,917**		**1,610,093**	**6,404**	

MWh Sales

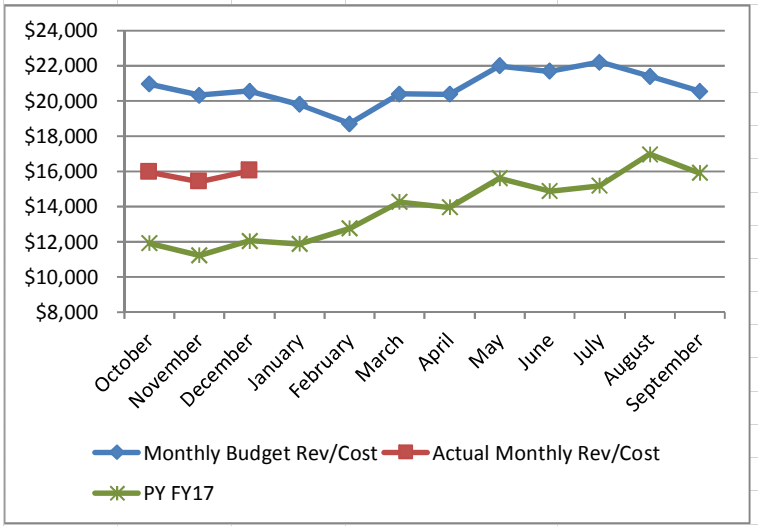


December Monthly Financial Highlight (Continued)

Fuel Revenue Through December 31, 2017

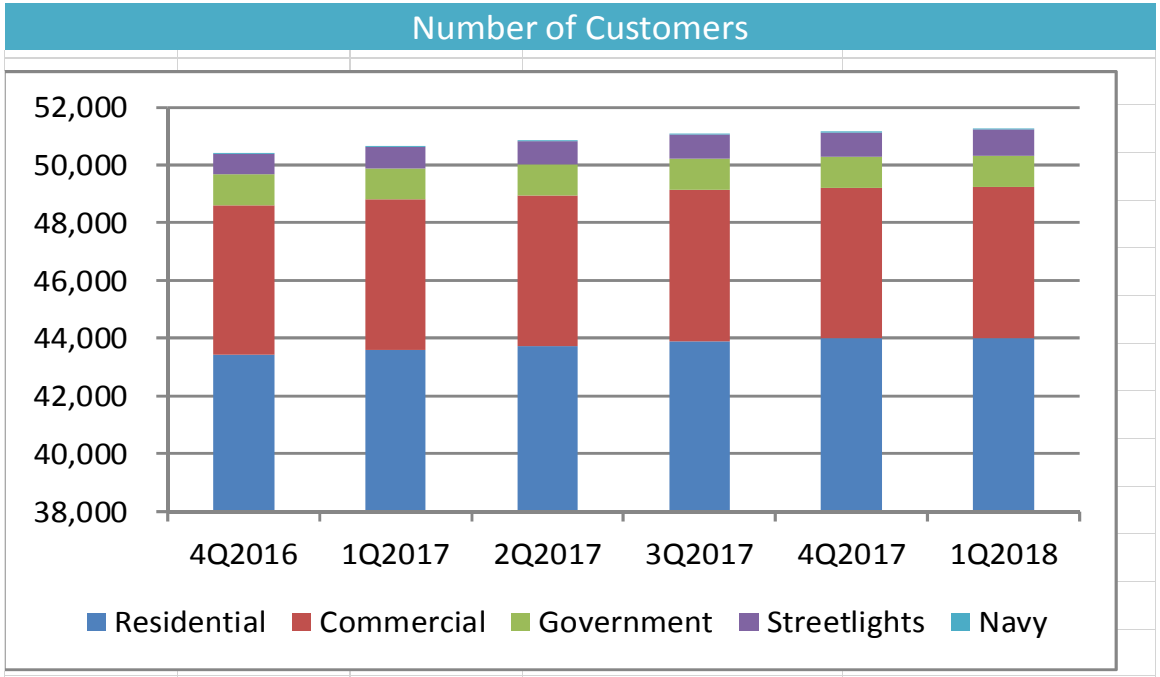
$000	Monthly Budget Rev/Cost	Actual Monthly Rev/Cost	Variance		PY FY17	CY vs PY Variance	
October	$ 20,928	$ 15,936	$ (4,992)	↓	$ 11,894	$ 4,042	↑
November	20,300	15,400	$ (4,899)	↓	11,215	$ 4,185	↑
December	20,529	16,007	$ (4,522)	↓	12,036	$ 3,971	↑
January	19,774				11,867		
February	18,692				12,751		
March	20,370				14,248		
April	20,361				13,940		
May	21,963				15,596		
June	21,672				14,859		
July	22,185				15,175		
August	21,369				16,947		
September	20,534				15,895		
Total	**$ 248,677**	**$ 47,343**	**$ (14,413)**		**$ 166,425**	**$ 12,198**	

Fuel Revenue/ Cost $000



December 2017 Monthly Financial Highlight (Continued)

Number of Customers						
	4Q2016	1Q2017	2Q2017	3Q2017	4Q2017	1Q2018
Residential	43,408	43,582	43,718	43,902	43,991	43,996
Commercial	5,198	5,235	5,236	5,252	5,226	5,233
Government	1,089	1,071	1,077	1,071	1,073	1,079
Streetlights	688	722	800	824	823	905
Navy	1	1	1	1	1	1
	50,384	50,611	50,832	51,050	51,114	51,214

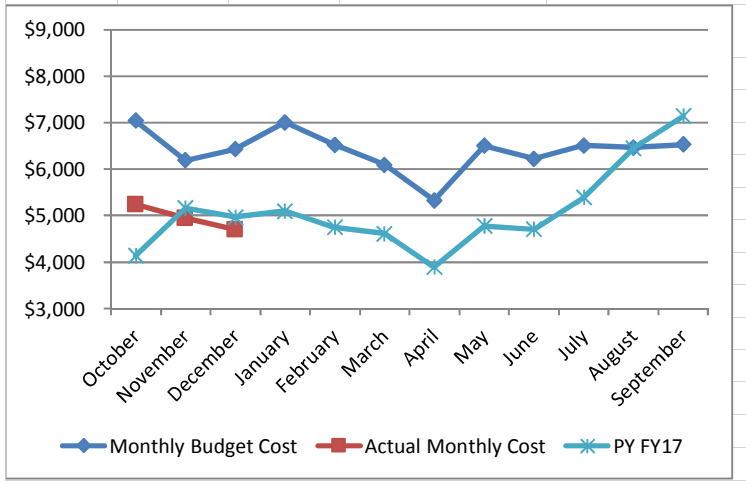


December 2017 Monthly Financial Highlight (Continued)

O&M Cost Through December 31, 2017

$000	Monthly Budget Cost	Actual Monthly Cost	Variance		PY FY17	CY vs PY Variance	
October	$ 7,040	5,239	1,801	↑	4,135	(1,103)	↓
November	6,182	4,941	1,240	↑	5,158	217	↑
December	6,428	4,694	1,735	↑	4,966	273	↑
January	7,001				5,092		
February	6,522				4,748		
March	6,091				4,612		
April	5,320				3,892		
May	6,495				4,772		
June	6,221				4,702		
July	6,508				5,385		
August	6,462				6,445		
September	6,526				7,138		
Total	**$ 76,796**	**$ 14,874**	**$ 4,776**		**$ 61,045**	**$ (614)**	

O&M Cost $000



- DSC greater than target of 1.75

Debt service coverage (DSC) calculation-indenture	2012	2013	2014	2015	2016	2017	YTD Dec. 2017
Senior lien coverage	2.13	3.36	3.16	3.62	3.35	2.81	3.12
Aggregate debt service coverage	1.35	1.88	1.98	2.62	3.35	2.81	3.12
Debt service coverage (DSC) calculation-IPP as O&M							
Senior lien coverage	1.29	2.16	2.25	2.56	2.52	1.95	2.19
Aggregate debt service coverage	0.82	1.21	1.41	1.85	2.52	1.95	2.19

- Under recovery of LEAC - $16.8 million

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

GUAM POWER AUTHORITY
FINANCIAL STATEMENT OVERVIEW
December 2017

Attached are the financial statements and supporting schedules for the month and fiscal year ended December 31, 2017.

Summary
The increase in net assets for the month ended was $0.1 million as compared to the anticipated net decrease of $0.3 million projected at the beginning of the year. The total kWh sales for the month were 3.71% more than projected and non-fuel revenues were $0.4 million more than the estimated amount. O & M expenses for the month were $4.6 million which was $1.7 million under our projections for the month. Other expenses for the month such as interest expense, IPP costs, (net of interest income and other income) totaled to $3.1 million, which was $0.9 million less than the projected amount. There were no other significant departures from the budget during the period.

Analysis

Description	Previous Month	Current Month	Target
Quick Ratio	2.03	1.74	2
Days in Receivables	41	41	52
Days in Payables	24	35	30
LEAC (Over)/Under Recovery Balance -YTD	$15,977,766	$16,797,412	$9,021,347
T&D Losses	4.91%	4.90%	7.00%
Debt Service Coverage	2.03	2.19	1.75
Long-term equity ratio	13%	13%	30 – 40%
Days in Cash	136	154	60

The Quick Ratio has been a challenge for GPA historically. However, over the last two fiscal years, the influx of cash has continued to improve this ratio. GPA has current obligations of approximately $86 million and approximately $150 million in cash and current receivables. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statement
December 2017
Significant Assumptions

The significant assumptions in the financial statements are as follows:

- Accrual cutoff procedures were performed at month end
- An inventory valuation is performed at year-end only
- Accounts Receivable includes accruals based on prior months' usage.

Prepared by:	Reviewed by:	Approved by:
Lenora M. Sanz	John J.E. Kim	John M. Benavente, P.E.
Controller	Chief Financial Officer	General Manager

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Net Position
December 31, 2017 and September 30, 2017

	Unaudited December 2017	Unaudited September 2017	Change from Sept 30 2017
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	$ 7,449,683	$ 18,061,879	$ (10,612,196)
Bond indenture funds	54,749,314	56,907,535	(2,158,221)
Held by Guam Power Authority:			
Bond indenture funds	112,063,892	132,579,889	(20,515,997)
Self insurance fund-restricted	19,253,131	19,251,372	1,759
Energy sense fund	736,812	1,074,491	(337,679)
Total cash and cash equivalents	194,252,832	227,875,166	(33,622,334)
Accounts receivable, net	37,184,729	35,603,289	1,581,440
Total current receivables	37,184,729	35,603,289	1,581,440
Materials and supplies inventory	12,745,964	11,989,745	756,219
Fuel inventory	54,963,684	52,387,369	2,576,315
Prepaid expenses	7,603,268	682,814	6,920,454
Total current assets	306,750,477	328,538,383	(21,787,906)
Utility plant, at cost:			
Electric plant in service	1,039,123,386	1,037,419,517	1,703,869
Construction work in progress	21,948,641	18,382,414	3,566,227
Total	1,061,072,027	1,055,801,931	5,270,096
Less: Accumulated depreciation	(575,852,774)	(565,144,900)	(10,707,874)
Total utility plant	485,219,253	490,657,031	(5,437,778)
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,480,037	48,576,863	(96,826)
Unamortized debt issuance costs	23,106,020	4,267,305	18,838,715
Total other non-current assets	71,586,057	52,844,168	18,741,889
Total assets	863,555,787	872,039,582	(8,483,795)
Deferred outflow of resources:			
Deferred fuel revenue	16,797,412	16,751,048	46,364
Unamortized loss on debt refunding	10,763,980	11,076,064	(312,084)
Pension	8,168,718	8,168,718	0
Unamortized forward delivery contract costs	597,518	637,358	(39,840)
Total deferred outflows of resources	36,327,628	36,633,188	(305,560)
	$ 899,883,415	$ 908,672,770	$ (8,789,355)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statement of Net Position, Continued
December 31, 2017 and September 30, 2017

	Unaudited December 2017	Unaudited September 2017	Change from Sept 30 2017
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Current maturities of long-term debt	$ 1,495,000	$ 1,780,000	$ (285,000)
Current obligations under capital leases	16,949,416	16,949,416	0
Accounts payable			
Operations	44,281,925	56,671,898	(12,389,973)
Others	4,316,635	5,425,336	(1,108,701)
Accrued payroll and employees' benefits	859,987	1,546,860	(686,873)
Current portion of employees' annual leave	2,445,747	2,324,895	120,852
Interest payable	7,839,450	15,065,830	(7,226,380)
Customer deposits	8,429,092	8,503,783	(74,691)
Total current liabilities	86,617,252	108,268,018	(21,650,766)
Regulatory liabilities:			
Provision for self insurance	19,550,977	19,550,977	0
Total regulatory liabilities	19,550,977	19,550,977	0
Long term debt, net of current maturities	607,868,768	590,568,862	17,299,906
Obligations under capital leases, net of current portion	24,413,404	30,343,708	(5,930,304)
Net Pension liability	63,091,097	64,596,253	(1,505,156)
DCRS sick leave liability	4,008,397	4,008,397	0
Employees' annual leave net of current portion	806,762	806,762	0
Customer advances for construction	372,489	369,180	3,309
Total liabilities	806,729,146	818,512,157	(11,783,011)
Deferred inflows of resources:			
Unearned forward delivery contract revenue	2,190,066	2,336,071	(146,005)
Pension	732,788	732,788	0
Total deferred inflows of resources	2,922,854	3,068,859	(146,005)
Commitments and contigencies			
Net Position:			
Net investment in capital assets	(63,016,539)	(43,869,737)	(19,146,802)
Restricted	16,817,689	15,232,832	1,584,857
Unrestricted	136,430,264	115,728,658	20,701,606
Total net position	90,231,414	87,091,754	3,139,660
	$ 899,883,415	$ 908,672,770	$ (8,789,355)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM
Statement of Revenues, Expenses and Changes in Net Assets

