



Pacific Power Association

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Website : <http://www.ppa.org.fj>

CHAIRMAN:
William Roberts
Marshalls Energy Company
EXECUTIVE DIRECTOR:
Anthony E. Neil, MIEAust, MIEEE

MEDIA RELEASE

FOUNDING MEMBERS

Active:

American Samoa Power Authority
Commonwealth Utilities Corporation,
Saipan, Northern Marianas
Electric Power Corporation, Western
Samoa
Électricité de Tahiti
Fiji Electricity Authority
Guam Power Authority
Kwajalein Atoll Joint Utility Resource,
Ebeye, Marshall Islands
Marshalls Energy Company
PNG Electricity Commission
Pohnpei Utility Corporation, FSM
Public Utilities Board, Kiribati
Public Utilities Corporation, Palau
Solomon Islands Electricity Authority
Te Aponga Uira O Tumu-Te Varovaro,
Cook Islands
Tuvalu Electricity Corporation
Yap State Public Service Corporation,
FSM

FOUNDING MEMBERS

Allied:

ABB Transformers, NZ
Al Asher & Sons, USA
Dulmison, Australia
Bussan Electric Machinery Trading, Japan
Cooper Power Systems, Australia
Deutz MWM, Australia
Dowding & Mills, Australia
Electricity Supply Association of Australia
Alstom Australia
Lypco International, USA
MM Cables, Australia
Olex Cables, Australia
Pacific Machinery - Energy Div, USA
Integral Energy, Australia
Siemens AG, Germany
Snowy Mountains Engineering, Australia
T S F Engineering, Australia
Wartsilä Diesel Pacific Inc, USA

The Pacific Power Association (PPA) has been awarded a grant by the United States Government to assist the four territories of Guam, American Samoa, the US Virgin Islands located in the Caribbean, and the Commonwealth of the Northern Mariana Islands, as well as the three Freely Associated States of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia to improve their power utilities.

This assistance, awarded to PPA from the United States Department of the Interior (USDO), is directed at key sectors of energy and power utilities in these U.S –affiliated insular areas.

In the islands the key focus area is energy. The goal is to reduce the dependence on imported fossil fuels, which is critical to the economic survival of these small islands states.

It is of increasing concern that the power utilities in the past three years have seen their annual budgets for the procurement of diesel fuel rise from 40% of the total utility operating budget to a figure that is in excess of 60%.

With no respite from the spiraling fuel cost, it is envisaged that in the next 2-3 years, this percentage could rise to as high as 70% or greater.

The grant is also intended to help utilities develop a policy to protect and strengthen key components of their power grids against tropical cyclones.

This has been a real problem causing great devastation in the islands in our region and creating economic hardship for subsequent years as it takes time to recover.



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The role of the PPA will be to update the Territorial Energy Assessments (1982) for the seven (7) U.S –affiliated insular areas, providing, in consultation with the Office of Insular Affairs and various jurisdictions, and long-term recommendations to help these islands reduce their dependence on fossil fuels.

In addition, PPA will examine, in consultation with the U.S. Department of Energy, the feasibility of various renewable and energy conservation options.

Early last year, the PPA was privileged to be invited to contribute to the design of the United States Energy Policy Act of 2005 as it pertains to these seven (7) Island countries. The PPA’s input and recommendations were incorporated in the final Act.

The USDOJ in its letters to PPA and the Heads of Governments in each of these seven (7) Islands Countries, said that “...The PPA was selected to carry out this work as we have been impressed by its sustainable activities in the power sector in the region, together with the fact that it is the lead organization in the power sector as stipulated in the Pacific Islands Policy and Strategic Action Plan. This is acknowledged by the members of the Energy Working Group of the Council of Regional Organisations of the Pacific....”

PPA Executive Director Tony Neil said: “The PPA is honoured that the United States has selected our association particularly as it provides the PPA with an ideal opportunity to provide constructive solutions to critical sectors in our Islands where there has been much suffering, damage, spiraling costs associated with the operations of power systems (because of fuel costs) with resultant economic hardship in these Islands.

For further queries, please contact Tony Neil on phone number, 3306 022 or email to tonyn@ppa.org.fj

Tony Neil
Executive Director



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240



MAR 6 2006

Mr. Tony Neil
Executive Director
Pacific Power Association
Private Mail Bag
Suva, Fiji

Dear Mr. Neil:

I am pleased to award this grant to the Pacific Power Association (PPA) for the purpose of assisting the Department of the Interior in fulfilling its responsibilities with regard to the Energy Policy Act of 2005. This work will cover the four territories of Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands, as well as the three Freely Associated States of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia.

The Pacific Power Association was selected to carry out this work as we have been impressed by its sustainable activities in the power sector in the region, together with the fact that it is the lead organization in the power sector as stipulated in the Pacific Islands Energy Policy and Strategic Action Plan. Its role as the lead organization for the power sector in the Pacific Islands Energy Policy is acknowledged by the members of the Council of Regional Organization of the Pacific, Energy Working Group.

Under the terms of this grant, PPA will be responsible for compiling updates to the original Territorial Energy Assessment of 1982, providing, in consultation with the Office of Insular Affairs and the various jurisdictions, long-term recommendations for helping the insular areas reduce their dependence on imported fuels. In addition, PPA will examine, in consultation with the U.S. Department of Energy as necessary, the feasibility of various renewable and energy conservation options. Finally, PPA will produce reports that offer recommendations for hardening or protecting key components of the power grid in each of the insular areas against the tropical cyclones and other natural phenomena that have caused damage in the past.

We look forward to working with you on this project. Please contact Cheryl Jodoin or Joe Gecan of my staff if you have any follow-up questions.

Sincerely,

Nikolao I. Pula
Director, Office of Insular Affairs