

I Mina'trentai Siette Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
142-37 (COR) As amended by the Committee on Fire, Agriculture, Power and Energy Utilities, Public Transit, Unemployment Insurance, and Universal Health Insurance; and further amended on the Floor.	William A. Parkinson	AN ACT TO AMEND § 8502(c)(2)(B) OF ARTICLE 5, CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO NET METERING.	6/22/23 11:18 a.m.	6/23/23	Committee on Fire, Agriculture, Power and Energy Utilities, Public Transit, Unemployment Insurance and Universal Health Insurance	Request: 6/23/23 7/3/23	9/7/23 9:00 a.m.	11/9/23 11:41 a.m.	Additional Testimony 2/19/24
	SESSION DATE		DATE PASSED	TRANSMITTED	DUE DATE	PUBLIC LAW NO.	LAPSED	NOTES	
	2/19/24	AN ACT TO AMEND §§ 8502(c)(2)(B) AND 8505(b)(3) OF ARTICLE 5, CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO NET METERING.	2/23/24	2/23/24	3/6/24	37-71	3/6/24	Received: 3/6/24 Messages and Communications Doc. No. 37GL-24-1732	

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Doc Type: 37G-24-1732
OFFICE OF THE SPEAKER
THERESE M. TERLAJE

Transmitted via email to: speaker@guamlegislature.org

March 6, 2024

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Time: 6:16
Received: [Signature]

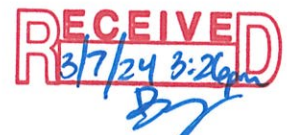
The Hon. Therese M. Terlaje
Speaker, I Mina'trentai Siette Na Liheslaturan Guåhan
37th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Re: Bill No. 142-37 (COR) - AN ACT TO AMEND §§ 8502(c)(2)(B) AND 8505(b)(3) OF ARTICLE 5, CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO NET METERING

Håfa Adai Madam Speaker,

Bill No. 142-37 (COR) increases the generating capacity limit for Guam Power Authority (“GPA”) non-residential customers utilizing solar energy technology from one hundred (100) to five hundred (500) kilowatts. While Bill No. 142-37 intends to promote the use of renewable energy and empower businesses to maximize solar technology, I cannot dismiss the testimony provided by our local utility agencies, the Guam Power Authority and the Public Utilities Commission (“PUC”), expressing serious concern about the negative impacts of this legislation.

GPA offered testimony that with this bill, 1,300 current Net Energy Metering (“NEM”) program customers, specifically businesses, will be eligible for increases in generating capacity. GPA further noted that if twenty-five (25) percent of those customers increase their production in excess of (100) kilowatts, then this would result in an additional \$12M in revenue loss for GPA. Currently, NEM program customers do not contribute to operating costs of approximately \$5M annually, which are subsidized by non-NEM customers. GPA stated the additional loss of \$12 million in annual revenue as a result of the enactment of this bill would require GPA to file for rate increases to cover operating costs, which would be shifted to non-NEM customers, including low income, fixed income, and at-risk customers. Further, the PUC emphasized that net metering is not a solution to address load capacity issues facing GPA, as it has potential to overload circuits and



To: Therese M. Terlaje, Speaker
Fr: Lourdes A. Leon Guerrero, Governor of Guam
Date: March 6, 2024
Re: Bill No. 142-37 (COR)

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create instability impacting stable grid operation leading to more outages. The PUC echoed GPA's concerns about the negative financial impacts of the bill on non-NEM ratepayers.

My Administration has extended the Energy Credit Program (ECP) on five separate occasions to residential, master-metered, and commercial ratepayers. Though the program has provided substantial assistance to the community, it is also costly— to date the ECP has cost our government over \$110M. Based on the testimony of our utility agencies, the agencies anticipate that enactment of Bill No. 142-37 will negatively impact residential ratepayers. I am concerned that the average ratepayer, especially those currently struggling financially, will be crippled by rate increases, especially when the Energy Credit Program eventually comes to an end.

For these reasons, Bill No. 142-37 (COR) will lapse into law without my signature, as ***Public Law No. 37-71***.

Senseramente,



LOURDES A. LEON GUERRERO

Maga'hågan Guåhan

Governor of Guam

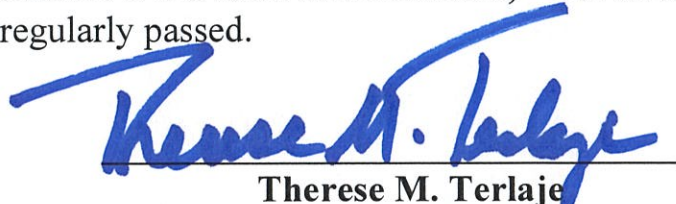
Enclosure(s): Bill No. 142-37 (COR) nka P.L. 37-71

cc via email: The *Honorable* Joshua F. Tenorio, *Maga'låhen Guåhan*, Lt. Governor of Guam
Compiler of Laws

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2024 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'HÅGAN GUÅHAN*

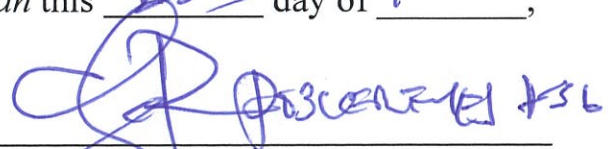
This is to certify that Bill No. 142-37 (COR), "AN ACT TO AMEND §§ 8502(c)(2)(B) AND 8505(b)(3) OF ARTICLE 5, CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO NET METERING," was on the 23rd day of February 2024, duly and regularly passed.