	December 31			Three Months Ending December 31		
	Unaudited 2017	Unaudited 2016	% of change Inc (dec)	Unaudited 2017	Unaudited 2016	% of change Inc (dec)
Revenues						
Sales of electricity	$ 29,975,334	$ 25,731,231	16	$ 88,763,807	$ 76,164,617	17
Miscellaneous	122,242	149,309	(18)	407,052	529,904	(23)
Total	30,097,576	25,880,540	16	89,170,859	76,694,521	16
Bad debt expense	(86,583)	(83,333)	4	(259,750)	(250,000)	4
Total revenues	30,010,993	25,797,207	16	88,911,109	76,444,521	16
Operating and maintenance expenses						
Production fuel	16,007,336	12,036,465	33	47,343,365	35,145,493	35
Other production	936,410	1,044,858	(10)	3,525,714	3,552,823	(1)
	16,943,746	13,081,323	30	50,869,079	38,698,316	31
Depreciation	3,567,508	3,621,422	(1)	10,740,759	10,745,217	(0)
Energy conversion cost	1,432,452	1,455,463	(2)	4,941,972	4,370,630	13
Transmission & distribution	1,108,137	984,711	13	2,959,860	2,913,696	2
Customer accounting	432,690	292,768	48	1,267,214	969,219	31
Administrative & general	2,129,750	2,277,938	(7)	6,861,300	6,291,524	9
Total operating and maintenance expenses	25,614,283	21,713,625	18	77,640,184	63,988,602	21
Operating income	4,396,710	4,083,582	8	11,270,925	12,455,919	(10)
Other income (expenses)						
Interest income	741,024	74,400	896	1,751,460	227,803	669
Interest expense and amortization	(2,729,985)	(2,783,224)	(2)	(8,168,390)	(8,390,260)	(3)
Bond issuance costs	(2,487,564)	76,827	(3,338)	(2,333,910)	230,481	(1,113)
Allowance for funds used during construction	273,336	322,071	(15)	819,921	968,537	(15)
Other expense	(82,834)	(4,291)	1,830	(205,147)	(12,873)	1,494
Total other income (expenses)	(4,286,023)	(2,314,217)	85	(8,136,066)	(6,976,312)	17
Income (loss) before capital contributions	110,687	1,769,365	(94)	3,134,859	5,479,607	(43)
Capital contributions	0	0	0	4,795	11,488	(58)
Increase (decrease) in net assets	110,687	1,769,365	(94)	3,139,654	5,491,095	(43)
Total net assets at beginning of period (restated)	90,120,721	80,782,059	12	87,091,754	77,060,329	13
Total net assets at end of period	$ 90,231,408	$ 82,551,424	9	$ 90,231,408	$ 82,551,424	9

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows
Period Ended December 31, 2017

	Month Ended 12/31/2017	YTD Ended 12/31/2017
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	$30,797,532	$ 87,323,839
Cash payments to suppliers and employees for goods and services	34,596,841	113,668,354
Net cash provided by operating activities	($3,799,309)	(26,344,515)
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	741,024	1,751,460
Net cash provided by investing activities	741,024	1,751,460
Cash flows from non-capital financing activities		
Interest paid on short term debt	(5,977)	(18,380)
Provision for self insurance funds	(1,759)	(1,759)
Net cash provided by noncapital financing activities	(7,736)	(20,139)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(1,976,197)	(5,302,974)
Principal paid on bonds and other long-term debt	(1,770,000)	(3,550,000)
Interest paid on bonds(net of capitalized interest)	273,336	(13,556,279)
Interest paid on capital lease obligations	(340,585)	(1,000,190)
Interest & principal funds held by trustee	(515,158)	10,612,196
Reserve funds held by trustee	40,572	96,826
Bond funds held by trustee	386,103	2,158,221
Principal payment on capital lease obligations	(1,894,000)	(5,930,304)
Grant from DOI/FEMA	-	4,795
Debt issuance costs/loss on defeasance	21,016,392	20,564,906
Net cash provided by (used in) capital and related financing activities	15,220,463	4,097,197
Net (decrease) increase in cash and cash equivalents	12,154,441.28	(20,515,997)
Cash and cash equivalents, beginning	99,909,451	132,579,889
Cash and cash equivalents-Funds held by GPA, December 31, 2017	**$ 112,063,892**	**$ 112,063,892**

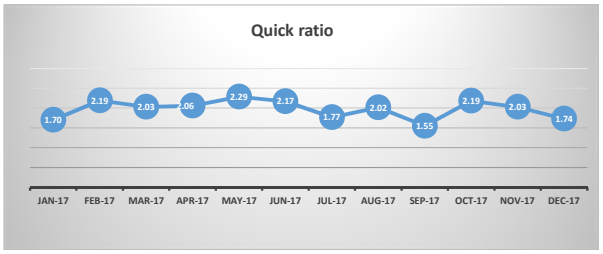
GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows, continued
Period Ended December 31, 2017

	Month Ended 12/31/2017	YTD Ended 12/31/2017
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	$4,396,710	$11,270,925
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	3,567,508	10,740,759
Other expense	(2,570,398)	(2,539,057)
(Increase) decrease in assets:		
Accounts receivable	784,516	(1,581,440)
Materials and inventory	(24,008)	(756,219)
Fuel inventory	(6,992,429)	(2,576,315)
Prepaid expenses	934,201	(6,920,454)
Unamortized debt issuance cost	(18,901,931)	(18,838,715)
Deferred fuel revenue	(819,646)	(46,364)
Unamortized loss on debt refunding	104,028	312,084
Unamortized forward delivery contract costs	13,280	39,840
Increase (decrease) in liabilities:		
Accounts payable-operations	16,032,782	(12,389,973)
Accounts payable-others	349,053	(771,022)
Accrued payroll and employees' benefits	163,316	(686,873)
Net pension liability	(520,208)	(1,505,156)
Employees' annual leave	(5,015)	120,852
Customers deposits	(262,400)	(74,691)
Customer advances for construction	-	3,309
Unearned forward delivery contract revenue	(48,668)	(146,005)
Net cash provided by operating activities	**($3,799,309)**	**$ (26,344,515)**

Guam Power Authority
Financial Analysis
12/31/2017

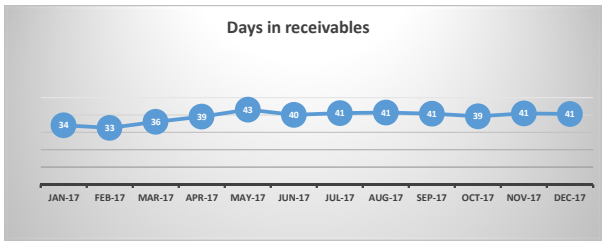
Quick Ratio

A	Reserve Funds Held by GPA	112,063,892
B	Current Accounts Receivable	38,242,089
C	Total Cash and A/R (A+B)	150,305,981
D	Total Current Liabilities	86,617,252
E	**Quick Ratio (F/G)**	**1.74**



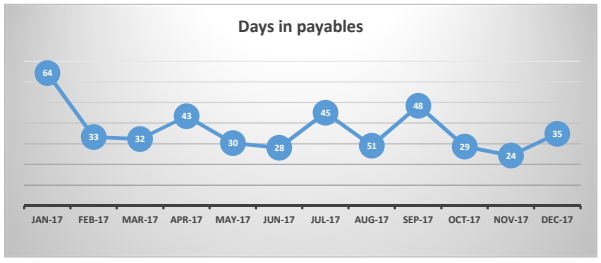
Days in Receivables

A	FY 18 Moving 12 Mos.-Actual	343,673,245
B	No. of Days	365
C	Average Revenues per day (A/B)	941,571
D	Current Accounts Receivable	38,242,089
E	**Days in Receivables (D/C)**	**41**



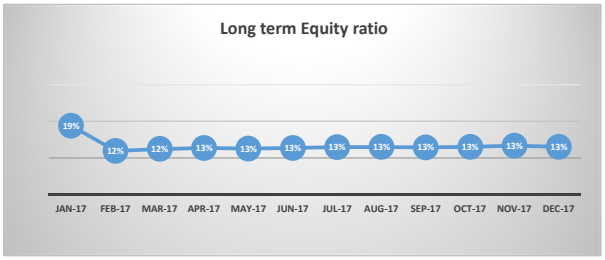
Days in Payables

A	FY 18 Moving 12 Months-Actual	509,492,667
B	No. of Days	365
C	Average Payables per day (A/B)	1,395,870
D	Current Accounts Payables	48,598,561
E	**Days in Payables (D/C)**	**35**



Long term equity ratio

A	Equity	$	90,231,414.00
B	Total Long term Liability	$	602,636,318.00
C	Total Equity and liability	$	692,867,732.00
D	**Long term equity ratio (A/C)**		**13%**

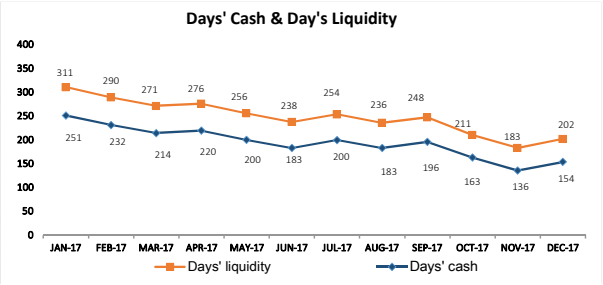


Days cash on hand

A	Unresctricted cash & cash equivalents	112,064
B	No. of Days -YTD	92
C	A x B	10,309,878
D	Total Operating expenses excluding depreciatior	66,899
E	**Days cash on hand**	**154**

Days' Liquidity

A	Unresctricted cash , cash equivalents & revolvin	147,064
B	No. of Days -YTD	92
C	A x B	13,529,878
D	Total Operating expenses excluding depreciatior	66,899
E	**Days liquidity**	**202**



GPA 302
1/17/2018

GUAM POWER AUTHORITY
ACCRUED REVENUE
DECEMBER 2017

	FOR THE MONTH ENDED DECEMBER		THREE MONTHS ENDED DECEMBER	
	2017	2016	2017	2016
KWH SALES:				
Residential	43,307,944	41,105,614	128,376,797	124,298,783
Small Gen. Non Demand	6,956,278	6,987,253	21,083,461	20,681,755
Small Gen. Demand	15,848,505	16,033,983	47,430,029	47,579,490
Large General	27,485,887	26,487,608	80,336,690	79,179,733
Independent Power Producer	40,140	96,065	226,207	273,909
Private St. Lights	35,129	39,997	104,022	141,553
Sub-total	93,673,883	90,750,519	277,557,205	272,155,222
Government Service:				
Small Non Demand	1,272,026	1,121,641	3,778,769	3,442,048
Small Demand	8,063,549	8,060,205	24,445,741	24,987,539
Large	6,812,255	6,238,617	19,781,131	18,735,314
Street Lighting	697,921	994,072	2,179,335	2,888,990
Sub-total	16,845,750	16,414,534	50,184,976	50,053,891
Total	110,519,633	107,165,053	327,742,181	322,209,113
U. S. Navy	28,067,673	27,468,943	80,150,976	79,280,394
GRAND TOTAL	138,587,306	134,633,996	407,893,157	401,489,507
REVENUE:				
Residential	$ 9,238,911	$ 7,527,553	$ 27,421,418	$ 22,756,049
Small Gen. Non Demand	$ 1,765,223	$ 1,572,329	$ 5,347,367	$ 4,642,333
Small Gen. Demand	$ 3,769,415	$ 3,341,792	$ 11,226,738	$ 9,834,497
Large General	$ 6,067,740	$ 5,049,240	$ 17,662,933	$ 15,034,002
Independent Power Producer	$ 9,249	$ 19,759	$ 49,046	$ 55,029
Private St. Lights	$ 25,553	$ 25,575	$ 76,274	$ 81,280
Sub-total	$ 20,876,091	$ 17,536,247	$ 61,783,776	$ 52,403,189
Government Service:				
Small Non Demand	$ 341,017	$ 268,979	$ 1,009,458	$ 821,871
Small Demand	$ 2,046,340	$ 1,798,184	$ 6,157,492	$ 5,506,709
Large	$ 1,652,805	$ 1,334,239	$ 4,783,239	$ 3,993,317
Street Lighting	$ 416,951	$ 548,266	$ 1,281,753	$ 1,498,104
Sub-total	$ 4,457,113	$ 3,949,668	$ 13,231,943	$ 11,820,000
Total	$ 25,333,204	$ 21,485,915	$ 75,015,719	$ 64,223,190
U. S. Navy	$ 4,642,130	$ 4,245,316	$ 13,748,089	$ 11,941,428
GRAND TOTAL	$ 29,975,334	$ 25,731,231	$ 88,763,807	$ 76,164,617
NUMBER OF CUSTOMERS:				
Residential	43,898	43,582	43,948	43,376
Small Gen. Non Demand	4,129	4,125	4,131	4,088
Small Gen. Demand	981	991	982	994
Large General	118	116	118	115
Independent Power Producer	3	3	3	3
Private St. Lights	530	517	529	528
Sub-total	49,659	49,334	49,711	49,103
Government Service:				
Small Non Demand	679	680	678	689
Small Demand	350	346	352	343
Large	47	45	47	45
Street Lighting	378	205	378	164
Sub-total	1,454	1,276	1,454	1,240
Total	51,113	50,610	51,165	50,343
US Navy	1	1	1	1
GRAND TOTAL	51,114	50,611	51,166	50,344

