

*I Mina'trentai Sais Na Lihelaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
10-36 (COR)	Clynton E. Ridgell	AN ACT TO ADD A NEW § 8503(b)(4) AND TO AMEND § 8505(b)(3) OF CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE AGGREGATE CAPACITY LIMIT FOR NET ENERGY MEASUREMENT CALCULATIONS AND TO ESTABLISHING THE RATE AT WHICH CUSTOMER-GENERATORS ARE TO BE COMPENSATED, RESPECTIVELY.	1/4/21 4:58 p.m.						

***I MINA 'TRENTAI SAIS NA LIHESLATURAN GUÅHAN***  
**2021 (FIRST) Regular Session**

**Bill No. 10-36 (COR)**

Introduced by:

Clynton E. Ridgel   

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**AN ACT TO ADD A NEW § 8503(b)(4) AND TO AMEND § 8505(b)(3) OF CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE AGGREGATE CAPACITY LIMIT FOR NET ENERGY MEASUREMENT CALCULATIONS AND TO ESTABLISHING THE RATE AT WHICH CUSTOMER-GENERATORS ARE TO BE COMPENSATED, RESPECTIVELY.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that net metering is a valuable component of Guam's power generation and a  
4 growing industry that needs to be secured. The energy generated through net  
5 metering is clean and renewable, with technology constantly improving its  
6 efficiency and reliability. Net metering as a policy allows private citizens to invest  
7 into Guam's energy grid in exchange for a credit to their utility bill for whatever  
8 energy they provide to the grid. Net metering has been instrumental in Guam's  
9 policy to meet its renewable portfolio standards and will continue to be important as  
10 Guam seeks to meet the goal of one hundred percent (100%) renewable energy by  
11 2045 as required in Public Law 35-46. As Guam rapidly approaches the ten percent  
12 (10%) aggregate cap created by PUC Docket 19-04, changes must be made to allow

1 for the further growth of the industry to allow room for innovation and growth of the  
2 renewable industry on Guam.

3 *I Liheslatura* further finds that according to the independent review conducted  
4 by Daymark Energy Advisors, “Distributed solar is a good resource for the island  
5 that adds to its resource diversity and has the potential to provide distribution  
6 locational benefits. Discouraging it is not ideal.” While the utility has argued that  
7 net metering creates a cost burden for those customers who do not participate in net  
8 metering, several research studies, including those from the Brookings Institute and  
9 from the Lawrence Berkeley National Laboratory, have shown that cost shifting is a  
10 myth and that net metering is a net benefit for the grid.

11 Therefore, it is the intent of *i Liheslaturan Guåhan* to support the expansion  
12 of all industries that seek to privately fund clean renewable energy to be generated  
13 for Guam’s power grid. By increasing the aggregate capacity limit, this allows room  
14 for the renewable industry to grow and continue providing more energy for the grid.  
15 Additionally, by locking in all existing customers up to the new threshold, we secure  
16 the investment of all current and future net metering customers below that cap. This  
17 way, decisions made by the utility do not negatively impact the solar investor, their  
18 financing agreements and by extension, affect the industry as a whole. Increasing  
19 the capacity limit and protecting investment into net metering both allow for a  
20 thriving renewable industry to bring money, jobs, and clean, green energy to not  
21 only net metering customers, but to the entire island.

22 **Section 2.** A new § 8503(b)(4) is *added* to Article 5, Chapter 8, Title 12,  
23 Guam Code Annotated, to read:

24 “(4) shall set the level of penetration of Net Metering Systems to an  
25 aggregate capacity limit of twenty percent (20%) of the utility’s total system  
26 peak demand.

1           (A) shall conduct a complete distribution system study  
2           containing a full benefit-cost analysis that provides analysis of the  
3           impacts of distributed generation on the distribution system, within six  
4           (6) months of reaching the aggregate capacity limit established in §  
5           8503(b)(4) and

6           (B) shall not approve new applications for net metering  
7           systems beyond the aggregate capacity limit until such time when the  
8           distribution system study is completed.”

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

11           “(3) If the electricity generated by the customer-generator which is  
12          fed back to the utility exceeds the electricity supplied by the utility during the  
13          billing period, the customer-generator is entitled to compensation for  
14          electricity provided to the utility during the billing period at a rate ~~to be~~  
15          determined by the Public Utility Commission of not less than the full retail  
16          rate.

17           (A) The utility shall not petition to change the rate of  
18           compensation to existing customer-generators whose net metering  
19           systems fall within the aggregate capacity limit established in §  
20           8503(b)(4).

21           (B) The utility may petition to change the rate of compensation  
22           for new customer-generators who enter the Net Metering Program after  
23           the utility determines the level of penetration of net metering systems  
24           is at capacity as established in § 8503(b)(4).”

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

26          **Section 5. Severability.** If any provision of this Act or its application to any  
27          person or circumstance is found to be invalid or contrary to law, such invalidity *shall*

1 *not* affect other provisions or applications of this Act that can be given effect without  
2 the invalid provision or application, and to this end the provisions of this Act are  
3 severable.