



# FAQs

## Ukudu Power Plant Groundbreaking / Mangilao Solar Farm Ribbon Cutting

<b>#1 Question:</b>	<b>Why was this arrangement with KEPCO the best approach in building the Ukudu Power Plant?</b>
<b>Response:</b>	KEPCO managed the financing and assumed the costs. The Built Operate and Transfer Model has proven to be successful for GovGuam because much of the funding is fronted by the private company - in this case, KEPCO - which allows us to build the power facility we need to provide reliable power to our customers. In 25 years, the people of Guam gain another asset when Ukudu is transferred to GPA.
<b>#2 Question:</b>	<b>Can you give us an update on the damage of Marbo Cave caused by KEPCO construction efforts on their solar farm?</b>
<b>Response:</b>	Marbo Cave is an historic and important site on Guam and it is most unfortunate to see any damage occur to that site. KEPCO and the litigators have reached a settlement; they have paid a fine and continue its clean up efforts to Marbo Cave. KEPCO has also made substantial donations to the Mangilao community and will continue to be a responsible community partner on Guam. For greater details, please direct this question to KEPCO officials.
<b>#3 Question:</b>	<b>If GPA is able to duplicate this Mangilao Solar Farm model several times in the next few years, what would keep us from becoming fully reliant on renewable power? Wouldn't that make the Ukudu Power Plant and the continual use of fossil fuels unnecessary?</b>
<b>Response:</b>	We can have solar farms throughout our island. The issue is not creating renewable energy, it is 1) the cost-prohibitive nature of storing renewable energy and 2) the inconsistency of nature. If our skies are overcast or we have inclement weather, we will not be able to produce solar power, making our power system unreliable and unstable. That's why our Clean Energy Master Plan has our goal set for 2045 because technology will have caught up with the power industry and battery storage will be stable, accessible, and affordable. Until then, we need the balance that a low-diesel fuel power plant will provide.
<b>#4 Question:</b>	<b>The Ukudu Power Plant and the eventual transition to 100% reliability on renewable energy by 2045 speaks to the vision of GPA and should be commended. But with the rise in LEAC twice this year and a possible third in a few months, what is GPA doing now to help customers who are struggling to pay their monthly power bills and keep their lights on?</b>
<b>Response:</b>	The price of oil continues to rise exponentially around the world, causing an increase in the operation of Guam's power system and hence, in GPA's fuel surcharge. This increase is affecting virtually every power provider, every gas station, every resident -EVERYONE- around the world.

	<p>GPA understands the hardship this may cause our customers. If it was at all possible, GPA would delay or even dismiss any increase, but because fuel costs have become higher than ever, the increase in LEAC was necessary.</p> <p>GPA executives have worked closely with Governor Leon Guerrero and Senator Joe San Agustin to help provide some relief for our customers. This will come in the form of a power bill rebate which will provide every residential and commercial ratepayer a \$100 credit on their power bills from July through November.</p> <p>Additionally, GPA continues to operate efficiently, keeping our base rate low which helps avoid increases in that portion of your power bill, a practice GPA has maintained for decades. GPA also offers energy-saving tips to help consumers save power and money.</p>
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<b>#5 Question:</b>	<b>Are the solar farms yielding any savings for GPA and/or its customers?</b>
<b>Response:</b>	<p>The solar farms have been a tremendous source for GPA. They help provide the additional energy needed to meet the power demands of our residents while resulting in significant savings. Unfortunately, our customers are not able to realize those savings because of the enormous price of crude oil and fuel. Once the price of oil reduces significantly and stabilizes, savings from GPA's renewable energy programs will positively impact both our residential and commercial customers.</p>

<b>#6 Question:</b>	<b>What message would you give long-time residents of Guam who are frustrated with higher monthly power bills while they still experience unscheduled outages?</b>
<b>Response:</b>	<p>We understand your frustration and we thank you for your patience. GPA knows there is always room for improvement - to our system, to our processes - and every day, we strive to do better as Guam's only power provider.</p> <p>With the Ukudu Power Plant on its way, with the Mangilao Solar Farms already providing energy to our grid; with the eventual retirement of the old Cabras units that are too expensive to maintain and more renewable energy projects that will unfold in the next few years, the future of power generation on Guam is phenomenal. Greater stability and reliability, reduction in emissions by 99% and lower power bills are on the way!</p>