GPA403
1/17/2018

GUAM POWER AUTHORITY
ACCRUED REVENUE

	TWELVE MONTHS ENDING	DECEMBER 2017	NOVEMBER 2017	OCTOBER 2017	SEPTEMBER 2017	AUGUST 2017	JULY 2017	JUNE 2017	MAY 2017	APRIL 2017	MARCH 2017	FEBRUARY 2017	JANUARY 2017
KWH SALES:													
Residential	510,413,616	43,307,944	43,386,853	41,682,000	41,491,015	44,434,719	45,094,364	45,699,553	46,940,445	42,105,054	40,911,781	35,936,337	39,423,550
Small General Non Demand	84,301,405	6,956,278	7,060,041	7,067,142	7,022,092	7,347,440	7,087,373	7,546,692	7,375,238	6,926,353	6,767,505	6,497,885	6,647,367
Small General Demand	189,901,464	15,848,505	15,789,397	15,792,127	15,509,408	16,488,257	15,839,125	16,853,701	16,415,592	15,638,177	16,300,307	13,890,958	15,535,910
Large General	315,730,188	27,485,887	26,267,661	26,583,141	25,432,034	27,038,013	27,119,633	26,399,095	27,209,329	25,771,823	26,173,462	23,699,969	26,550,140
Private Outdoor Lighting	454,876	35,129	35,042	33,851	76,532	33,324	35,412	36,199	31,956	34,275	34,097	32,325	36,736
Independent Power Producer	914,121	40,140	93,823	92,244	34,586	57,754	82,800	93,447	97,039	78,158	83,841	67,797	92,493
Sub-Total	1,101,715,671	93,673,883	92,632,817	91,250,505	89,565,666	95,399,508	95,258,706	96,628,687	98,069,599	90,553,840	90,270,993	80,125,270	88,286,197
Government Service:													
Small Non Demand	14,238,967	1,272,026	1,255,131	1,251,612	1,246,106	1,243,487	1,254,979	1,154,625	1,242,514	1,118,738	1,123,675	996,603	1,079,470
Small Demand	96,336,804	8,063,549	8,098,974	8,283,218	8,084,368	8,147,386	7,962,644	7,847,651	8,507,100	7,890,703	8,171,598	7,382,544	7,897,069
Large	75,943,786	6,812,255	6,550,623	6,418,254	6,493,449	6,520,699	6,219,351	6,043,966	6,712,069	6,145,212	6,340,287	5,654,767	6,032,854
Street Lighting (Agencies)	8,804,951	697,921	668,464	812,949	697,002	877,130	638,971	843,815	771,506	720,057	829,968	707,509	539,658
Sub-Total	195,324,508	16,845,750	16,573,193	16,766,033	16,520,925	16,788,702	16,075,944	15,890,058	17,233,190	15,874,710	16,465,529	14,741,423	15,549,052
Total	1,297,040,178	110,519,633	109,206,010	108,016,537	106,086,591	112,188,210	111,334,651	112,518,745	115,302,789	106,428,550	106,736,522	94,866,692	103,835,249
U.S. Navy	319,456,483	28,067,673	26,837,883	25,245,420	26,906,320	26,608,721	27,892,205	25,258,344	27,710,121	26,158,807	28,394,970	22,750,741	27,625,278
Grand Total	1,616,496,661	138,587,306	136,043,893	133,261,957	132,992,911	138,796,930	139,226,856	137,777,089	143,012,910	132,587,357	135,131,492	117,617,433	131,460,526
REVENUE:													
Residential	$ 105,267,346	$ 9,238,911	$ 9,263,463	$ 8,919,044	$ 8,887,320	$ 9,762,810	$ 9,056,344	$ 9,109,920	$ 9,464,539	$ 8,447,732	$ 8,255,658	$ 7,648,484	$ 7,213,121
Small General Non Demand	$ 20,745,767	$ 1,765,223	$ 1,789,263	$ 1,792,881	$ 1,783,997	$ 1,902,660	$ 1,709,931	$ 1,790,832	$ 1,782,557	$ 1,661,818	$ 1,647,869	$ 1,650,380	$ 1,468,355
Small General Demand	$ 43,461,759	$ 3,769,415	$ 3,699,298	$ 3,758,026	$ 3,692,273	$ 3,964,157	$ 3,527,191	$ 3,704,661	$ 3,828,208	$ 3,333,389	$ 3,674,304	$ 3,310,305	$ 3,200,532
Large General	$ 66,806,991	$ 6,067,740	$ 5,793,817	$ 5,801,375	$ 5,643,059	$ 6,028,539	$ 5,589,484	$ 5,443,855	$ 5,621,797	$ 5,382,999	$ 5,370,285	$ 5,066,026	$ 4,998,015
Private Outdoor Lighting	$ 301,951	$ 25,553	$ 25,471	$ 25,250	$ 25,361	$ 25,094	$ 25,099	$ 25,329	$ 24,432	$ 25,014	$ 25,012	$ 24,793	$ 25,546
Independent Power Producer	$ 205,048	$ 9,249	$ 20,053	$ 19,744	$ 17,076	$ 14,804	$ 17,270	$ 19,157	$ 20,386	$ 16,006	$ 17,451	$ 15,045	$ 18,807
Sub-Total	$ 236,788,861	$ 20,876,091	$ 20,591,366	$ 20,316,320	$ 20,049,087	$ 21,698,063	$ 19,925,320	$ 20,093,753	$ 20,741,919	$ 18,866,957	$ 18,990,578	$ 17,715,032	$ 16,924,376
Government Service:													
Small Non Demand	$ 3,700,596	$ 341,017	$ 334,963	$ 333,478	$ 333,079	$ 332,325	$ 319,135	$ 297,031	$ 313,817	$ 289,279	$ 289,226	$ 258,835	$ 258,411
Small Demand	$ 23,480,862	$ 2,046,340	$ 2,043,720	$ 2,067,433	$ 2,050,292	$ 2,052,253	$ 1,907,628	$ 1,885,990	$ 1,985,615	$ 1,919,140	$ 1,956,670	$ 1,819,228	$ 1,746,554
Large	$ 17,769,287	$ 1,652,805	$ 1,583,988	$ 1,546,446	$ 1,575,080	$ 1,573,445	$ 1,424,292	$ 1,393,449	$ 1,572,201	$ 1,374,482	$ 1,454,690	$ 1,331,459	$ 1,286,951
Street Lighting (Agencies)	$ 5,222,345	$ 416,951	$ 419,351	$ 445,451	$ 436,808	$ 516,047	$ 418,012	$ 451,933	$ 439,403	$ 431,759	$ 447,332	$ 447,721	$ 351,576
Sub-Total	$ 50,173,090	$ 4,457,113	$ 4,382,022	$ 4,392,807	$ 4,395,259	$ 4,474,070	$ 4,069,066	$ 4,028,403	$ 4,311,036	$ 4,014,660	$ 4,147,918	$ 3,857,244	$ 3,643,492
Total	$ 286,961,951	$ 25,333,204	$ 24,973,388	$ 24,709,127	$ 24,444,346	$ 26,172,133	$ 23,994,386	$ 24,122,156	$ 25,052,955	$ 22,881,617	$ 23,138,496	$ 21,572,276	$ 20,567,868
U.S. Navy	$ 56,711,294	$ 4,642,130	$ 4,254,065	$ 4,851,893	$ 5,325,383	$ 5,019,382	$ 5,331,702	$ 4,458,411	$ 5,160,265	$ 4,283,028	$ 5,232,508	$ 3,632,683	$ 4,519,844
Grand Total	$ 343,673,245	$ 29,975,334	$ 29,227,453	$ 29,561,020	$ 29,769,728	$ 31,191,516	$ 29,326,087	$ 28,580,567	$ 30,213,220	$ 27,164,645	$ 28,371,004	$ 25,204,958	$ 25,087,712
NUMBER OF CUSTOMERS:													
Residential	43,855	43,898	43,996	43,950	43,991	43,969	43,866	43,902	43,803	43,807	43,718	43,647	43,710
Small General Non Demand	4,131	4,129	4,131	4,134	4,127	4,134	4,131	4,145	4,130	4,137	4,128	4,119	4,127
Small General Demand	986	981	982	982	980	981	984	988	988	988	989	992	994
Large General	116	118	117	119	116	115	116	116	117	115	116	116	116
Private Outdoor Lighting	528	530	527	530	526	527	526	527	530	528	528	527	525
Independent Power Producer	3	3	3	3	3	3	3	3	3	3	3	3	3
Sub-Total	49,619	49,659	49,756	49,718	49,743	49,729	49,626	49,681	49,571	49,578	49,482	49,404	49,475
Government Service:													
Small Non Demand	680	679	678	676	675	678	678	677	684	684	684	682	684
Small Demand	350	350	354	351	353	351	352	349	346	347	348	347	347
Large	45	47	47	46	45	45	45	45	45	45	45	45	45
Street Lighting (Agencies)	305	378	378	377	297	297	297	297	293	290	272	271	211
Sub-Total	1,380	1,454	1,457	1,450	1,370	1,371	1,372	1,368	1,368	1,366	1,349	1,345	1,287
Total	50,998	51,113	51,213	51,168	51,113	51,100	50,998	51,049	50,939	50,944	50,831	50,749	50,762
U.S. Navy	1	1	1	1	1	1	1	1	1	1	1	1	1
Grand Total	50,999	51,114	51,214	51,169	51,114	51,101	50,999	51,050	50,940	50,945	50,832	50,750	50,763

GPA303

GUAM POWER AUTHORITY
ACCRUED REVENUE
DECEMBER 2017

RATE	NUMBER OF CUSTOMERS	KWH SALES	TOTAL REVENUE AMOUNT	TOTAL REVENUE C/KWH	BASE RATE REVENUE C/KWH	BASE RATE REVENUE AMOUNT	AVERAGE PER CUSTOMER KWH	AVERAGE PER CUSTOMER REVENUE	NON-FUEL C/KWH	NON-FUEL AMOUNT	FUEL C/KWH	FUEL AMOUNT
Month												
R Residential	43,898	43,307,944	$ 9,238,911	$ 21.33	$ 21.33	$ 9,238,911	986.56	$ 210.46	$ 9.5613	$ 4,140,786	$ 11.7718	$ 5,098,125
G Small Gen. Non Demand	4,129	6,956,278	$ 1,765,223	$ 25.38	$ 25.38	$ 1,765,223	1,684.74	$ 427.52	$ 13.6042	$ 946,344	$ 11.7718	$ 818,879
J Small Gen. Demand	981	15,848,505	$ 3,769,415	$ 23.78	$ 23.78	$ 3,769,415	16,155.46	$ 3,842.42	$ 12.0159	$ 1,904,339	$ 11.7681	$ 1,865,075
P Large General	118	27,485,887	$ 6,067,740	$ 22.08	$ 22.08	$ 6,067,740	232,931.25	$ 51,421.52	$ 10.3598	$ 2,847,494	$ 11.7160	$ 3,220,246
I Independent Power Producer	3	40,140	$ 9,249	$ 23.04	$ 23.04	$ 9,249	13,379.97	$ 3,082.98	$ 11.6410	$ 4,673	$ 11.4008	$ 4,576
H Private St. Lights	530	35,129	$ 25,553	$ 72.74	$ 72.74	$ 25,553	66.28	$ 48.21	$ 60.9688	$ 21,417	$ 11.7718	$ 4,135
Sub-Total	49,659	93,673,883	$ 20,876,091	$ 22.29	$ 22.29	$ 20,876,091	1,886.34	$ 420.39	$ 10.5313	$ 9,865,054	$ 11.7546	$ 11,011,036
Government Service:												
S Small Non Demand	679	1,272,026	$ 341,017	$ 26.81	$ 26.81	$ 341,017	1,873.38	$ 502.23	$ 15.0372	$ 191,277	$ 11.7718	$ 149,740
K Small Demand	350	8,063,549	$ 2,046,340	$ 25.38	$ 25.38	$ 2,046,340	23,038.71	$ 5,846.68	$ 13.6059	$ 1,097,115	$ 11.7718	$ 949,225
L Large	47	6,812,255	$ 1,652,805	$ 24.26	$ 24.26	$ 1,652,805	144,941.59	$ 35,166.07	$ 12.6298	$ 860,372	$ 11.6325	$ 792,433
F Street Lighting (Agencies)	378	697,921	$ 416,951	$ 59.74	$ 59.74	$ 416,951	1,846.35	$ 1,103.05	$ 47.9701	$ 334,793	$ 11.7718	$ 82,158
Sub-Total	1,454	16,845,750	$ 4,457,113	$ 26.46	$ 26.46	$ 4,457,113	11,585.80	$ 3,065.41	$ 14.7429	$ 2,483,557	$ 11.7155	$ 1,973,556
	51,113	110,519,633	$ 25,333,204	$ 48.74	$ 48.74	$ 25,333,204	2,162.26	$ 495.63	$ 36.9956	$ 12,348,611	$ 11.7487	$ 12,984,593
U.S. Navy	1	28,067,673	$ 4,642,130	$ 16.54	$ 16.54	$ 4,642,130			$ 5.7230	$ 1,606,307	$ 10.8161	$ 3,035,823
TOTAL	51,114	138,587,306	$ 29,975,334	$ 21.63	$ 21.63	$ 29,975,334	2,711.34	$ 586.44	$ 10.0694	$ 13,954,918	$ 11.5598	$ 16,020,416
Three Months Ended December 2017												
R Residential	43,948	128,376,797	$ 27,421,418	$ 21.36	$ 21.36	$ 27,421,418	2,921.11	$ 623.95	$ 9.5883	$ 12,309,158	$ 11.7718	$ 15,112,260
G Small Gen. Non Demand	4,131	21,083,461	$ 5,347,367	$ 25.36	$ 25.36	$ 5,347,367	5,103.31	$ 1,294.34	$ 13.5911	$ 2,865,464	$ 11.7718	$ 2,481,903
J Small Gen. Demand	982	47,430,029	$ 11,226,738	$ 23.67	$ 23.67	$ 11,226,738	48,315.82	$ 11,436.41	$ 11.9022	$ 5,645,216	$ 11.7679	$ 5,581,522
P Large General	118	80,336,690	$ 17,662,933	$ 21.99	$ 21.99	$ 17,662,933	680,819.41	$ 149,685.87	$ 10.2733	$ 8,253,260	$ 11.7128	$ 9,409,673
I Independent Power Producer	529	226,207	$ 49,046	$ 21.68	$ 21.68	$ 49,046	427.61	$ 92.71	$ 10.3021	$ 23,304	$ 11.3799	$ 25,742
H Private St. Lights	3	104,022	$ 76,274	$ 73.33	$ 73.33	$ 76,274	34,673.84	$ 25,424.60	$ 61.5532	$ 64,029	$ 11.7718	$ 12,245
Sub-Total	49,711	277,557,205	$ 61,783,776	$ 22.26	$ 22.26	$ 61,783,776	5,583.42	$ 1,242.86	$ 10.5061	$ 29,160,431	$ 11.7537	$ 32,623,345
Government Service:												
S Small Non Demand	678	3,778,769	$ 1,009,458	$ 26.71	$ 26.71	$ 1,009,458	5,576.15	$ 1,489.61	$ 14.9421	$ 564,629	$ 11.7718	$ 444,829
K Small Demand	352	24,445,741	$ 6,157,492	$ 25.19	$ 25.19	$ 6,157,492	69,513.96	$ 17,509.46	$ 13.4166	$ 3,279,789	$ 11.7718	$ 2,877,704
L Large	47	19,781,131	$ 4,783,239	$ 24.18	$ 24.18	$ 4,783,239	423,881.39	$ 102,497.98	$ 12.5503	$ 2,482,592	$ 11.6305	$ 2,300,647
F Street Lighting (Agencies)	378	2,179,335	$ 1,281,753	$ 58.81	$ 58.81	$ 1,281,753	5,770.52	$ 3,393.87	$ 47.0422	$ 1,025,206	$ 11.7718	$ 256,547
Sub-Total	1,454	50,184,976	$ 13,231,943	$ 26.37	$ 26.37	$ 13,231,943	34,523.03	$ 9,102.46	$ 14.6502	$ 7,352,215	$ 11.7161	$ 5,879,727
U.S. Navy	1	80,150,976	$ 13,748,089	$ 17.15	$ 17.15	$ 13,748,089			$ 6.1069	$ 4,894,717	$ 11.0459	$ 8,853,372
TOTAL	51,166	407,893,157	$ 88,763,807	$ 21.76	$ 21.76	$ 88,763,807	7,972.01	$ 1,734.83	$ 10.1515	$ 41,407,364	$ 11.6100	$ 47,356,444
Twelve Months Ended December 2017												
R Residential	43,855	510,413,616	$ 105,267,346	$ 20.62	$ 20.62	$ 105,267,346	11,638.73	$ 2,400.36	$ 9.6098	$ 49,049,503	$ 11.0142	$ 56,217,843
G Small Gen. Non Demand	4,131	84,301,405	$ 20,745,767	$ 24.61	$ 24.61	$ 20,745,767	20,407.02	$ 5,021.97	$ 13.5961	$ 11,461,675	$ 11.0130	$ 9,284,092
J Small Gen. Demand	986	189,901,464	$ 43,461,759	$ 22.89	$ 22.89	$ 43,461,759	192,646.68	$ 44,090.04	$ 11.9048	$ 22,607,388	$ 10.9817	$ 20,854,370
P Large General	116	315,730,188	$ 66,806,991	$ 21.16	$ 21.16	$ 66,806,991	2,712,070.33	$ 573,861.05	$ 10.3080	$ 32,545,392	$ 10.8515	$ 34,261,598
I Independent Power Producer	3	914,121	$ 205,048	$ 22.43	$ 22.43	$ 205,048	296,471.77	$ 66,502.05	$ 11.5110	$ 105,224	$ 10.9202	$ 99,824
H Private St. Lights	528	454,876	$ 301,951	$ 66.38	$ 66.38	$ 301,951	862.19	$ 572.33	$ 56.5147	$ 257,072	$ 9.8663	$ 44,879
Sub-Total	49,619	1,101,715,671	$ 236,788,861	$ 21.49	$ 21.49	$ 236,788,861	22,203.69	$ 4,772.18	$ 10.5314	$ 116,026,255	$ 10.9613	$ 120,762,606
Government Service:												
S Small Non Demand	680	14,238,967	$ 3,700,596	$ 25.99	$ 25.99	$ 3,700,596	20,942.22	$ 5,442.72	$ 15.0663	$ 2,145,280	$ 10.9230	$ 1,555,316
K Small Demand	350	96,336,804	$ 23,480,862	$ 24.37	$ 24.37	$ 23,480,862	275,576.08	$ 67,168.14	$ 13.4849	$ 12,990,929	$ 10.8888	$ 10,489,933
L Large	45	75,943,786	$ 17,769,287	$ 23.40	$ 23.40	$ 17,769,287	1,672,156.76	$ 391,250.36	$ 12.6228	$ 9,586,235	$ 10.7751	$ 8,183,052
F Street Lighting (Agencies)	305	8,804,951	$ 5,222,345	$ 59.31	$ 59.31	$ 5,222,345	28,884.48	$ 17,131.80	$ 48.3794	$ 4,259,781	$ 10.9321	$ 962,564
Sub-Total	1,380	195,324,508	$ 50,173,090	$ 25.69	$ 25.69	$ 50,173,090	141,565.14	$ 36,363.90	$ 14.8380	$ 28,982,225	$ 10.8491	$ 21,190,865
	50,998	1,297,040,178	$ 286,961,951	$ 22.12	$ 22.12	$ 286,961,951	25,432.99	$ 41,136.08	$ 11.1800	$ 145,008,480	$ 10.9444	$ 141,953,471
U.S. Navy	1	319,456,483	$ 56,711,294	$ 17.75	$ 17.75	$ 56,711,294			$ 6.2698	$ 20,029,165	$ 11.4827	$ 36,682,129
TOTAL	50,999	1,616,496,661	$ 343,673,245	$ 21.26	$ 21.26	$ 343,673,245	31,696.43	$ 6,738.78	$ 10.2096	$ 165,037,645	$ 11.0508	$ 178,635,601