Therese M. Terlaje
Speaker

Attested:


Amanda L. Shelton
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 23rd day of FEB,
2024, at 6:45 o'clock P.M.


Assistant Staff Officer
Maga'håga's Office

APPROVED:

Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

Date: 3/6/2024

Public Law No. 37-71

2024-21084
OFFICE OF THE GOVERNOR
CENTRAL FILES OFFICE
Rec'd By: Jessica Dydasco
Date: 2/24/24 Time: 11:33AM

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2023 (FIRST) Regular Session

Bill No. 142-37 (COR)

As amended by the Committee on Fire,
Agriculture, Power and Energy Utilities,
Public Transit, Unemployment Insurance,
and Universal Health Insurance; and further
amended on the Floor.

Introduced by:

William A. Parkinson
Chris Barnett
Frank Blas, Jr.
Joanne Brown
Christopher M. Dueñas
Thomas J. Fisher
Jesse A. Lujan
Tina Rose Muña Barnes
Roy A. B. Quinata
Joe S. San Agustin
Dwayne T.D. San Nicolas
Amanda L. Shelton
Telo T. Taitague
Therese M. Terlaje

**AN ACT TO *AMEND* §§ 8502(c)(2)(B) AND 8505(b)(3) OF
ARTICLE 5, CHAPTER 8, TITLE 12, GUAM CODE
ANNOTATED, RELATIVE TO NET METERING.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 and declares that during the recovery after Typhoon Mawar it has shown that, despite
4 improvements, Guam still relies heavily on traditional power-generation systems.

1 Nearly twenty (20) years ago, *I Liheslatura* recognized that photovoltaic, solar
2 technology and other alternative energy-generation systems could help expand and
3 safeguard the island’s electric supply by the enactment of Public Law 27-132.

4 *I Liheslatura* finds that the one hundred (100) kilowatt generating capacity
5 limit for Guam Power Authority non-residential class customers was set over
6 thirteen (13) years ago by the enactment of Public Law 30-141.

7 *I Liheslatura* further finds that, since then, technology for renewable energy
8 generation and storage has advanced significantly and will only continue to improve.

9 *I Liheslatura* further finds that increasing the limit for non-residential class
10 customers to five hundred (500) kilowatts would create an opportunity for entities
11 that provide critical services to our island community to be less reliant on fossil fuels
12 and continue operations during a power outage and or fuel shortages.

13 *I Liheslatura* further finds that increasing the ability of businesses to
14 maximize the use of solar energy technology aligns with the mandates of Public Law
15 35-46, which requires the Guam Power Authority (GPA) to “establish a preliminary
16 renewables portfolio standard goal of one hundred percent (100%) of its net
17 electricity sales by December 31, 2045.”

18 Therefore, it is the intent of *I Liheslaturan Guåhan* to promote the use of
19 renewable energy sources and permit businesses to maximize the use of solar energy
20 technology in a manner that provides environmental and economic benefits.

21 **Section 2.** § 8502(c)(2)(B) of Article 5, Chapter 8, Title 12, Guam Code
22 Annotated, is hereby *amended* to read as follows:

23 “(2) has a generating capacity limited to the following, provided,
24 however, that the rated capacity of the renewable energy generation does not
25 exceed the customer-generator power service entrance capacity:

26 (A) not exceed twenty-five (25) kilowatts for Guam Power
27 Authority residential class customers; and

1 (B) not exceed five hundred (500) kilowatts for Guam Power
2 Authority non-residential class customers provided that:

3 (i) non-residential class customers add and maintain
4 not less than one (1) full hour of battery backup if the non-
5 residential class customer exceeds two hundred-fifty (250)
6 kilowatts;

7 (ii) prior to authorizing additional solar power capacity
8 of more than two hundred-fifty (250) kilowatts, the Guam Power
9 Authority shall certify the non-residential class customer has
10 installed a suitable battery back up system consistent with the
11 requirements, *supra*.”

12 **Section 3.** § 8505(b)(3) of Article 5, Chapter 8, Title 12, Guam Code
13 Annotated, is hereby *amended* to read as follows:

14 “(b) The net energy measurement must be calculated in the following
15 manner:

16 (3) If the electricity generated by the customer-generator
17 which is fed back to the utility exceeds the electricity supplied by the
18 utility during the billing period, the customer-generator is entitled to
19 compensation for electricity provided to the utility during the billing
20 period at a rate to be determined by the Public Utilities Commission.
21 However, non-residential class customers with a customer-generator
22 that exceeds one hundred (100) kilowatts in generating capacity shall
23 not be entitled to compensation for any electricity provided to the utility
24 under this Section.”

25 **Section 4. Effective Date.** This Act shall be effective upon enactment.