GPA-318
318Dec17

ENERGY ACCOUNT
FY 2018 Versus FY 2017

FOR INTERNAL USE ONLY

	December 2017		December 2016		Y T D 2018		Y T D 2017		MOVING TWELVE MONTHS	
Gross Generation										
Number of days in Period	**31**		**31**		**92**		**31**		**365**	
Peak demand	**250**		**248**		**254**		**252**		**261**	
Date	**12/11/17**		**12/06/16**		**10/30/17**		**11/29/16**		**08/01/17**	
	KWH	**% change**	**KWH**	**% change**	**KWH**	**% change**	**KWH**	**% change**	**KWH**	**% change**
Energy Account:										
Kilowatt hours GPA:										
Cabras 1 & 2	64,178,000		55,471,000		183,204,000		204,518,000		673,679,000	
Cabras No. 3	0		0		0		0		0	
Cabras No. 4	0		0		0		0		0	
MEC (ENRON) Piti 8 (IPP)	27,889,800		25,998,400		78,809,700		83,296,400		315,147,000	
MEC (ENRON) Piti 9 (IPP)	29,520,800		29,761,700		87,270,400		78,489,200		316,843,500	
TEMES Piti 7 (IPP)	666,966		919,270		5,310,865		1,254,376		51,037,857	
Tanguisson 2	0		0		0		0		0	
Tanguisson 1	0		0		0		0		0	
Diesels/CT's & Others:							0			
MDI 10MW	0		795,695		21,414		1,036,394		1,242,647	
NRG Solar Dandan	3,677,204		3,451,729		10,596,596		10,362,279		43,425,119	
Dededo CT #1	22,510		0		384,400		0		7,507,700	
Dededo CT #2	26,690		0		77,300		0		5,909,892	
Macheche CT	3,097,673		1,908,647		12,928,470		2,594,025		65,902,002	
Yigo CT (Leased)	3,215,066		3,595,542		9,487,126		9,609,686		41,253,387	
Tenjo	3,664,320		3,617,980		10,604,530		5,348,950		50,713,060	
Talofofo 10 MW	1,575,840		1,306,090		2,443,230		1,677,710		19,536,910	
Aggreko	14,059,832		20,488,166		45,451,269		43,103,463		175,794,346	
Wind Turbine*	64,423		76,703		102,802		154,867		335,130	
Orote	0		0		0		0		0	
Marbo	0		0		0		0		0	
	151,659,124		**147,390,923**		**446,692,102**		**441,445,349**		**1,768,327,550**	
Ratio to last year		102.90		103.41		101.19		**102.43**		**102.42**
Station use	5,691,120		5,502,422		16,855,339		17,622,071		65,128,264	
Ratio to Gross generation		3.75		3.73		3.77		3.99		**3.68**
Net send out	145,968,003		141,888,501		429,836,763		423,823,277		1,703,199,286	
Ratio to last year		102.88		103.99		101.42		**102.72**		**102.50**
KWH deliveries:										
Sales to Navy (@34.5kv)	**28,067,673**		**27,468,943**		**80,150,976**		**79,280,395**		**319,456,484**	
Ratio to last year		102.18		100.88		101.10		**98.72**		**100.83**
GPA-metered	**117,900,330**		**114,419,558**		**349,685,787**		**344,542,882**		**1,383,742,802**	
Ratio to last year		103.04		104.76		101.49		**103.69**		**103.66**
Power factor adj.	0		0		0		0		0	
Adjusted	117,900,330		114,419,558		349,685,787		344,542,882		1,383,742,802	
GPA KWH Accountability:										
Sales to civilian customers-accrual basis	**110,519,633**		**107,165,053**		**327,742,180**		**322,209,113**		**1,297,040,179**	
Ratio to last year		103.13		104.12		101.72		**103.66**		**102.66**
GPA use-KWH	323,091		250,441		864,992		776,193		3,233,037	
Unaccounted For	7,057,606		7,004,064		21,078,614		21,557,576		83,469,586	
Ratio to deliveries		5.99		6.12		6.03		6.26		6.03
Ratio to Gross Generation		4.65		4.75		4.72		4.88		4.72
Ratio to Net Send Out		4.84		4.94		4.90		5.09		4.90

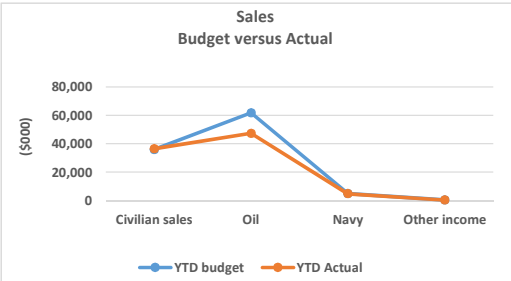
GPA-317Dec17

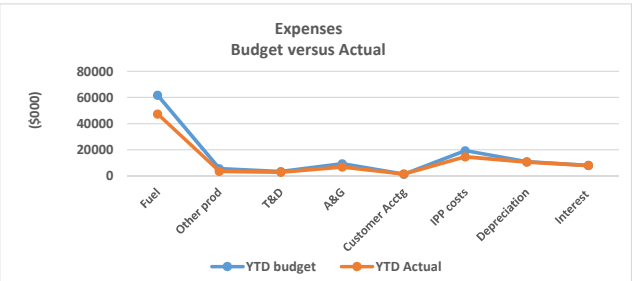
Guam Power Authority
Fuel Consumption
FY 2018

Description	December 2017 BARRELS	December 2017 AMOUNT	YEAR-TO-DATE BARRELS	YEAR-TO-DATE AMOUNT	MOVING 12 MONTHS BARREL S	MOVING 12 MONTHS AMOUNT
FUEL FURNISHED:						
NAVY:						
Diesel	0	0	0	0	0	0
Low Sulfur	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**
GPA:						
RFO	178,415	$11,360,279	460,485	$ 26,826,678	1,505,636	$ 85,489,504
Diesel	51,274	$4,102,382	169,217	$ 13,157,971	845,518	$ 62,158,528
Low Sulfur	2,834	$173,022	63,342	$ 3,892,421	475,026	$ 27,823,884
Deferred Fuel Costs	0	-$819,646	0	$ (46,364)	0	$ (12,719,855)
Fuel Adjustments	0	$0		$ (9,121)	0	$ (212,502)
Fuel Handling Costs	0	$1,191,299	0	$ 3,521,780	0	$ 16,083,094
	232,523	**$16,007,336**	**693,044**	**$ 47,343,365**	**2,826,179**	**$ 178,622,654**
IWPS:						
GPA RFO	178,415	$11,360,279	460,485	$ 26,826,678	1,505,636	$ 85,489,504
Diesel	51,274	$4,102,382	169,217	$ 13,157,971	845,518	$ 62,158,528
Low Sulfur	2,834	$173,022	63,342	$ 3,892,421	475,026	$ 27,823,884
Deferred Fuel Costs	0	-$819,646	0	$ (46,364)	0	$ (12,719,855)
Fuel Variance	0	$0	0	$ (9,121)		$ (212,502)
Fuel Handling Costs	0	$1,191,299	0	$ 3,521,780	0	$ 16,083,094
	232,523	**$16,007,336**	**693,044**	**$ 47,343,365**	**2,826,179**	**$ 178,622,654**
AVERAGE COST/Bbl.						
GPA RFO		**$63.67**		**$58.26**		**$56.78**
Diesel		**$80.01**		**$77.76**		**$73.52**
Low Sulfur		**$61.05**		**$61.45**		**$58.57**
AS BURNED						
Cabras 1 & 2						
RFO	101,116	$ 6,477,191	259,491	$ 15,162,083	940,364	$ 53,460,561
Low Sulfur	2,464	$ 150,264	40,020	$ 2,459,039	190,628	$ 11,151,672
Diesel	166	$ 12,424	258	$ 19,196	2,777	$ 187,106
	103,746	$ 6,639,878	299,770	$ 17,640,317	1,133,768	$ 64,799,339
Cabras 3 & 4						
RFO	0	$ -	0	$ -	0	$ -
Low Sulfur	0	$ -	0	$ -	0	$ -
Diesel	0	$ -	0	$ -	0	$ -
	0	$ -	0	$ -	0	$ -
MEC (Piti Units 8&9)						
RFO	77,299	$ 4,883,088	200,994	$ 11,664,595	565,272	$ 32,028,943
Low Sulfur	370	$ 22,758	23,321	$ 1,433,383	284,398	$ 16,672,212
Diesel	0	$ -	0	$ -	40	$ 2,194
	77,669	$ 4,905,846	224,315	$ 13,097,978	849,710	$ 48,703,349
Diesel & CT's - GPA:						
MDI Dsl	0	$ -	31	$ 2,013	1,981	$ 128,213
Macheche CT	6,674	$ 529,513	27,744	$ 2,133,448	142,773	$ 10,499,278
Yigo CT	6,529	$ 520,056	19,175	$ 1,499,377	84,999	$ 6,246,310
Talofofo 10 MW	2,738	$ 220,773	4,173	$ 329,650	32,977	$ 2,407,937
Aggreko	25,838	$ 2,070,344	83,202	$ 6,450,163	319,499	$ 23,451,392
Tenjo	6,232	$ 520,200	18,241	$ 1,473,800	88,217	$ 6,669,792
TEMES (IPP)	2,949	$ 217,648	14,660	$ 1,107,961	129,764	$ 9,451,403
GWA Generators	4	$ 415	240	$ 28,204	709	$ 83,470
	51,108	$ 4,089,958	168,959	$ 13,138,775	842,701	$ 61,969,228
Deferred Fuel Costs	0	$ (819,646)		$ (46,364)		$ (12,719,855)
Adjustment		$ -		$ (9,121)		$ (212,502)
Fuel Handling Costs	0	$ 1,191,299		$ 3,521,780		$ 16,083,094
TOTAL	**232,523**	**$ 16,007,336**	**693,044**	**$ 47,343,365**	**2,826,179**	**$ 178,622,654**

Statement of operations
Comparison-Budget versus Actual
For the month and year to date ended December 31, 2017

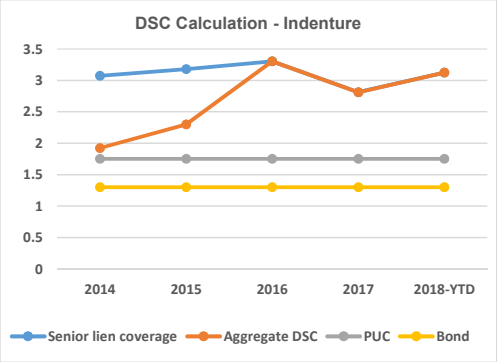
	Budget	Actual December-17	Variance	YTD Budget	YTD Actual	Variance
KwH Sales-Civilian	106,555	110,538	-3,983	322,135	327,761	-5,626
Non-fuel yield	$ 0.105708	$ 0.111717	$ (0.006009)	$ 0.111726	$ 0.111401	$ 0.000325
KwH Sales-Navy	27,070	27,657	-587	79,840	79,740	100
Non-fuel yield	$ 0.061774	$ 0.058068	$ 0.003705	$ 0.061774	$ 0.061374	$ 0.000400
Operating revenue						
Civilian sales	11,927	12,349	(422)	35,991	36,513	(522)
Oil	20,529	16,020	4,509	61,757	47,356	14,401
Navy	1,672	1,606	66	4,932	4,894	38
Other income	169	122	47	508	407	100
	34,297	30,097	4,200	103,187	89,170	14,017
Bad debts expense	87	87	0	260	260	0
Total operating revenues	34,211	30,011	4,200	102,927	88,910	14,017
Operating expenses:						
Production fuel	20,529	16,007	4,522	61,757	47,343	14,413
O & M expenses:						
Other production	1,850	936	913	5,553	3,526	2,028
Transmission distribution	1,074	1,108	(34)	3,316	2,960	356
Administrative expense	3,063	2,130	933	9,437	6,861	2,576
Customer accounting	355	433	(78)	1,084	1,267	(183)
	6,342	4,607	1,735	19,390	14,614	4,776
IPP costs	1,635	1,432	203	4,905	4,942	(37)
Depreciation	3,635	3,568	67	10,905	10,741	164
	32,141	25,614	6,526	96,957	77,640	19,317
Operating income	2,070	4,396	(2,326)	5,970	11,270	(5,300)
Other revenue (expenses):						
Investment income	99	741	(642)	296	1,751	(1,455)
Interest expense	(2,657)	(2,730)	73	(7,971)	(8,168)	198
AFUDC	61	273	(213)	183	820	(637)
Bond issuance costs/Other expen	135	(2,570)	2,705	404	(2,539)	2,943
Net income before capital contributic	(293)	110	(404)	(1,118)	3,134	(4,253)
Grants from the U.S. Government	-	-	-	-	5	(5)
Increase (decrease) in net assets	(293)	110	(404)	(1,118)	3,139	(4,258)

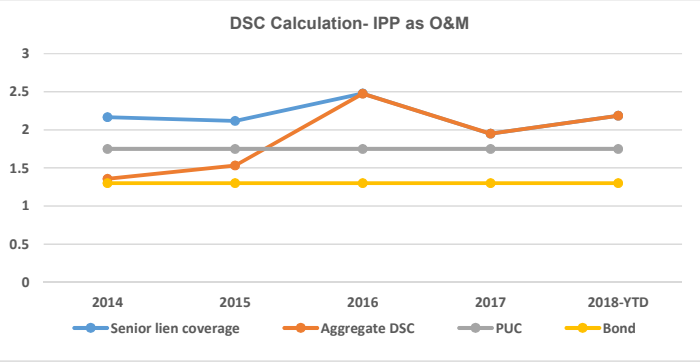




Guam Power Authority Debt service coverage December 31, 2017	2014	2015	2016	2017	YTD 12/31/2017
Operating revenues					
Sales	434,462	366,185	306,896	331,071	88,763
Miscellaneous	2,156	4,775	2,294	2,245	407
Total revenues	436,618	370,960	309,190	333,316	89,170
Bad debts expense	178	959	990	472	260
Total operating revenues	436,440	370,001	308,200	332,844	88,910
Operating expenses					
Production fuel	271,175	204,136	146,340	166,425	47,343
Other production	19,305	20,079	15,789	17,784	3,526
Energy conversion costs	20,632	18,404	16,800	19,935	4,942
Transmission and distribution	12,950	11,170	10,721	11,704	2,960
Customer accounting	3,821	3,780	4,502	4,284	1,267
Admin and General	28,393	21,908	28,846	26,798	6,861
Total Expenses	356,276	279,477	222,998	246,930	66,899
Operating income	80,164	90,524	85,202	85,914	22,011
Interest/Other income (expenses)	157	256	-1,188	-32	1,546
Debt service and lease payments					
IPP lease payments	23,084	26,622	20,790	20,796	5,198
Capital lease payments-Aggreko	0	0	0	5,609	1,870
2017 bonds	0	0	0	0	0
2014 bonds	0	0	10	5,084	1,271
2012 bonds	17,455	17,096	17,098	17,449	4,272
2010 senior bonds	7,999	7,999	7,999	7,999	2,000
2010 subordinate	15,193	9,605	0	0	0
Total Debt service-bonds	40,647	34,700	25,106	30,532	7,543
Total Debt service and capital lease	63,731	61,322	45,896	56,937	14,610

Debt service coverage (DSC) calculation-indenture					
Senior lien coverage	3.16	3.62	3.35	2.81	3.12
Aggregate debt service coverage	1.98	2.62	3.35	2.81	3.12
Debt service coverage (DSC) calculation-IPP as O&M					
Senior lien coverage	2.55	2.56	2.52	1.95	2.19
Aggregate debt service coverage	1.41	1.85	2.52	1.95	2.19

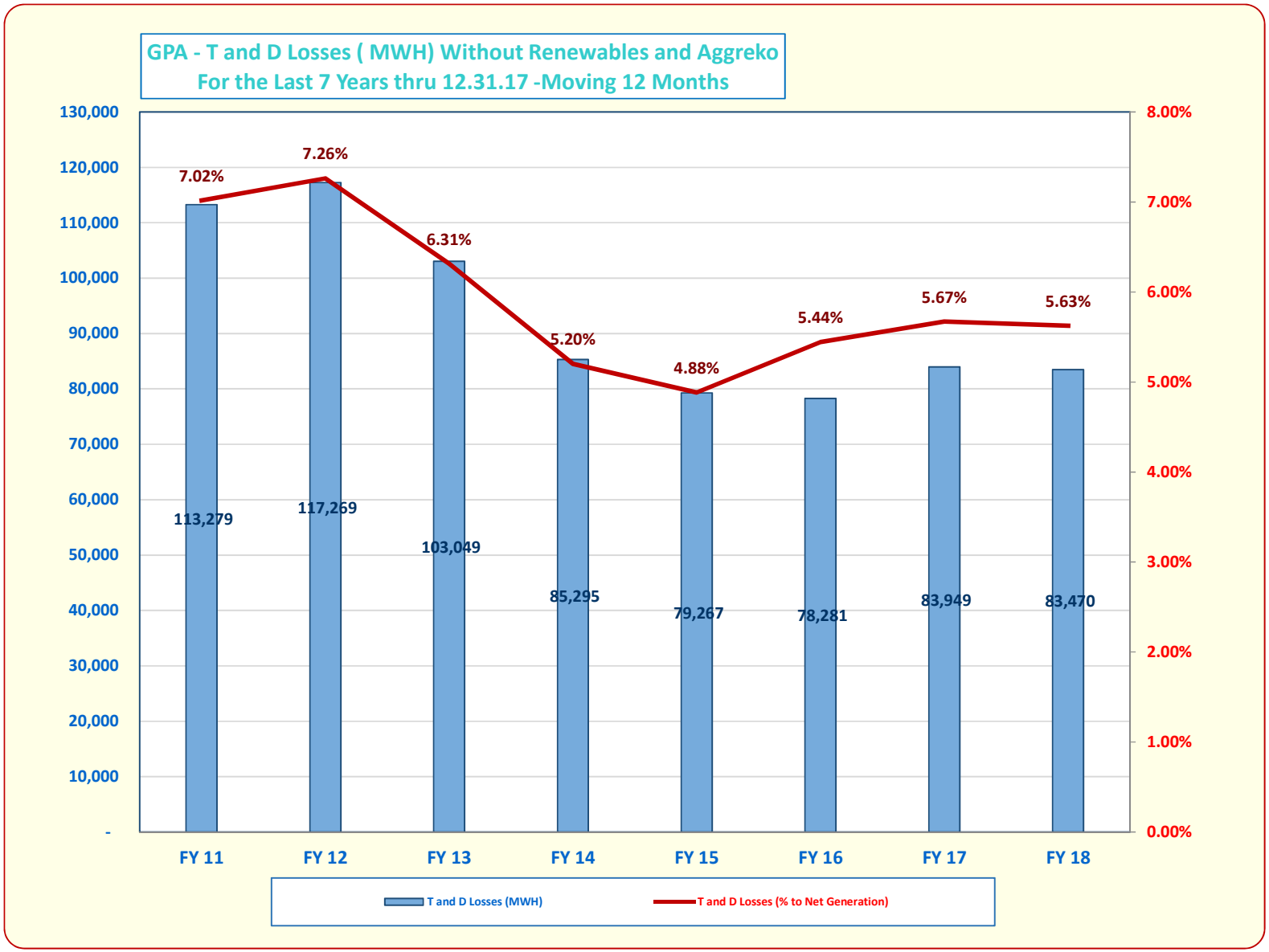


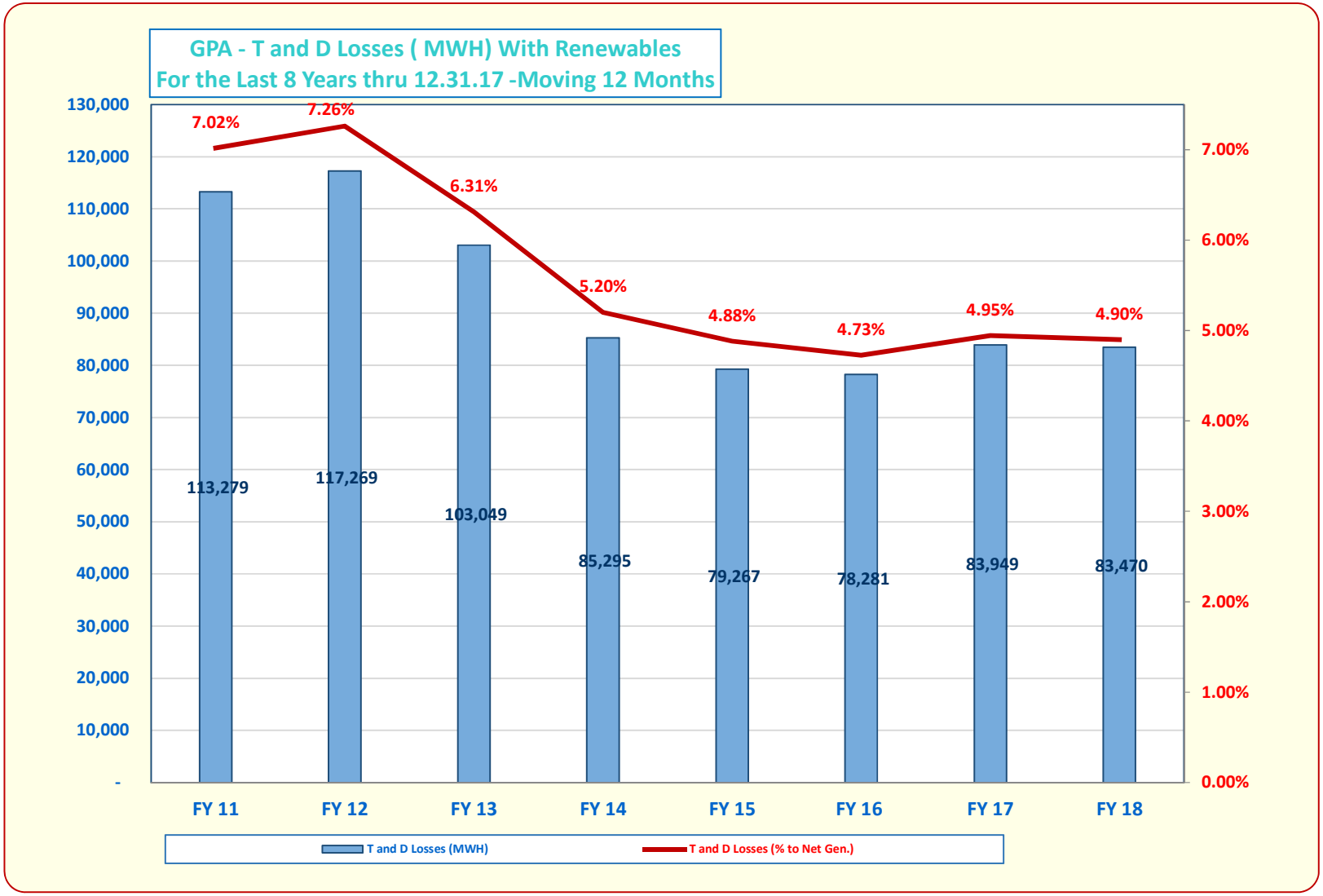


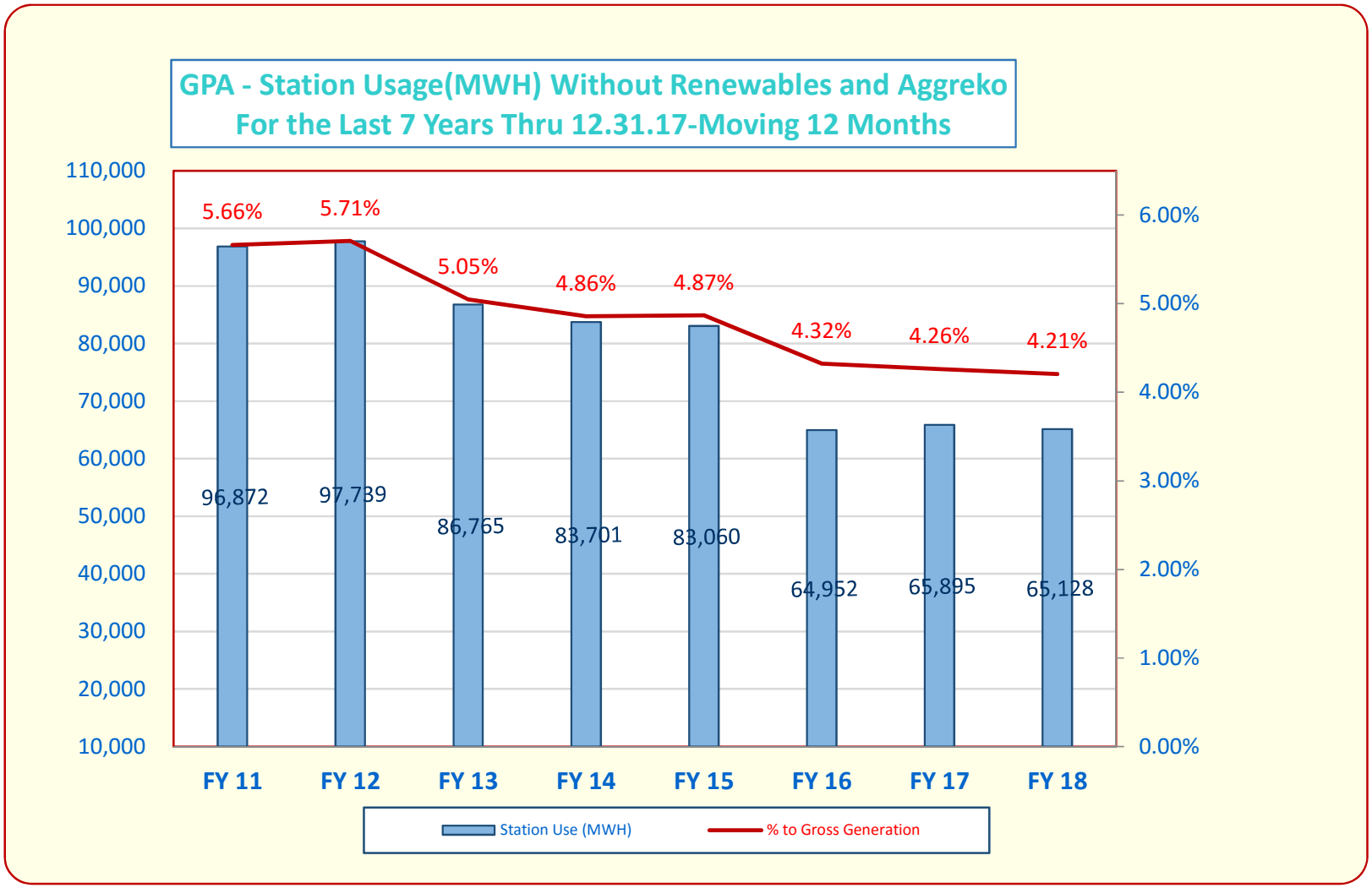
REVENUES-ACTUAL VS PROJECTIONS

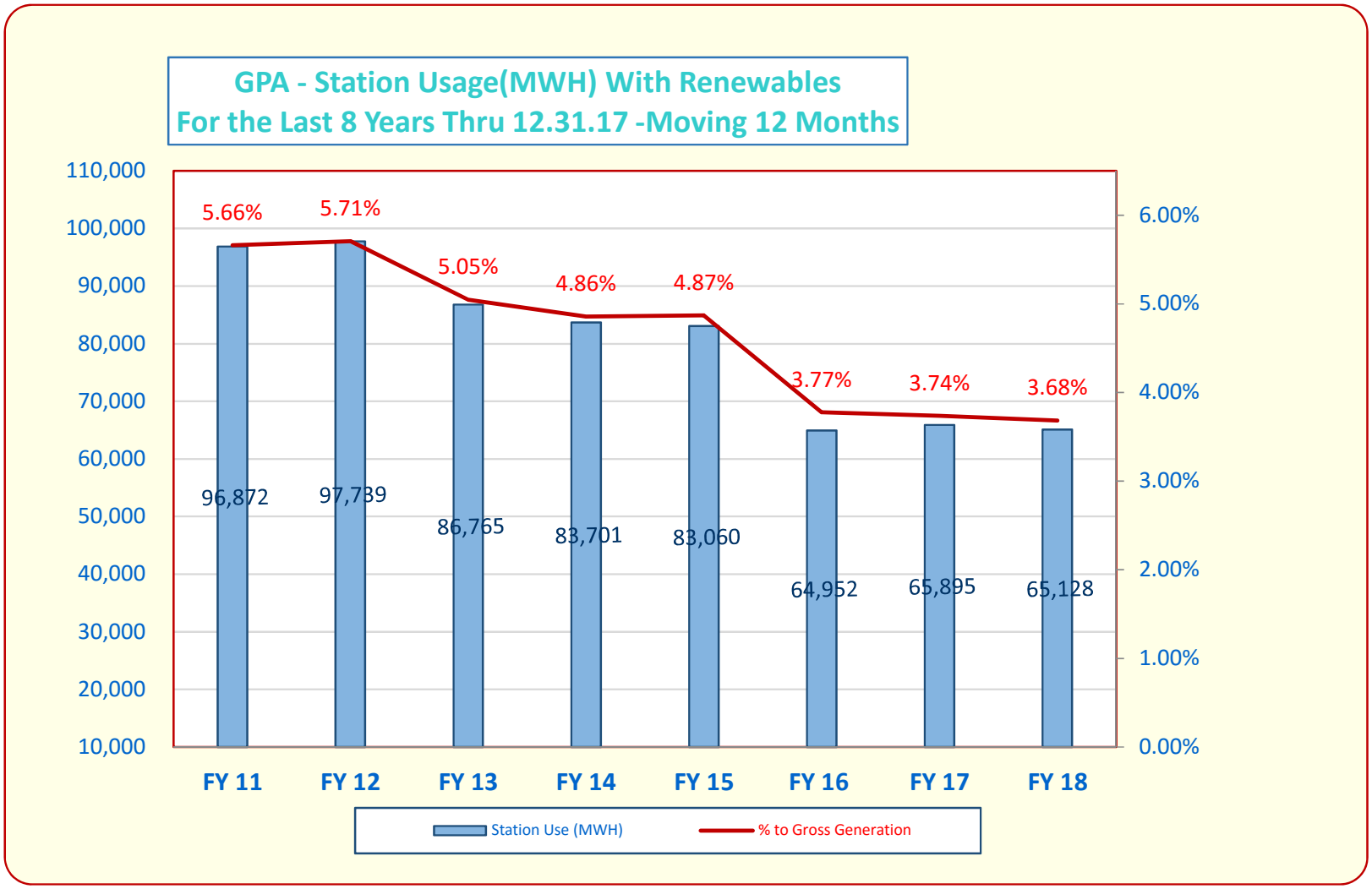
	MONTHLY - DECEMBER 2017				YTD THRU 12/31/2017			
	PROJECTIONS	ACTUAL	VARIANCE	% VARIANCE	PROJECTIONS	ACTUAL	VARIANCE	% VARIANCE
KWH								
Residential	41,481,456	43,307,944	1,826,488	4.40%	125,284,593	128,376,797	3,092,204	2.47%
Small General-Non-Demand	6,991,667	6,956,278	(35,390)	-0.51%	20,702,164	21,083,461	381,296	1.84%
Small General-Demand	15,629,003	15,848,505	219,503	1.40%	47,615,727	47,430,029	(185,698)	-0.39%
Large	26,731,694	27,485,887	754,193	2.82%	80,673,432	80,336,690	(336,742)	-0.42%
Independent Power Producers	33,439	40,140	6,701	20.04%	100,914	226,207	125,293	124.16%
Private St. Lites	53,736	35,129	(18,608)	-34.63%	167,522	104,022	(63,500)	-37.91%
Sub-total	**90,920,995**	**93,673,883**	**2,752,888**	**3.03%**	**274,544,352**	**277,557,205**	**3,012,853**	**1.10%**
Government								
Small_Non Demand	1,124,232	1,272,026	147,794	13.15%	3,327,399	3,778,769	451,370	13.57%
Small-Demand	7,717,751	8,063,549	345,798	4.48%	23,647,447	24,445,741	798,294	3.38%
Large	5,874,329	6,812,255	937,925	15.97%	18,113,051	19,781,131	1,668,081	9.21%
Public St. Lites	917,576	697,921	(219,654)	-23.94%	2,503,121	2,179,335	(323,787)	-12.94%
Sub-total	**15,633,887**	**16,845,750**	**1,211,863**	**7.75%**	**47,591,018**	**50,184,976**	**2,593,958**	**5.45%**
Total-Civilian	**106,554,882**	**110,519,633**	**3,964,752**	**3.72%**	**322,135,370**	**327,742,181**	**5,606,811**	**1.74%**
USN	27,070,271	28,067,673	997,402	3.68%	79,840,743	80,150,976	310,233	0.39%
Grand Total	**133,625,152**	**138,587,306**	**4,962,154**	**3.71%**	**401,976,113**	**407,893,157**	**5,917,044**	**1.47%**
					-	-		
Non-Oil Yield								
Residential	0.096203	0.095613	(0.000591)	-0.61%	0.096203	0.095883	(0.000320)	-0.33%
Small General-Non-Demand	0.136364	0.136042	(0.000322)	-0.24%	0.136364	0.135911	(0.000454)	-0.33%
Small General-Demand	0.119423	0.120159	0.000736	0.62%	0.119423	0.119022	(0.000401)	-0.34%
Large	0.103705	0.103598	(0.000106)	-0.10%	0.103705	0.102733	(0.000971)	-0.94%
Independent Power Producers	0.117983	0.116410	(0.001573)	0.00%	0.117983	0.103021	(0.014962)	0.00%
Private St. Lites	0.454278	0.609688	0.155410	34.21%	0.454278	0.615532	0.161254	35.50%
Sub-total	**0.105708**	**0.105313**	**(0.000395)**	**-0.37%**	**0.105690**	**0.105061**	**(0.000629)**	**-0.59%**
Government					-			
Small_Non Demand	0.152255	0.150372	(0.001883)	-1.24%	0.152255	0.149421	(0.002833)	-1.86%
Small-Demand	0.135082	0.136059	0.000977	0.72%	0.135082	0.134166	(0.000916)	-0.68%
Large	0.128102	0.126298	(0.001804)	-1.41%	0.128102	0.125503	(0.002599)	-2.03%
Public St. Lites	0.380746	0.479701	0.098954	25.99%	0.380746	0.470422	0.089675	23.55%
Sub-total	**0.148112**	**0.147429**	**(0.000683)**	**-0.46%**	**0.146547**	**0.146502**	**(0.000045)**	**-0.03%**
Total-Civilian	**0.111930**	**0.111732**	**(0.000198)**	**-0.18%**	**0.111726**	**0.111407**	**(0.000319)**	**-0.29%**
USN	0.061774	0.057230	(0.004544)	-7.36%	0.061774	0.061069	(0.000705)	-1.14%
Grand Total	**0.101769**	**0.100694**	**(0.001075)**	**-1.06%**	**0.101804**	**0.101515**	**(0.000289)**	**-0.28%**
Non-Oil Revenues								
Residential	3,990,657	4,140,786	150,130	3.76%	12,052,802	12,309,158	256,356	2.13%
Small General-Non-Demand	953,413	946,344	(7,069)	-0.74%	2,823,035	2,865,464	42,429	1.50%
Small General-Demand	1,866,465	1,904,339	37,875	2.03%	5,686,420	5,645,216	(41,204)	-0.72%
Large	2,772,201	2,847,494	75,293	2.72%	8,366,209	8,253,260	(112,949)	-1.35%
Independent Power Producers	3,945	4,673	727	18.44%	11,906	23,304	11,398	95.73%
Private St. Lites	24,411	21,417	(2,994)	-12.26%	76,101	64,029	(12,073)	-15.86%
Sub-total	**9,611,092**	**9,865,054**	**253,963**	**2.64%**	**29,016,474**	**29,160,431**	**143,958**	**0.50%**
Government								
Small_Non Demand	171,169	191,277	20,108	11.75%	506,612	564,629	58,018	11.45%
Small-Demand	1,042,528	1,097,115	54,587	5.24%	3,194,340	3,279,789	85,449	2.68%
Large	752,514	860,372	107,858	14.33%	2,320,319	2,482,592	162,273	6.99%
Public St. Lites	349,363	334,793	(14,570)	-4.17%	953,054	1,025,206	72,152	7.57%
Sub-total	**2,315,574**	**2,483,557**	**167,983**	**7.25%**	**6,974,324**	**7,352,215**	**377,892**	**5.42%**
Total-Civilian	**11,926,666**	**12,348,611**	**421,945**	**3.54%**	**35,990,798**	**36,512,647**	**521,849**	**1.45%**
USN	1,672,238	1,606,307	(65,930)	-3.94%	4,932,079	4,894,717	(37,362)	-0.76%
Grand Total	**13,598,903**	**13,954,918**	**356,015**	**2.62%**	**40,922,876**	**41,407,364**	**484,487**	**1.18%**
% of Total Revenues	39.85%	46.55%			39.86%	46.65%		
Oil Revenues								
Residential	6,372,890	5,098,125	(1,274,765)	-20.00%	19,247,756	15,112,260	(4,135,496)	-21.49%
Small General-Non-Demand	1,074,146	818,879	(255,267)	-23.76%	3,180,520	2,481,903	(698,618)	-21.97%
Small General-Demand	2,401,119	1,865,075	(536,044)	-22.32%	7,315,312	5,581,522	(1,733,790)	-23.70%
Large	4,106,851	3,220,246	(886,605)	-21.59%	12,394,042	9,409,673	(2,984,369)	-24.08%
Independent Power Producers	5,137	4,576	(561)	-10.92%	15,504	25,742	10,238	66.04%
Private St. Lites	8,256	4,135	(4,120)	-49.91%	25,737	12,245	(13,492)	-52.42%
Sub-total	**13,968,398**	**11,011,036**	**(2,957,362)**	**-21.17%**	**42,178,871**	**32,623,345**	**(9,555,526)**	**-22.65%**
Government								
Small_Non Demand	172,718	149,740	(22,978)	-13.30%	511,196	444,829	(66,367)	-12.98%
Small-Demand	1,185,696	949,225	(236,471)	-19.94%	3,633,011	2,877,704	(755,307)	-20.79%
Large	902,487	792,433	(110,053)	-12.19%	2,782,749	2,300,647	(482,102)	-17.32%
Public St. Lites	140,969	82,158	(58,811)	-41.72%	384,560	256,547	(128,013)	-33.29%
Sub-total	**2,401,869**	**1,973,556**	**(428,313)**	**-17.83%**	**7,311,516**	**5,879,727**	**(1,431,789)**	**-19.58%**
Total-Civilian	**16,370,268**	**12,984,593**	**(3,385,675)**	**-20.68%**	**49,490,387**	**38,503,072**	**(10,987,315)**	**-22.20%**
USN	4,158,867	3,035,823	(1,123,044)	-27.00%	12,266,114	8,853,372	(3,412,742)	-27.82%
Grand Total	**20,529,135**	**16,020,416**	**(4,508,719)**	**-21.96%**	**61,756,501**	**47,356,444**	**(14,400,057)**	**-23.32%**
% of Total Revenues	60.15%	53.45%			60.14%	53.35%		
Grand Total								
Residential	10,363,547	9,238,911	(1,124,636)	-10.85%	31,300,558	27,421,418	(3,879,140)	-12.39%
Small General-Non-Demand	2,027,559	1,765,223	(262,336)	-12.94%	6,003,555	5,347,367	(656,188)	-10.93%
Small General-Demand	4,267,584	3,769,415	(498,169)	-11.67%	13,001,732	11,226,738	(1,774,993)	-13.65%
Large	6,879,051	6,067,740	(811,311)	-11.79%	20,760,251	17,662,933	(3,097,318)	-14.92%
Independent Power Producers	9,082	9,249	167	1.83%	27,410	49,046	21,636	78.94%
Private St. Lites	32,667	25,553	(7,114)	-21.78%	101,838	76,274	(25,564)	-25.10%
Sub-total	**23,579,490**	**20,876,091**	**(2,703,399)**	**-11.47%**	**71,195,344**	**61,783,776**	**(9,411,568)**	**-13.22%**
Government					-			
Small_Non Demand	343,888	341,017	(2,870)	-0.83%	1,017,807	1,009,458	(8,349)	-0.82%
Small-Demand	2,228,223	2,046,340	(181,884)	-8.16%	6,827,350	6,157,492	(669,858)	-9.81%
Large	1,655,000	1,652,805	(2,195)	-0.13%	5,103,068	4,783,239	(319,829)	-6.27%
Public St. Lites	490,333	416,951	(73,382)	-14.97%	1,337,614	1,281,753	(55,861)	-4.18%
Sub-total	**4,717,443**	**4,457,113**	**(260,330)**	**-5.52%**	**14,285,840**	**13,231,943**	**(1,053,897)**	**-7.38%**
Total-Civilian	**28,296,933**	**25,333,204**	**(2,963,730)**	**-10.47%**	**85,481,184**	**75,015,719**	**(10,465,465)**	**-12.24%**
USN	5,831,105	4,642,130	(1,188,975)	-20.39%	17,198,193	13,748,089	(3,450,104)	-20.06%
Grand Total	**34,128,038**	**29,975,334**	**(4,152,704)**	**-12.17%**	**102,679,377**	**88,763,807**	**(13,915,570)**	**-13.55%**
	-	-	-					

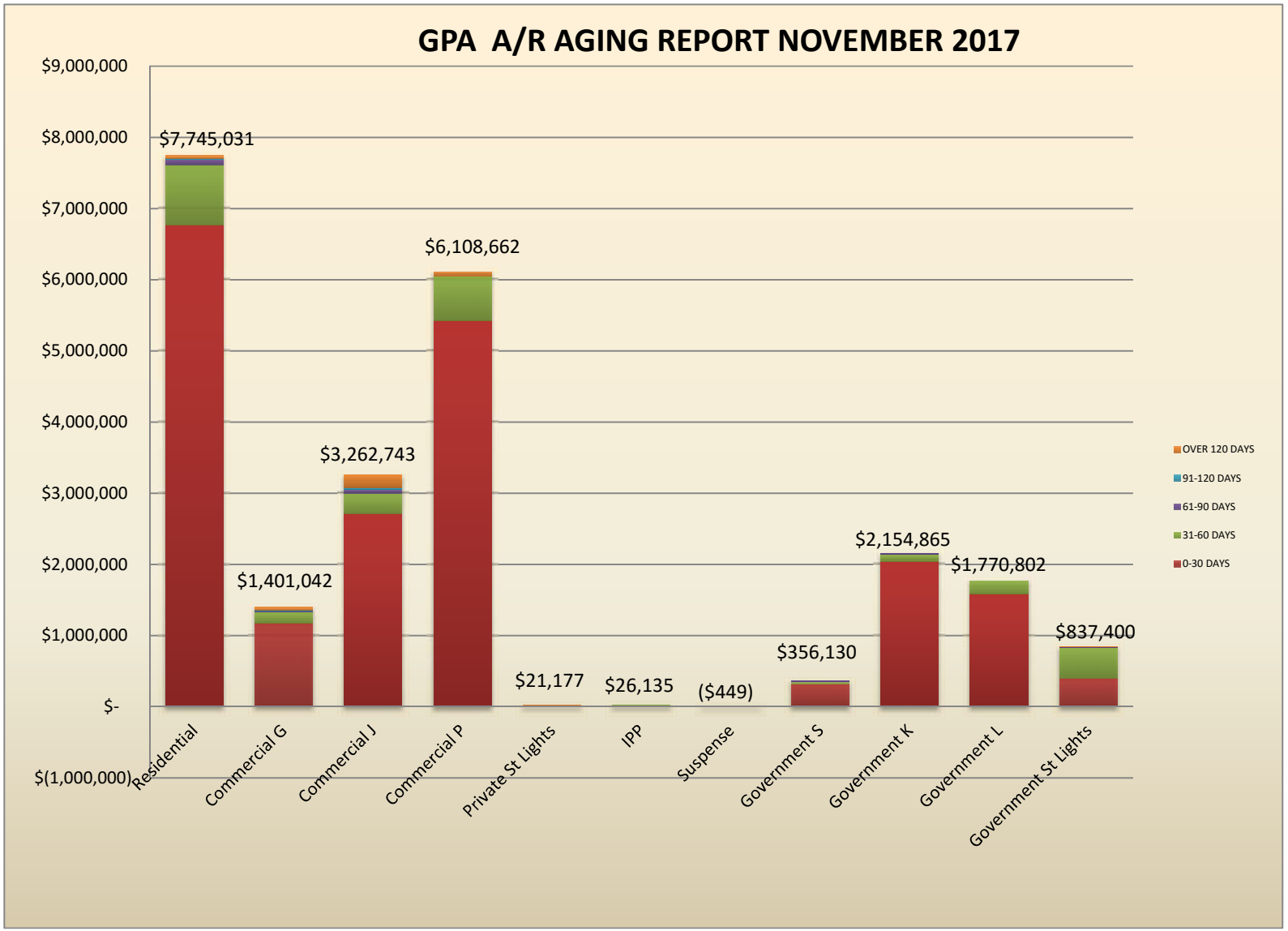
	YTD REVENUES - CURRENT YEAR VS PRIOR YEAR				MTD REVENUES - CURRENT YEAR VS PRIOR YEAR			
	ACTUALS - 3 MONTHS ENDED DECEMBER 31				ACTUALS - MONTH ENDED DECEMBER 31			
	2017	2016	VARIANCE	% VARIANCE	2017	2016	VARIANCE	% VARIANCE
KWH								
Residential	128,376,797	124,298,783	4,078,014	3.28%	43,307,944	41,105,614	2,202,330	5.36%
Small General-Non-Demand	21,083,461	20,681,755	401,705	1.94%	6,956,278	6,987,253	(30,975)	-0.44%
Small General-Demand	47,430,029	47,579,490	(149,461)	-0.31%	15,848,505	16,033,983	(185,477)	-1.16%
Large	80,336,690	79,179,733	1,156,957	1.46%	27,485,887	26,487,608	998,280	3.77%
Independent Power Producers	226,207	273,909	(47,702)	-17.42%	40,140	96,065	(55,925)	-58.22%
Private St. Lites	104,022	141,553	(37,531)	-26.51%	35,129	39,997	(4,868)	-12.17%
Sub-total	**277,557,205**	**272,155,222**	**5,401,982**	**1.98%**	**93,673,883**	**90,750,519**	**2,923,365**	**3.22%**
Government								
Small_Non Demand	3,778,769	3,442,048	336,721	9.78%	1,272,026	1,121,641	150,385	13.41%
Small-Demand	24,445,741	24,987,539	(541,798)	-2.17%	8,063,549	8,060,205	3,343	0.04%
Large	19,781,131	18,735,314	1,045,818	5.58%	6,812,255	6,238,617	573,638	9.19%
Public St. Lites	2,179,335	2,888,990	(709,656)	-24.56%	697,921	994,072	(296,151)	-29.79%
Sub-total	**50,184,976**	**50,053,891**	**131,085**	**0.26%**	**16,845,750**	**16,414,534**	**431,216**	**2.63%**
Total-Civilian	**327,742,181**	**322,209,113**	**5,533,068**	**1.72%**	**110,519,633**	**107,165,053**	**3,354,580**	**3.13%**
USN	80,150,976	79,280,394	870,581	1.10%	28,067,673	27,468,943	598,730	2.18%
Grand Total	**407,893,157**	**401,489,507**	**6,403,649**	**1.59%**	**138,587,306**	**134,633,996**	**3,953,311**	**2.94%**
Non-Oil Yield								
Residential	0.095883	0.096462	-0.000579	-0.60%	0.095613	0.096514	-0.000902	-0.93%
Small General-Non-Demand	0.135911	0.137852	-0.001942	-1.41%	0.136042	0.138415	-0.002373	-1.71%
Small General-Demand	0.119022	0.120037	-0.001015	-0.85%	0.120159	0.121613	-0.001454	-1.20%
Large	0.102733	0.102585	0.000148	0.14%	0.103598	0.101153	0.002445	2.42%
Independent Power Producers	0.000000	0.109998	-0.109998	-100.00%	0.116410	0.101502	0.014907	14.69%
Private St. Lites	0.615532	0.487587	0.127945	26.24%	0.609688	0.552808	0.056880	10.29%
Sub-total	**0.105061**	**0.105728**	**-0.000667**	**-0.63%**	**0.105313**	**0.105735**	**-0.000423**	**-0.40%**
Government								
Small_Non Demand	0.149421	0.152161	-0.002739	-1.80%	0.150372	0.153196	-0.002824	-1.84%
Small-Demand	0.134166	0.133765	0.000401	0.30%	0.136059	0.136481	-0.000422	-0.31%
Large	0.125503	0.124992	0.000511	0.41%	0.126298	0.120568	0.005729	4.75%
Public St. Lites	0.470422	0.431943	0.038478	8.91%	0.479701	0.464923	0.014778	3.18%
Sub-total	**0.146502**	**0.148957**	**-0.002454**	**-1.65%**	**0.147429**	**0.151466**	**-0.004037**	**-2.67%**
Total-Civilian	**0.111407**	**0.112443**	**-0.001036**	**-0.92%**	**0.111732**	**0.112740**	**-0.001008**	**-0.89%**
USN	0.061069	0.060405	0.000664	1.10%	0.057230	0.058721	-0.001491	-2.54%
Grand Total	**0.101515**	**0.102167**	**-0.000652**	**-0.64%**	**0.100694**	**0.101718**	**-0.001024**	**-1.01%**
Non-Oil Revenues								
Residential	12,309,158	11,990,159	318,999	2.66%	4,140,786	3,967,273	173,514	4.37%
Small General-Non-Demand	2,865,464	2,851,024	14,441	0.51%	946,344	967,142	(20,798)	-2.15%
Small General-Demand	5,645,216	5,711,317	(66,101)	-1.16%	1,904,339	1,949,946	(45,607)	-2.34%
Large	8,253,260	8,122,679	130,581	1.61%	2,847,494	2,679,312	168,182	6.28%
Independent Power Producers	23,304	30,129	(6,825)	-22.65%	4,673	9,751	(5,078)	-52.08%
Private St. Lites	64,029	69,019	(4,991)	-7.23%	21,417	22,111	(693)	-3.14%
Sub-total	**29,160,431**	**28,774,327**	**386,104**	**1.34%**	**9,865,054**	**9,595,534**	**269,520**	**2.81%**
Government								
Small_Non Demand	564,629	523,745	40,884	7.81%	191,277	171,831	19,446	11.32%
Small-Demand	3,279,789	3,342,463	(62,675)	-1.88%	1,097,115	1,100,065	(2,950)	-0.27%
Large	2,482,592	2,341,770	140,821	6.01%	860,372	752,180	108,192	14.38%
Public St. Lites	1,025,206	1,247,880	(222,673)	-17.84%	334,793	462,167	(127,374)	-27.56%
Sub-total	**7,352,215**	**7,455,858**	**(103,642)**	**-1.39%**	**2,483,557**	**2,486,242**	**(2,686)**	**-0.11%**
Total-Civilian	**36,512,647**	**36,230,185**	**282,462**	**0.78%**	**12,348,611**	**12,081,777**	**266,834**	**2.21%**
USN	4,894,717	4,788,939	105,778	2.21%	1,606,307	1,612,990	(6,683)	-0.41%
Grand Total	**41,407,364**	**41,019,124**	**388,239**	**0.95%**	**13,954,918**	**13,694,767**	**260,152**	**1.90%**
% of Total Revenues								
Oil Revenues								
Residential	15,112,260	10,765,890	4,346,369	40.37%	5,098,125	3,560,281	1,537,844	43.19%
Small General-Non-Demand	2,481,903	1,791,309	690,594	38.55%	818,879	605,187	213,692	35.31%
Small General-Demand	5,581,522	4,123,180	1,458,342	35.37%	1,865,075	1,391,846	473,230	34.00%
Large	9,409,673	6,911,323	2,498,350	36.15%	3,220,246	2,369,928	850,318	35.88%
Independent Power Producers	25,742	24,900	842	3.38%	4,576	10,008	(5,432)	-54.27%
Private St. Lites	12,245	12,260	(15)	-0.12%	4,135	3,464	671	19.37%
Sub-total	**32,623,345**	**23,628,862**	**8,994,483**	**38.07%**	**11,011,036**	**7,940,713**	**3,070,323**	**38.67%**
Government								
Small_Non Demand	444,829	298,126	146,703	49.21%	149,740	97,149	52,592	54.14%
Small-Demand	2,877,704	2,164,246	713,458	32.97%	949,225	698,119	251,106	35.97%
Large	2,300,647	1,651,546	649,101	39.30%	792,433	582,059	210,374	36.14%
Public St. Lites	256,547	250,224	6,323	2.53%	82,158	86,100	(3,942)	-4.58%
Sub-total	**5,879,727**	**4,364,142**	**1,515,585**	**34.73%**	**1,973,556**	**1,463,426**	**510,131**	**34.86%**
Total-Civilian	**38,503,072**	**27,993,004**	**10,510,068**	**37.55%**	**12,984,593**	**9,404,139**	**3,580,454**	**38.07%**
USN	8,853,372	7,152,489	1,700,883	23.78%	3,035,823	2,632,326	403,497	15.33%
Grand Total	**47,356,444**	**35,145,493**	**12,210,951**	**34.74%**	**16,020,416**	**12,036,464**	**3,983,951**	**33.10%**
% of Total Revenues								
Grand Total								
Residential	27,421,418	22,756,049	4,665,369	20.50%	9,238,911	7,527,553	1,711,358	22.73%
Small General-Non-Demand	5,347,367	4,642,333	705,035	15.19%	1,765,223	1,572,329	192,894	12.27%
Small General-Demand	11,226,738	9,834,497	1,392,242	14.16%	3,769,415	3,341,792	427,623	12.80%
Large	17,662,933	15,034,002	2,628,931	17.49%	6,067,740	5,049,240	1,018,500	20.17%
Independent Power Producers	49,046	55,029	(5,983)	-10.87%	9,249	19,759	(10,510)	-53.19%
Private St. Lites	76,274	81,280	(5,006)	-6.16%	25,553	25,575	(22)	-0.09%
Sub-total	**61,783,776**	**52,403,189**	**9,380,587**	**17.90%**	**20,876,091**	**17,536,247**	**3,339,843**	**19.05%**
Government								
Small_Non Demand	1,009,458	821,871	187,587	22.82%	341,017	268,979	72,038	26.78%
Small-Demand	6,157,492	5,506,709	650,784	11.82%	2,046,340	1,798,184	248,156	13.80%
Large	4,783,239	3,993,317	789,922	19.78%	1,652,805	1,334,239	318,567	23.88%
Public St. Lites	1,281,753	1,498,104	(216,351)	-14.44%	416,951	548,266	(131,315)	-23.95%
Sub-total	**13,231,943**	**11,820,000**	**1,411,942**	**11.95%**	**4,457,113**	**3,949,668**	**507,445**	**12.85%**
Total-Civilian	**75,015,719**	**64,223,190**	**10,792,529**	**16.80%**	**25,333,204**	**21,485,915**	**3,847,288**	**17.91%**
USN	13,748,089	11,941,428	1,806,661	15.13%	4,642,130	4,245,316	396,814	9.35%
Grand Total	**88,763,807**	**76,164,617**	**12,599,190**	**16.54%**	**29,975,334**	**25,731,231**	**4,244,103**	**16.49%**


GPA - T and D Losses (MWH) Without Renewables and Aggreko
For the Last 7 Years thru 12.31.17 -Moving 12 Months
130,000
120,000
110,000
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
-
8.00%
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
7.02%
7.26%
6.31%
5.20%
4.88%
5.44%
5.67%
5.63%
113,279
117,269
103,049
85,295
79,267
78,281
83,949
83,470
FY 11
FY 12
FY 13
FY 14
FY 15
FY 16
FY 17
FY 18
T and D Losses (MWH)
T and D Losses (% to Net Generation)


GPA - T and D Losses (MWH) With Renewables
For the Last 8 Years thru 12.31.17 -Moving 12 Months
130,000
120,000
110,000
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
-
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
7.02%
7.26%
6.31%
5.20%
4.88%
4.73%
4.95%
4.90%
113,279
117,269
103,049
85,295
79,267
78,281
83,949
83,470
FY 11
FY 12
FY 13
FY 14
FY 15
FY 16
FY 17
FY 18
T and D Losses (MWH)
T and D Losses (% to Net Gen.)


GPA - Station Usage(MWH) Without Renewables and Aggreko
For the Last 7 Years Thru 12.31.17-Moving 12 Months
110,000
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
5.66%
5.71%
5.05%
4.86%
4.87%
4.32%
4.26%
4.21%
96,872
97,739
86,765
83,701
83,060
64,952
65,895
65,128
FY 11
FY 12
FY 13
FY 14
FY 15
FY 16
FY 17
FY 18
Station Use (MWH)
% to Gross Generation


GPA - Station Usage(MWH) With Renewables
For the Last 8 Years Thru 12.31.17 -Moving 12 Months
110,000
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
5.66%
5.71%
5.05%
4.86%
4.87%
3.77%
3.74%
3.68%
96,872
97,739
86,765
83,701
83,060
64,952
65,895
65,128
FY 11
FY 12
FY 13
FY 14
FY 15
FY 16
FY 17
FY 18
Station Use (MWH)
% to Gross Generation


GPA A/R AGING REPORT NOVEMBER 2017
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
$(1,000,000)
$7,745,031
$1,401,042
$3,262,743
$6,108,662
$21,177
$26,135
($449)
$356,130
$2,154,865
$1,770,802
$837,400
Residential
Commercial G
Commercial J
Commercial P
Private St Lights
IPP
Suspense
Government S
Government K
Government L
Government St Lights
OVER 120 DAYS
91-120 DAYS
61-90 DAYS
31-60 DAYS
0-30 DAYS

GUAM POWER AUTHORITY
GOVERNMENT ACCOUNTS RECEIVABLE
BILLING UP TO 01/31/2018 and Payment Applied as of 02/08/2018

Current (01/18 Billing due 12/31/17
30 days Arrears (12/17 due 01/15/18)
60 days and over Arrears (11/17 billing due 12/15/17)

NEW ACCT NUMBER		DEPARTMENT	ARREARS BALANCE 12/31/2017	CURRENT BILL FOR 1/31/2018 BILL DATE 02/08/2018	BILLING ADJUSTMENT 2/8/2018	PAYMENTS AS OF 2/8/2018	BILLING BALANCE 2/8/2018	
		Line Agencies						
124378	0237100000	Dept. of Corrections	$ 71,876.65	76,357.95	$ -	$ (71,876.65)	$ 76,357.95	
124401	0437100000	Dept. of Parks & Rec.	$ 19,338.89	21,604.88	$ 454.01	$ (19,338.89)	$ 22,058.89	
124415	0537100000	Guam Fire Department	$ 16,633.04	18,430.82	$ -	$ (16,633.04)	$ 18,430.82	
108818	6995000000	DOA-Supply Management	$ 1,471.82	1,401.33	$ -	$ (1,471.82)	$ 1,401.33	
108799	7895000000	Dept. of Administration	$ 3,445.86	3,556.61	$ -	$ (3,445.86)	$ 3,556.61	
124392	1337100000	Nieves Flores Library	$ 9,587.42	10,039.51	$ -	$ (9,587.42)	$ 10,039.51	
140297	2206200000	General Services Agency	$ 248.89	248.89	$ -	$ (248.89)	$ 248.89	
124380	2237100000	DOA-Data Processing	$ 7,231.40	7,430.16	$ -	$ (7,231.40)	$ 7,430.16	
124393	2337100000	Dept. of PH&SS	$ 64,757.94	67,904.01	$ -	$ (64,757.94)	$ 67,904.01	
124381	3237100000	Dept. of Education	$ 989,306.83	1,044,872.63	$ 7,769.56	$ -	$ 2,041,949.02	1
124394	3337100000	Guam Police Department	$ 33,545.23	36,119.49	$ -	$ (33,545.23)	$ 36,119.49	
128478	3569100000	Dept of Youth Affairs (Federal)	$ 957.52	952.17	$ -	$ (957.52)	$ 952.17	
124407	4437100000	Dept. of Youth Affair* (Local)	$ 13,224.62	14,691.96	$ -	$ (13,224.62)	$ 14,691.96	
124445	4737100000	Guam Environmental Protect	$ 5,690.97	6,280.87	$ -	$ (5,690.97)	$ 6,280.87	
124408	5437100000	Mental Health/Subst.	$ 39,421.05	43,376.75	$ -	$ (39,421.05)	$ 43,376.75	
148823	7200300000	Veteran Affairs	$ 908.97	1,041.34	$ -	$ (908.97)	$ 1,041.34	
124412	7437100000	Civil Defense (Military Affairs)	$ 10,856.02	10,609.42	$ -	$ (10,856.02)	$ 10,609.42	
158935	7463300000	Pacific Energy Resource Center	$ 573.20	504.83	$ -	$ (573.20)	$ 504.83	
124374	8137100000	Dept. of Agriculture	$ 8,871.44	9,579.62	$ -	$ (8,871.44)	$ 9,579.62	
124399	8337100000	DPW-FAC Adm Account	$ 24,651.28	26,479.88	$ -	$ (24,651.28)	$ 26,479.88	
	8437100000	Guam Visitors Bureau	$ 4,024.78	4,386.80	$ -	$ (4,024.78)	$ 4,386.80	
166560	8446300000	Yona Senior Citizen Center	$ 711.15	759.01	$ -	$ (711.15)	$ 759.01	
124414	9437100000	Chamorro Village	$ 3,912.71	4,223.69	$ -	$ (3,912.71)	$ 4,223.69	
292266	5247210000	Mayors Council	$ 2,225.31	2,479.73	$ -	$ (2,225.31)	$ 2,479.73	
309494	6293410000	Office of the Governor	$ 22,051.44	22,820.53	$ -	$ (22,051.44)	$ 22,820.53	
	8555858369	Dept of Chamorro Affairs (Guam Museum)	$ 17,351.60	19,976.83	$ -	$ (17,351.60)	$ 19,976.83	
		Sub Total	**$ 1,372,876.03**	**$ 1,456,129.71**	**$ 8,223.57**	**$ (383,569.20)**	**$ 2,453,660.11**	
		MAYORS						
124427	0637100000	Santa Rita Mayor	$ 3,620.20	$ 4,044.06		$ (3,620.20)	$ 4,044.06	
124437	0737100000	Ordot/Chalan Pago Mayor	$ 1,792.03	$ 1,467.75		$ (1,792.03)	$ 1,467.75	
124417	1537100000	Agana Mun Planning Council	$ 1,391.16	$ 1,564.41		$ (1,391.16)	$ 1,564.41	
124428	1637100000	Piti Mayor	$ 1,285.78	$ 1,326.75		$ (1,285.78)	$ 1,326.75	
124438	1737100000	Mongmong/Toto/Maite Mayor	$ 1,146.00	$ 965.78		$ (1,146.00)	$ 965.78	
124429	2637100000	Asan/Maina/Adelup Mayor	$ 855.75	$ 1,014.37		$ (855.75)	$ 1,014.37	
124439	2737100000	Sinajana Mayor	$ 3,938.58	$ 4,559.15		$ (3,938.58)	$ 4,559.15	
124430	3637100000	Dededo Mayor	$ 5,982.48	$ 6,016.36		$ (6,077.30)	$ 5,921.54	
124431	4637100000	Yigo Mayor	$ 4,280.88	$ 5,202.39		$ (4,280.88)	$ 5,202.39	
124432	5637100000	Umatac Mayor	$ 1,391.80	$ 1,463.49		$ (1,391.80)	$ 1,463.49	
124423	6537100000	Agana Hts. Mayor	$ 5,180.17	$ 5,626.31		$ (5,180.17)	$ 5,626.31	
124433	6637100000	Merizo Mayor	$ 1,293.33	$ 1,441.25		$ (1,293.33)	$ 1,441.25	
124453	6737100000	Barrigada Mayors Office	$ 2,146.49	$ 2,424.36		$ (2,146.49)	$ 2,424.36	
124424	7537100000	Agat Mayor	$ 2,300.79	$ 2,176.19		$ (2,300.79)	$ 2,176.19	
124434	7637100000	Inarajan Mayor	$ 1,300.34	$ 1,595.63		$ (1,300.34)	$ 1,595.63	
124425	8537100000	Tamuning Mayor	$ 5,662.85	$ 5,989.13		$ (5,662.85)	$ 5,989.13	
124435	8637100000	Talofofo Mayor	$ 2,271.58	$ 2,274.00		$ (2,271.58)	$ 2,274.00	
124426	9537100000	Mangilao Mayor	$ 4,643.74	$ 4,807.72		$ (4,643.74)	$ 4,807.72	
124436	9637100000	Yona Mayor	$ 823.62	$ 838.00	$ 50.00	$ (823.62)	$ 888.00	
		Sub Total	**$ 51,307.57**	**$ 54,797.10**	**$ 50.00**	**$ (51,402.39)**	**$ 54,752.28**	
		DPW ACCOUNTS						
124395	4337100000	DPW-Village St. Lights	$ 317,921.27	$ 317,976.59	$ 50.00	$ (317,921.27)	$ 318,026.59	
124396	5337100000	DPW- Primary St. Lights	$ 79,623.58	$ 80,223.39	$ 872.25	$ (79,623.58)	$ 81,095.64	
124397	6337100000	DPW-Sec/Coll St. Lights	$ 24,425.52	$ 24,463.91	$ -	$ (24,425.52)	$ 24,463.91	
124398	7337100000	DPW-Signal Lights	$ 9,714.50	$ 10,574.43	$ -	$ (9,714.50)	$ 10,574.43	
		Sub Total	**$ 431,684.87**	**$ 433,238.32**	**$ 922.25**	**$ (431,684.87)**	**$ 434,160.57**	
		(B) AUTONOMOUS/PUBLIC CORP						
124402	1437100000	Retirement Fund	$ 5,293.74	$ 4,576.64	$ -	$ (5,293.74)	$ 4,576.64	
208988	1915500000	Guam Housing Corp Rental Division	$ 1,981.92	$ 1,450.38	$ 106.12	$ (1,433.58)	$ 2,104.84	1
124403	2437100000	University of Guam	$ 160,245.34	$ 173,804.07	$ -	$ (160,245.34)	$ 173,804.07	
124383	4237100000	Guam Airport Authority	$ 494,492.11	$ 489,483.97	$ -	$ (494,492.11)	$ 489,483.97	
	5357510000	University of Guam (NET METERED)	$ 73,638.59	$ 77,601.50	$ -	$ (73,638.59)	$ 77,601.50	
124387	6237100000	G H U R A	$ 10,458.78	$ 24,219.38	$ -	$ (22,150.63)	$ 12,527.53	
124409	6437100000	Guam Community College	$ 42,596.41	$ 51,131.35	$ -	$ (42,596.41)	$ 51,131.35	
124388	7237100000	Guam Memorial Hospital	$ 319,305.24	$ 167,401.45	$ 2,394.78	$ -	$ 489,101.47	2
124377	9137100000	Port Authority of Guam	$ 83,636.83	$ 97,584.18	$ 50.00	$ (83,636.83)	$ 97,634.18	
	9157510000	Guam Community College (NET METERED)	$ 33,659.31	$ 37,824.67	$ -	$ (33,659.31)	$ 37,824.67	
288441	9173210000	Guam Solid Waste Authority	$ 5,165.63	$ 5,511.64	$ -	$ (5,165.63)	$ 5,511.64	
124400	9337100000	Guam Waterworks Authority	$ 1,092,763.52	$ 1,237,130.34	$ 50.00	$ (1,092,763.52)	$ 1,237,180.34	
		Sub Total	**$ 2,323,237.42**	**$ 2,367,719.57**	**$ 2,600.90**	**$ (2,015,075.69)**	**$ 2,678,482.20**	
		(C) OTHERS						
124391	0337100000	Guam Legislature	$ 219.53	$ 143.60		$ (219.53)	$ 143.60	
	9503154359	Guam Legislature (NET METER)	$ 5,819.82	$ 5,761.11		$ (5,819.82)	$ 5,761.11	
124379	1237100000	Superior Court of Guam	$ 67,185.92	$ 73,991.57		$ (67,185.92)	$ 73,991.57	
124418	2537100000	Agana Post Office	$ 5,466.68	$ 5,825.03		$ (5,466.68)	$ 5,825.03	
130431	2570200000	Customs & Quarantine Agency	$ 871.76	$ 954.26		$ (871.76)	$ 954.26	
124419	3537100000	U.S. Post Office	$ 37,634.10	$ 41,553.69		$ (37,634.10)	$ 41,553.69	
124422	5537100000	Dept. of Military Affairs	$ 72,035.29	$ 76,366.87		$ (72,035.29)	$ 76,366.87	
	3209463043	Dept. of Military Affairs (NET METERED)	$ 2,846.00	$ 3,172.76		$ (2,846.00)	$ 3,172.76	
124446	5737100000	KGTF	$ 6,228.23	$ 6,621.11		$ (6,228.23)	$ 6,621.11	
102783	7281000000	Tamuning Post Office	$ 5,122.85	$ 5,079.66		$ (5,122.85)	$ 5,079.66	
		Sub Total	**$ 203,430.18**	**$ 219,469.66**	**$ -**	**$ (203,430.18)**	**$ 219,469.66**	
		Sub Total (w/out Promissory Note)	**$ 4,382,536.07**	**$ 4,531,354.36**	**$ 11,796.72**	**$ (3,085,162.33)**	**$ 5,840,524.82**	